Office copy (1+2)

Price Waterhouse & Co Chartered Accountants LLP

Independent Auditor's Report

To the Members of Tata Steel Special Economic Zone Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Tata Steel Special Economic Zone Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

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

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Price Waterhouse & Co Chartered Accountants LLP, LLPIN AAC-4362, Chartered Accountants, FRN 304026E/E-300009, Kolkata

Price Waterhouse & Co Chartered Accountants LLP, Plot No. 56 & 57, Block DN, Sector V, Salt Lake
Kolkata - 700 091, India
T: +91 (33) 44001111 / 44662000

INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Steel Special Economic Zone Limited
Report on Audit of the Financial Statements

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

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

8. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position

      ii. The Company was not required to recognise a provision as at March 31, 2024 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2024.

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 51(f)(i) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 51(f)(ii) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

vi. Based on our examination, which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not notice any instance of audit trail feature being tampered with.

13. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304206E/E-300009

Gaurav

Gourab Bardhan
Partner
Membership Number 131310

UDIN: 24131310BKGZWT2539

Gurugram
April 25, 2024

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of Tata Steel Special Economic Zone Limited on the financial statements for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Tata Steel Special Economic Zone Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of Tata Steel Special Economic Zone Limited on the financial statements for the year ended March 31, 2024

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304206E/E-300009

Gaurav

Gourab Bardhan
Partner
Membership Number 131310
UDIN: 24131310BKGZWT2539

Gurugram
April 25, 2024

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Tata Steel Special Economic Zone Limited on the financial statements as of and for the year ended March 31, 2024

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 and Note 4 to the financial statements, are held in the name of the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.

ii. (a) The Company is in the business of rendering services and, consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

Price Waterhouse & Co Chartered Accountants LLP LLPIN AAC-4362 Chartered Accountants FRN 304026E/E-300009 Kolkata

Price Waterhouse & Co Chartered Accountants LLP, Plot No. 56 & 57, Block DN, Sector V, Salt Lake
Kolkata - 700 091, India
T: +91 (33) 44001111 / 44662000

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Tata Steel Special Economic Zone Limited on the financial statements for the year ended March 31, 2024

iii. (a) The Company has made investments in eleven mutual fund schemes and granted unsecured loan to one company. The Company did not grant advance in the nature of loan, stand guarantee, or provided security to any Company/ firm / Limited Liability Partnership/ other party. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loan to subsidiaries are as per the table given below:

	Loans (Rs in lakhs)
Aggregate amount granted/ provided during the year - Subsidiaries (Fellow subsidiary)	9,000.00
Balance outstanding as at balance sheet date in respect of the above case - Subsidiaries (Fellow subsidiary)	9,000.00

Also, refer Note 14 to the financial statements

(b) In respect of the aforesaid investments and loans, the terms and conditions under which such loans were granted/investments were made are not prejudicial to the Company's interest.

(c) In respect of the loans, the schedule of repayment of principal and payment of interest has been stipulated, and the repayment of loans (along with payment of interest) are not due in the current year.

(d) In respect of the loans, there is no amount which is overdue for more than ninety days.

(e) There were no loans which have fallen due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans/advances in nature of loan.

(f) The loans granted during the year, including to related parties had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand.

iv. In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, as applicable.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Tata Steel Special Economic Zone Limited on the financial statements for the year ended March 31, 2024

vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 50 to the financial statements regarding management's assessment on certain matters relating to provident fund.

(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short-term basis. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Tata Steel Special Economic Zone Limited on the financial statements for the year ended March 31, 2024

xi. (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

xi. (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause. As explained by the management, there were certain complaints in respect of which investigations are ongoing as on the date of our report and our consideration of the complaints having any bearing on our audit is based on the information furnished to us by the management.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.

xiv. (a) The internal audit of the Company is covered under the group internal audit pursuant to which an internal audit is carried out every year. In our opinion, the Company's internal audit system is commensurate with the size and nature of its business.

xiv. (b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has seven CICs as part of the Group as detailed in note 52 to the financial statements. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Tata Steel Special Economic Zone Limited on the financial statements for the year ended March 31, 2024

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304206E/E-300009

Gourav

Gourab Bardhan
Partner
Membership Number: 131310
UDIN: 24131310BKGZWT2539

Gurugram
April 25, 2024

Tata Steel Special Economic Zone Limited
Balance Sheet as at March 31, 2024

Amount in INR Lakhs, unless stated otherwise

	Note	As at March 31, 2024	As at March 31, 2023
(I) Assets			
(1) Non-current assets			
(a) Property, plant and equipment	03	14,084.17	14,967.36
(b) Right-of-use assets	04	17,127.43	17,237.00
(c) Capital work-in-progress	05	10,061.99	8,743.75
(d) Intangible assets	06	3.33	3.11
		41,276.92	40,951.22
(e) Financial assets			
(i) Lease receivable	07	4,162.80	4,167.19
(ii) Other financial assets	08	6.47	5.69
(f) Income tax asset (Net)	09	131.59	64.05
(g) Other non-current assets	10	-	73.52
Total non-current assets		45,577.78	45,261.67
(2) Current assets			
(a) Financial assets			
(i) Trade receivables	11	14.63	-
(ii) Cash and cash equivalents	12	200.55	1,215.68
(iii) Lease receivable	13	518.58	503.48
(iv) Loans	14	9,000.00	-
(v) Other financial assets	15	60.90	1.09
(b) Other current assets	16	100.19	231.53
Total current assets		9,894.85	1,951.78
Total assets		55,472.63	47,213.45
(II) Equity and liabilities			
(1) Equity			
(a) Equity share capital	17	45,986.16	45,986.16
(b) Other equity	18	(1,391.96)	(709.33)
Total equity		44,594.20	45,276.83
(2) Liabilities			
(A) Non-current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	19	358.04	269.30
(b) Provisions	20	7.17	5.26
(c) Deferred tax liabilities	39	-	-
(d) Other non-current liabilities	21	391.99	400.63
Total non-current liabilities		757.20	675.19
(B) Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	22	-	3.36
(ii) Trade payables	23		
total outstanding dues of micro and small enterprises		3.79	-
total outstanding dues other than micro and small enterprises		104.42	69.04
(iii) Other financial liabilities	24	586.51	1,091.96
(b) Provisions	25	10.53	6.92
(c) Other current liabilities	26	9,415.98	90.15
Total current liabilities		10,121.23	1,261.43
Total liabilities		10,878.43	1,936.62
Total equity and liabilities		55,472.63	47,213.45
Corporate Information	1		
Summary of Material Accounting Policies	2		

The above balance sheet should be read in conjuction with the accompanying notes.
This is the balance sheet referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No.304026E/E-300009

Gaurav

Gourab Bardhan
Partner
Membership No.: 131310
Place: Gurugram
Date: April 25, 2024

For and on behalf of Board of Directors

Chanakya Chaudhary
Chairman
DIN: 02139568
Place: Jamshedpur
Date: April 25, 2024

Manikanta Naik
Managing Director
DIN: 06634999
Place: Bhubaneswar
Date: April 25, 2024

Manas Bandyopadhyay
Chief Financial Officer
Place: Bhubaneswar
Date: April 25, 2024

Swati Sheth

Swati Sheth
Company Secretary
Place: Kolkata
Date: April 25, 2024

Tata Steel Special Economic Zone Limited
Statement of Profit and Loss for the year ended March 31, 2024

Amount in INR Lakhs, unless stated otherwise

	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
Income			
(a) Revenue from operations	27	1,585.36	2,248.12
(b) Other income	28	363.47	161.27
Total income		**1,948.83**	**2,409.39**
Expenses			
(a) Cost of Sales	29	65.47	652.02
(b) Employee benefits expense	30	196.33	176.63
(c) Finance Costs	31	0.04	1.32
(d) Depreciation and amortisation expense	32	1,599.63	1,461.04
(e) Other expenses	33	768.79	635.70
Total expenses		**2,630.26**	**2,926.71**
Loss before taxes		**(681.43)**	**(517.32)**
Income tax expense		-	-
Loss after tax for the year		**(681.43)**	**(517.32)**
Other comprehensive income			
Item that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations	36	(1.20)	0.08
Other comprehensive income/(loss) for the year net of tax		**(1.20)**	**0.08**
Total comprehensive income/ (loss) for the year		**(682.63)**	**(517.24)**
Earning per equity share (Face value of share of Rs.10 each)	37		
Basic earning per share (in Rs.)		(0.15)	(0.12)
Diluted earning per share (in Rs.)		(0.15)	(0.12)

Corporate Information	1
Summary of Material Accounting Policies	2

The above statement of profit & loss should be read in conjuction with the accompanying notes.
This is the statement of profit and loss referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No.304026E/E-300009

Gaurav

Gourab Bardhan
Partner
Membership No.: 131310
Place: Gurugram
Date: April 25, 2024

For and on behalf of Board of Directors

Chanakya Chaudhary
Chairman
DIN: 02139568
Place: Jamshedpur
Date: April 25, 2024

Manikanta Naik
Managing Director
DIN: 06634999
Place: Bhubaneswar
Date: April 25, 2024

Manas Bandyopadhyay
Chief Financial Officer
Place: Bhubaneswar
Date: April 25, 2024

Swati Sheth

Swati Sheth
Company Secretary
Place: Kolkata
Date: April 25, 2024

Tata Steel Special Economic Zone Limited
Statement of Changes in Equity for the year ended March 31, 2024

Amount in INR Lakhs, unless stated otherwise

A) Equity share capital

Particulars	Notes	Amount
Balance as at April 01, 2022	17	**40,842.44**
Changes in equity share capital		5,143.72
Balance as at March 31, 2023		**45,986.16**
Changes in equity share capital		-
Balance as at March 31, 2024		**45,986.16**

B) Other equity

Particulcras	Notes	Share application money pending allotment *	Retained earnings	Securities premium	Total
Balance at April 01, 2023	18	**0.00**	**(2,654.25)**	**1,944.92**	**(709.33)**
Loss for the year		-	(681.43)	-	(681.43)
Other comprehensive income		-	(1.20)	-	(1.20)
Balance as at March 31, 2024		**0.00**	**(3,336.88)**	**1,944.92**	**(1,391.96)**
Balance at April 01, 2022		**0.00**	**(2,137.01)**	**288.64**	**(1,848.37)**
Loss for the year		-	(517.32)	-	(517.32)
Other comprehensive income		-	0.08	-	0.08
Issue of shares		-	-	1,656.28	1,656.28
Balance as at March 31, 2023		**0.00**	**(2,654.25)**	**1,944.92**	**(709.33)**

* Below rounding off norm

The above statement of changes in equity should be read in conjunction with the accompanying notes.
This is the statement of changes in equity referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No.304026E/E-300009

Gourab Bardhan
Partner
Membership No.: 131310
Place: Gurugram
Date: April 25, 2024

For and on behalf of Board of Directors

Chanakya Chaudhary
Chairman
DIN: 02139568
Place: Jamshedpur
Date: April 25, 2024

Manikanta Naik
Managing Director
DIN: 06634999
Place: Bhubaneswar
Date: April 25, 2024

Manas Bandyopadhyay
Chief Financial Officer
Place: Bhubaneswar
Date: April 25, 2024

Swati Sheth
Company Secretary
Place: Kolkata
Date: April 25, 2024

Tata Steel Special Economic Zone Limited
Statement of Cash Flows for the year ended March 31, 2024

Amount in INR Lakhs, unless stated otherwise

	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash flow from operating activities:		
Loss before tax for the year	**(681.43)**	**(517.32)**
Adjustments for:		
Depreciation and amortisation expenses	1,599.63	1,461.04
Net gain on sale of investments	(258.54)	(91.97)
Interest on Loan	(66.45)	-
Finance costs	0.04	1.32
Interest income from financial assets at amortised cost	(27.45)	(43.98)
Interest on lease receivable	(503.96)	(501.78)
Profit/(loss) on sale/ discard of property, plant and equipment	-	0.84
Operating profit before working capital changes	**61.84**	**308.15**
Adjustments for:		
(Increase)/decrease in non-current/ current financial and other assets	609.17	553.08
Increase/ (decrease) in non-current/ current financial and other liabilities/	9,516.95	(659.92)
Cash generated from operations	**10,187.96**	**201.31**
Income taxes paid	(67.54)	17.75
Net cash inflow from operating activities	**10,120.42**	**219.06**
B. Cash flow from investing activities:		
Payment for acquisition of property, plant and equipment, capital work in progress, intangible assets and right-of-use assets	(2,424.80)	(2,254.63)
Proceeds from sale of property plant and equipment	-	0.07
Inter-corporate loan given	(9,000.00)	-
Proceeds from maturity of Fixed Deposit	-	764.00
Interest received on loan	6.64	-
Interest on fixed deposits/ sweep account	27.45	45.94
Purchase of units of mutual funds	(9,500.01)	(15,550.00)
Proceeds form sale of units of mutual funds	9,758.57	15,641.97
Net cash outflow from investing activities	**(11,132.15)**	**(1,352.65)**
C. Cash flow from financing activities:		
Proceeds from issue of Equity Share Capital	-	6,800.00
Repayment of long-term borrowings	-	(7,582.68)
Principal element of lease payments	(2.94)	(18.66)
Interest paid on lease liabilities	(0.46)	(1.76)
Net cash outflow from financing activities	**(3.40)**	**(803.10)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(1,015.13)	(1,936.69)
Cash and cash equivalents at the beginning of the financial year (refer Note 12)	1,215.68	3,152.37
Cash and cash equivalents at the end of the financial year (refer Note 12)	**200.55**	**1,215.68**

Reconcilaition of cash and cash euivalents as per the statement of cash flows

Cash and Cash equivalents as per above comprises the following

	March 31, 2024	March 31, 2023
Cash and cash equivalents (as per note 12)	200.55	1,215.68
Balance as per statement of cash flows	**200.55**	**1,215.68**

The above statement of cash flows have been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

The above statement of cash flows should be read in conjuction with the accompyning notes.
This is the statement of cash flows referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No.304026E/E-300009

Gaurav

Gourab Bardhan
Partner
Membership No.: 131310
Place: Gurugram
Date: April 25, 2024

For and on behalf of Board of Directors

Chanakya Chaudhary
Chairman
DIN: 02139568
Place: Jamshedpur
Date: April 25, 2024

Manikanta Naik
Managing Director
DIN: 06634999
Place: Bhubaneswar
Date: April 25, 2024

Manas Bandyopadhyay
Chief Financial Officer
Place: Bhubaneswar
Date: April 25, 2024

Swati Sheth

Swati Sheth
Company Secretary
Place: Kolkata
Date: April 25, 2024

Tata Steel Special Economic Zone Limited
Notes to the Financial Statements as at March 31, 2024

1) Corporate Information
Tata Steel Special Economic Zone Limited ("the Company") is a public limited company incorporated in India with its registered office in Bhubaneswar, Odisha.

The Company, a 100% subsidiary of Tata Steel Utilities and Infrastructure Services Limited, is in the process of developing an Industrial Park at Gopalpur, in Ganjam District of Odisha. Tata Steel Limited is the ulimate holding company of the company.

2) Material Accounting Policies:
This note provides a list of the material accounting policies adopted in the presentation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation
(i) Compliance with Ind AS
The financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (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.

(iii) Current versus Non-current Classification
The company presents assets and liabilities in the Balance Sheet based on current/non-current classification.
(A) 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 or 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.

(B) 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 settlement of the liability for at least twelve months after the reporting period.
All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as Non-current.

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

(iv) New and amended standards adopted by the Company
The Ministry of Corporate Affairs vide notification dated March 31, 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective April 1, 2023:
- Disclosure of accounting policies - amendments to Ind AS 1
- Definition of accounting estimates - amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction - amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

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

(v) Rounding off amounts
All amounts disclosed in the Financial Statements and notes have been rounded off to nearest lakhs (Rs 00,000) as per the requirements of Schedule III to the Act, unless otherwise stated.

2.2 Critical Estimates and Judgements
The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

The areas involving critical estimates or judgements are:

(a) Impairment - Note 2.4
The Company estimates the value in use of the cash generating unit (CGU) based on future cash flows after considering current economic conditions and trends, esimated future operating results and growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value.

(b) Estimation of Expected Useful Lives of Property, Plant and Equipment — Notes 2.3 and 3
Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

(c) Expected Credit Losses - Note 2.13 and 14
To measure the expected credit losses, loan given to the party has been assessed for recoverability. The expected loss rates are based on the credit profile, business growth etc. and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the party to settle the receivables. The assumptions and estimates applied for determining the loss allowance are reviewed periodically.

Tata Steel Special Economic Zone Limited

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

2.3 Property, Plant and Equipment

All 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 occurred.

Depreciation methods, estimated useful lives and residual value :

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

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 or determined basis technical evaluation done by the management to reflect actual usage of the assets. The residual values are not more than 5% of the original cost of the assets.

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

Particulars	Estimated useful life
Buildings and other structures	3 to 30 years
Roads	3 to 5 years
Furniture and fixtures	5 to 10 years
Office Equipment	3 to 10 years
Vehicles	5 years
Electrical Installation and Equipment	10 years
Laboratory Equipment	10 years
Plant & Machinery	30 to 35 years

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

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.

2.4 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 recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purposes 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 group of assets (cash-generating units).

2.5 Leases

As a Lessee

The Company has taken on lease land from government. Rental contract is for a fixed period of ninety years. Contract contains lease components. Lease terms and conditions have been negotiated at inception. The lease payments are generally discounted using the interest rate implicit in the lease. In the current case, the entire lease payments have been paid at inception.The Company is not exposed to any potential future increases in variable lease payments based on an index or rate.

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

(a) The amount of the initial measurement of lease liability.
(b) Any lease payment made at or before the commencement date less any lease incentive received.
(c) Any initial direct cost and
(d) Restoration costs.

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

Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less, without a purchase option.

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 relation to 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.

Leases are classified as finance leases when substantially all the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.6 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 with banks / financial institutions 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.

2.7 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the year in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.8 Revenue Recognition

The Company recognizes revenue when the amount can be reliably measured, and it is probable that the 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.

(a) Revenue

Rental income is recognised on a straight-line basis over the term of the relevant leases as per Ind AS 116.

The company recognises income from operation & maintenance, water charges etc as per Ind AS 115 on the basis of contracts. Revenue is recognised in the accounting period when services are rendered. Revenue is recognised over time as and when the customer receives the benefit of the Company's performance based on the actual service provided to as proportion of the total services to be provided. Revenue is measured at the fair value of the consideration received or receivable and related taxes. These taxes are regarded as collected on behalf of the authorities. No element of financing is deemed present as services are rendered with a credit term. The Company does not have any contract where the year between the transfer of promised services to the customers and payment by the customers exceeds one year. As a consequence, the Company is not required to adjust any of the transaction prices for time value of money.

Tata Steel Special Economic Zone Limited

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

(b) Other Income

Interest Income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest Income is included under Other Income in the Statement of Profit and Loss.

2.9 Foreign Currency transactions and translation

(a) Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (Rupees or Rs.), which is the Company's functional and presentation currency.

(b) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At the year-end, monetary assets and liabilities denominated in foreign currencies are restated at the year-end exchange rates. The exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognised in statement of profit and 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.

2.10 Employee benefits

(a) Short-term Employee Benefit:

Liabilities for short-term employee 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.

(b) Other Long-Term Employee Benefit Obligation

Long-term compensated absences are provided for based on actuarial valuation, as per projected unit credit method, done at the end of each financial year. Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

(c) Post-employment obligations

Defined Benefit Plans

The liability recognised in the Balance Sheet in respect of defined benefit plans 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 Benefits 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. These are included in 'Retained Earnings' in the Statement of Changes in Equity.

Defined Contribution Plans

Contributions under defined contribution plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

2.11 Provisions and Contingencies

A provision is recognized when Company has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on best estimate of the expenditure required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes forming part of the Financial Statements.

2.12 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 each 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 realized, 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 utilize those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

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 realize the asset and settle the liability simultaneously.

Current and deferred tax are 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.

2.13 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 amortized 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 debt instrument, this will depend on the business model in which the investment is held. For investment 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. Recognition

Regular purchases and sales of financial assets are recognised on trade-date, being the date on which the company commits to purchase or sell the financial asset.

iii. 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.

a. Debt Instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

· Amortized cost

Assets that are held for collection of contractual cash flows where the cash flows represents solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired.

· Fair value through Other Comprehensive Income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, if any, which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss and recognised in Other Income/Other Expenses.

· Fair value through Profit or Loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within 'Other Income'/'Other Expenses' in the period in which it arises.

b. 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 profit or loss.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other Income/Other Expenses' in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iv. 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, if any. 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 recognised at the time of initial recognition of the receivables.

v. De-recognition of financial assets

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial assets, 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 recipient.

Where the company has transferred an asset, it 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 Company 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 it has not retained control of the financial asset. Where the company retains control of the financial asset, the asset continues to be recognised to the extent of continuing involvement in the financial asset.

vi. Income recognition

Interest Income

Interest income from debt instruments 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.

2.14 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. 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 amortized cost using the effective interest rate method.

2.15 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 recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable 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.

2.16 Contributed equity

Equity shares are classified as equity.
Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(a) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:
a) The profit attributable to owners of the Company
b) by the weighted average number of equity shares outstanding during the financial year

(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 of all dilutive potential equity shares.

Tata Steel Special Economic Zone Limited

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Amount in INR Lakhs, unless stated otherwise

03 - Property, plant and equipment

As at March 31, 2024	Buildings and other structures *	Roads	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Electrical installation and equipment	Laboratory equipment	Total
Opening gross carrying amount	**10,303.61**	**4,027.68**	**4,200.92**	**112.83**	**95.59**	**25.75**	**465.43**	**5.31**	**19,237.12**
Additions	413.81	-	6.48	-	1.93	-	17.71	-	439.93
Disposals	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	**10,717.42**	**4,027.68**	**4,207.40**	**112.83**	**97.52**	**25.75**	**483.14**	**5.31**	**19,677.05**
Opening accumulated depreciation	942.01	2,885.07	253.31	75.85	59.83	19.58	32.52	1.59	4,269.76
Depreciation charge during the year	369.07	752.84	116.47	19.23	15.30	4.88	44.82	0.51	1,323.12
Disposals	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation	**1,311.08**	**3,637.91**	**369.78**	**95.08**	**75.13**	**24.46**	**77.34**	**2.10**	**5,592.88**
Net carrying amount - opening period	**9,361.60**	**1,142.61**	**3,947.61**	**36.98**	**35.76**	**6.17**	**432.91**	**3.72**	**14,967.36**
Net carrying amount - closing period	**9,406.34**	**389.77**	**3,837.62**	**17.75**	**22.39**	**1.29**	**405.80**	**3.21**	**14,084.17**

As at March 31, 2023	Buildings and other structures *	Roads	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Electrical installation and equipment	Laboratory equipment	Total
Opening gross carrying amount	**5,740.46**	**4,026.95**	**4,134.70**	**112.83**	**88.86**	**25.75**	**74.71**	**5.31**	**14,209.57**
Additions	4,563.15	0.73	66.22	-	13.59	-	390.72	-	5,034.41
Disposals	-	-	-	-	(6.86)	-	-	-	(6.86)
Closing gross carrying amount	**10,303.61**	**4,027.68**	**4,200.92**	**112.83**	**95.59**	**25.75**	**465.43**	**5.31**	**19,237.12**
Opening accumulated depreciation	697.52	2,130.93	140.26	56.59	51.83	14.69	16.56	1.09	3,109.47
Depreciation charge during the year	244.49	754.14	113.05	19.26	13.95	4.89	15.96	0.50	1,166.24
Disposals	-	-	-	-	(5.95)	-	-	-	(5.95)
Closing accumulated depreciation	**942.01**	**2,885.07**	**253.31**	**75.85**	**59.83**	**19.58**	**32.52**	**1.59**	**4,269.76**
Net carrying amount - opening period	**5,042.94**	**1,896.02**	**3,994.44**	**56.24**	**37.03**	**11.06**	**58.15**	**4.22**	**11,100.10**
Net carrying amount - closing period	**9,361.60**	**1,142.61**	**3,947.61**	**36.98**	**35.76**	**6.17**	**432.91**	**3.72**	**14,967.36**

* Buildings and other structures include those constructed on leasehold land.

Notes:

1) Refer note 35 for contractual commitments for the acquisition of property, plant & equipments.

Tata Steel Special Economic Zone Limited

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Amount in INR Lakhs, unless stated otherwise

04 - Right-of-use assets

	As at March 31, 2024	As at March 31, 2023
Carrying amounts of:		
Leasehold land	17,127.43	17,233.85
Office building	-	3.15
Total	**17,127.43**	**17,237.00**

As at March 31, 2024	**Leasehold land**	**Office building**	**Total**
Opening gross carrying amount	18,334.84	29.91	**18,364.75**
Additions	165.16	-	**165.16**
Disposals	-	-	-
Closing gross carrying amount	**18,500.00**	**29.91**	**18,529.91**
Opening accumulated depreciation	1,100.99	26.76	**1,127.75**
Charge for the year	271.58	3.15	274.73
Disposals	-	-	-
Closing accumulated depreciation	**1,372.57**	**29.91**	**1,402.48**
Net carrying amount - opening period	**17,233.85**	**3.15**	**17,237.00**
Net carrying amount - closing period	**17,127.43**	-	**17,127.43**

As at March 31, 2023	**Leasehold land**	**Office building**	**Total**
Opening gross carrying amount	18,334.84	134.39	**18,469.23**
Additions	-	-	-
Disposals	-	(104.48)	(104.48)
Closing gross carrying amount	**18,334.84**	**29.91**	**18,364.75**
Opening accumulated depreciation	831.36	112.35	**943.71**
Charge for the year	269.63	18.89	288.52
Disposals	-	(104.48)	(104.48)
Closing accumulated depreciation	**1,100.99**	**26.76**	**1,127.75**
Net carrying amount - opening period	**17,503.48**	**22.04**	**17,525.52**
Net carrying amount - closing period	**17,233.85**	**3.15**	**17,237.00**

Note:
(i) Refer note 34 for disclosure with respect to leases as per Ind AS 116.

Tata Steel Special Economic Zone Limited

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Amount in INR Lakhs, unless stated otherwise

05- Capital work-in-Progress	As at March 31, 2024	As at March 31, 2023
Capital work-in-progress	10,061.99	8,743.75
	10,061.99	**8,743.75**

Ageing for Capital-work-in progress (CWIP) as at March 31, 2024

Capital-work-in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,787.06	1,623.22	1,193.89	5,457.82	**10,061.99**
Total	**1,787.06**	**1,623.22**	**1,193.89**	**5,457.82**	**10,061.99**

Ageing for Capital-work-in progress (CWIP) as at March 31, 2023

Capital-work-in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,179.37	825.63	990.85	4,747.90	**8,743.75**
Total	**2,179.37**	**825.63**	**990.85**	**4,747.90**	**8,743.75**

Note:

1) There are no items in capital work-in-progress as on March 31, 2024 and March 31, 2023 whose completion is overdue or has exceeded its cost compared to its original plan.

Tata Steel Special Economic Zone Limited

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

06 - Intangible assets

Amount in INR Lakhs, unless stated otherwise

As at March 31, 2024	Website Development Costs	Software Costs	Company Logo	Total
Opening gross carrying amount	11.69	12.32	4.02	28.03
Additions	-	2.00	-	2.00
Closing gross carrying amount	**11.69**	**14.32**	**4.02**	**30.03**
Opening accumulated amortisation	11.69	9.21	4.02	24.92
Amortisation charge for the year	-	1.78	-	1.78
Closing accumulated amortisation	**11.69**	**10.99**	**4.02**	**26.70**
Net carrying amount - opening period	**-**	**3.11**	**-**	**3.11**
Net carrying amount - closing period	**-**	**3.33**	**-**	**3.33**

As at March 31, 2023	Website Development Costs	Software Costs	Company Logo	Total
Opening gross carrying amount	11.69	12.32	4.02	28.03
Additions	-	-	-	-
Closing gross carrying amount	**11.69**	**12.32**	**4.02**	**28.03**
Opening accumulated amortisation	7.62	7.00	4.02	18.64
Amortisation charge for the year	4.07	2.21	-	6.28
Closing accumulated amortisation	**11.69**	**9.21**	**4.02**	**24.92**
Net carrying amount - opening period	**4.07**	**5.32**	**-**	**9.39**
Net carrying amount - closing period	**-**	**3.11**	**-**	**3.11**

Tata Steel Special Economic Zone Limited

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Amount in INR Lakhs, unless stated otherwise

07 - Lease receivable - Non Current

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good unless otherwise stated		
Lease receivable	4,162.80	4,167.19
	4,162.80	**4,167.19**

08 - Other financial assets - Non Current

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good unless otherwise stated		
Security deposits	6.47	5.69
	6.47	**5.69**

09 - Income tax asset (Net)

	As at March 31, 2024	As at March 31, 2023
Advance tax	131.59	64.05
	131.59	**64.05**

10 - Other non-current assets

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good unless otherwise stated		
Capital advances	-	73.52
	-	**73.52**

11 - Trade Receivables

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good unless otherwise stated		
Considered good - Secured	-	-
Considered good - Unsecured	14.63	-
Having significant increase in credit risk	-	-
Credit impaired	-	-
Total	**14.63**	-
Less: Loss allowance	-	-
	14.63	-

Trade Receivables ageing as at March 31, 2024

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables								
Considered good	-	-	14.63	-	-	-	-	**14.63**
Having significant increase in credit risk	-	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables	-	-	-	-	-	-	-	-
Considered good	-	-	-	-	-	-	-	-
Having significant increase in credit risk	-	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-	-
Total	-	-	**14.63**	-	-	-	-	**14.63**

Notes:

1) There are no outstanding receivables due from directors or other officers of the Company.
2) Refer note 38 for trade receivables due from related parties.
3) The balance of Trade Receivables as on March 31, 2023 is Nil, hence no aging schedule has been disclosed.

12 - Cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023
Balance with bank		
In current account	4.70	9.22
Deposits with original maturity of less than three months	195.85	1,206.46
	200.55	**1,215.68**

13 - Lease receivable - Current

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good unless otherwise stated		
Lease receivable	518.58	503.48
	518.58	**503.48**

14 - Loans - Current

	As at March 31, 2024	As at March 31, 2023
Considered good - Secured	-	-
Considered good - Unsecured	9,000.00	-
Having significant increase in credit risk	-	-
Credit impaired	-	-
Total	**9,000.00**	-
Less: Loss allowance	-	-
	9,000.00	-

Notes:

1) Loan given in current year to Tata Steel Downstream Products Ltd. (fellow subsidiary) for 179 days and 178 days at rate of interest 8.17% and 8.28% respectively (March 31, 2023: Nil) for working capital purposes. Also refer note 38 for disclosures on related parties.

2) The Company has not granted any loans to its promoters, directors, key management personnel and related parties (as defined under Companies Act, 2013) which are repayable on demand or without specifying any terms or periods of repayments.

The details of loans given to related parties are as below:

Type of Borrower	As at March 31, 2024		As at March 31, 2023	
	Amount outstanding	Percentage to the total loans and advances in the nature of loans	Amount outstanding	Percentage to the total loans and advances in the nature of loans
Fellow subsidiary	9,000.00	100%	-	-

Tata Steel Special Economic Zone Limited *

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
★ Kolkata ★

Tata Steel Special Economic Zone Limited
Notes to Financial Statements as at March 31, 2024

Amount in INR Lakhs, unless stated otherwise

15 - Other financial assets - Current

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good unless otherwise stated		
Interest accrued on loan	59.81	-
Security deposits	1.09	1.09
	60.90	1.09

16 - Other current assets

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good unless otherwise stated		
Balance with government authorities	49.41	218.70
Other advances *	50.78	12.83
	100.19	231.53

* Other advance majorly includes advance for expense etc.

17 - Equity share capital

	Number of Shares (in lakhs)	Amount
Authorised equity share capital (Par value of Rs 10/- each) :		
As at April 01, 2022	5,500.00	55,000.00
Increase during the year	-	-
As at March 31, 2023	5,500.00	55,000.00
Increase during the year	-	-
As at March 31, 2024	5,500.00	55,000.00
Authorised preference share capital (Par value of Rs 10/- each) :		
As at April 01, 2022	2,000.00	20,000.00
Increase during the year	-	-
As at March 31, 2023	2,000.00	20,000.00
Increase during the year	-	-
As at March 31, 2024	2,000.00	20,000.00
(i) Movements in equity share capital:		
As at April 01, 2022	4,084.24	40,842.44
Changes during the year	514.37	5,143.72
As at March 31, 2023	4,598.61	45,986.16
Changes during the year	-	-
As at March 31, 2024	4,598.61	45,986.16

Term and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- (March 31, 2023: Rs. 10/-) per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Shares of the company held by holding company	As at March 31, 2024	As at March 31, 2023
Tata Steel Utilities and Infrastructure Services Ltd	4,598.61	4,598.61
	4,598.61	4,598.61

(iii) Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares (in lakhs)	% holding	Number of shares (in lakhs)	% holding
Tata Steel Utilities and Infrastructure Services Ltd and its nominees	4,598.61	100%	4,598.61	100%

(iv) Details of shareholding of promoters:

Name of the promoter	As at March 31,2024		
	Number of shares (in lakhs)	% of total number of shares	% of change during the year
Tata Steel Utilities and Infrastructure Services Ltd	4,598.61	100%	0%
Mr. Deepak Kamath*	0.00	0%	0%
Mr. Pranay Sinha*	0.00	0%	0%
Mr. Ramadhar Rai*	0.00	0%	0%
Mr. Rabindra K Singh*	0.00	0%	0%
Mr. Sanjay Kumar*	0.00	0%	0%
Mr. Pramod Kumar Singh Rathore*	0.00	0%	0%
Total	4,598.61	100%	

Name of the promoter	As at March 31, 2023		
	Number of shares (in lakhs)	% of total number of shares	% of change during the year
Tata Steel Utilities and Infrastructure Services Ltd	4,598.61	100%	0%
Mr. Deepak Kamath*	0.00	0%	0%
Mr. Pranay Sinha*	0.00	0%	0%
Mr. Ramadhar Rai*	0.00	0%	0%
Mr. Rabindra K Singh*	0.00	0%	0%
Mr. Sanjay Kumar*	0.00	0%	0%
Mr. Pramod Kumar Singh Rathore*	0.00	0%	0%
Total	4,598.61	100%	

* The above mentioned persons are nominee shareholders on behalf of Tata Steel Utilities and Infrastructure Services Ltd.
Promoters' for the purpose of this disclosure means promoters as defined under section 2(69) of Companies Act, 2013.

Tata Steel Special Economic Zone Limited

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Amount in INR Lakhs, unless stated otherwise

18 - Other equity

	As at March 31, 2024	As at March 31, 2023
(i) Retained earnings		
Opening balance	(2,654.25)	(2,137.01)
Net Profit / (loss) for the year	(681.43)	(517.32)
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurement of post-employment benefit obligation, net of tax	(1.20)	0.08
Closing balance	**(3,336.88)**	**(2,654.25)**
(ii) Securities premium		
Opening balance	1,944.92	288.64
Received on issue of shares during the year	-	1,656.28
Closing balance	**1,944.92**	**1,944.92**
(iii) Share application money pending allotment *		
Opening balance	0.00	0.00
Received on issue of shares during the year	-	6,800.00
	0.00	**6,800.00**
Less: Share allotted	-	5,143.72
Less: Securities premium	-	1,656.28
Closing balance	**0.00**	**0.00**
* Below rounding off norm		
	(1,391.96)	**(709.33)**

Nature and purpose of other reserves

Securities Premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

19 - Other financial liabilities - Non Current

	As at March 31, 2024	As at March 31, 2023
Retention Money	71.00	-
Security deposits	287.04	269.30
	358.04	**269.30**

20 - Provisions - Non Current

	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Gratuity (Refer note 36)	7.17	5.26
	7.17	**5.26**

	As at March 31, 2024	As at March 31, 2023
21 - Other non-current Liabilities		
Prepaid rent - land sublease	391.99	400.63
	391.99	**400.63**

22 - Lease liabilities - Current

	As at March 31, 2024	As at March 31, 2023
Lease liability (Refer note 34)	-	3.36
	-	**3.36**

	As at March 31, 2024	As at March 31, 2023
23 - Trade payables		
Dues of micro and small enterprises	3.79	-
Dues other than micro and small enterprises	104.42	69.04
	108.21	**69.04**

Notes:

1) Refer note 38 for trade payables dues to related parties.

Information relating to Micro and Small Enterprises (MSEs):

	As at March 31, 2024	As at March 31, 2023
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	3.79	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	5.62	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
Interest accrued and remaining unpaid at the end of the accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

Trade payables ageing as at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	3.79	-	-	-	-	-	3.79
Others	67.43	33.35	3.64	-	-	-	104.42
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**71.22**	**33.35**	**3.64**	**-**			**108.21**

Tata Steel Special Economic Zone Limited

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Amount in INR Lakhs, unless stated otherwise

Trade payables ageing as at March 31, 2023

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	30.61	36.08	2.35	-	-	-	69.04
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**30.61**	**36.08**	**2.35**	**-**	**-**	**-**	**69.04**

24 - Other financial liabilities - Current

	As at March 31, 2024	As at March 31, 2023
Employee related liabilities	41.31	26.89
Security deposits	2.12	2.12
Payable for purchase of property, plant and equipment	543.08	1,062.95
	586.51	**1,091.96**

25 - Provisions - Current

	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Gratuity (Refer note 36)	1.54	0.04
Compensated absences	8.99	6.88
	10.53	**6.92**

26 - Other current liabilities

	As at March 31, 2024	As at March 31, 2023
Statutory dues	16.40	20.70
Advance received from customers	9,390.93	60.80
Prepaid rent - land sublease	8.65	8.65
	9,415.98	**90.15**

Tata Steel Special Economic Zone Limited

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Amount in INR Lakhs, unless stated otherwise

27 - Revenue from operations	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**
Revenue from contract with customers		
Sale of services		
-Income from lease rent and other services	1,081.40	1,746.34
Other operating revenue	503.96	501.78
	1,585.36	**2,248.12**

Revenue from operation includes revenue from contract with customers under Ind AS 115 amounting to Rs. 462.71 lakhs (March 31, 2023: Rs. 1,170.69 lakhs).

28 - Other income	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**
Net gain on sale of investments	258.54	91.97
Interest on loan	66.45	-
Interest income from financial assets at amortised cost	27.45	43.98
Interest on income tax refund	2.58	4.50
Other miscellaneous income	8.45	20.82
	363.47	**161.27**

29 - Cost of Sales	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**
Cost of Sales	65.47	652.02
	65.47	**652.02**

30 - Employee benefits expense	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**
Salary, wages and bonus	170.48	160.88
Contribution to provident fund (Refer Note 36)	7.79	8.26
Gratuity (Refer Note 36)	2.21	2.18
Staff welfare expenses	15.85	5.31
	196.33	**176.63**

31 - Finance costs	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**
Interest on financial liabilities not at fair value through profit or loss	-	643.70
Interest on lease liabilities	0.04	1.32
Less: Amount capitalised (see note below)	-	(643.70)
	0.04	**1.32**

Note: The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the actual interest rate applicable to the entity's borrowings during the year, in this case Nil (March 31, 2023: 10.58%).

32 - Depreciation and amortisation expense	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**
Depreciation of property, plant and equipment (Refer Note 3)	1,323.12	1,166.24
Amortisation of intangible assets (Refer Note 6)	1.78	6.28
Depreciation of right-of-use assets (Refer Note 4)	274.73	288.52
	1,599.63	**1,461.04**

Tata Steel Special Economic Zone Limited

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Amount in INR Lakhs, unless stated otherwise

33 - Other expenses	For the year ended March 31, 2024	For the year ended March 31, 2023
Repair & Maintenance		
- Building	15.67	-
- Others	20.26	4.00
Telecommunication expenses	2.60	0.68
Office Rent	16.23	-
Rates & taxes	128.55	133.75
Legal & professional fees	14.88	17.61
Travelling and conveyances	17.68	19.52
Outsourcing expenses	327.69	321.34
Marketing expenses	13.61	21.50
Loss on sale/ discard of property, plant and equipment (Net)	-	0.84
Security Services	33.16	24.62
Auditors remuneration		
- As Audit Fees	1.17	0.91
- Others (Group Reporting)	0.33	-
- Out of Pocket Expenses	0.37	1.09
Miscellaneous expenses	176.59	89.84
	768.79	**635.70**

Amount in INR Lakhs, unless stated otherwise

34. Disclosure of Right-of-use assets (ROU) and Lease liability as per Ind AS 116

Amount recognised in Balance Sheet	As at March 31, 2024	As at March 31, 2023
Right of Use assets		
Leasehold Land	17,127.43	17,233.85
Office Building	-	3.15
Total	**17,127.43**	**17,237.00**

Lease liabilities	As at March 31, 2024	As at March 31, 2023
Current	-	3.36
Non-current	-	-
Total	-	**3.36**

Amounts recognised in the statement of profit and loss	As at March 31, 2024	As at March 31, 2023
Interest on lease liabilities	0.04	1.32
Depreciation charge for the year	274.73	288.52
Expenses relating to short-term leases (included in other expenses)	16.23	-
Total	**291.00**	**289.84**
Total cash outflow for leases for the year	3.40	20.42

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments after the reporting period.

Maturity analysis of lease payments	As at March 31, 2024	As at March 31, 2023
Less then one year	-	3.40
One to two years	-	-
Total undiscounted lease payments	-	**3.40**

35. Contingent Liability and Commitments:

(a) There is no contingent liability as at March 31, 2024 and March 31, 2023 which are required to be disclosed in the financial statements.

(b) Commitments:

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances)	4,568.14	1,869.45

36. Employee Benefits:

i) Defined Contribution Obligation:

The Company maintains a provident fund with Regional Provident Fund Commissioner. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulation. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expenses recognised during the period towards defined contribution plan is Rs. 7.79 lakhs (March 31, 2023: Rs. 8.26 lakhs)

ii) Defined Benefit Obligation:

The Company has defined benefit gratuity plan as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of more than 4 years and 6 months are eligible to get gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days multiplied with number of years of completed services. The gratuity plan is unfunded plan.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Gratuity Benefit:

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Changes in Present Value of Obligation	As at March 31, 2024	As at March 31, 2023
Present value of obligation - Opening	5.30	5.15
Current Service Cost	1.84	1.88
Interest Cost	0.37	0.30
Actuarial gain / loss on obligations due to change in financial and demographic assumptions	0.32	0.07
Actuarial gain / loss on obligations due to unexpected experience	0.88	(0.15)
Benefits paid / unsettled liability	-	(1.95)
Present value of obligation - Closing	**8.71**	**5.30**

Table showing Reconciliation to Balance Sheet:

Reconciliation to Balance Sheet	As at March 31, 2024	As at March 31, 2023
Fund Liability- Current	1.54	0.04
Fund Liability- Non Current	7.17	5.26

Table Showing Plan Assumptions:

Plan assumptions	As at March 31, 2024	As at March 31, 2023
Discount Rate	6.98%	7.27%
Rate of Compensation Increase (Salary Inflation)	6.00%	6.00%
Average expected future service (Remaining working Life)	21	23
Average Duration of Liabilities	21	23
Mortality Table	IIAM 2012-2015 Ultimate	IALM 2012-2014 Ultimate
Superannuation at age	60	60
Early Retirement & Disablement (All Causes Combined)	1.00%	1.00%

Tata Steel Special Economic Zone Limited

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Amount in INR Lakhs, unless stated otherwise

Table showing Expense Recognised in statement of Profit and Loss:

Expense recognised in statement of Profit and Loss	As at March 31, 2024	As at March 31, 2023
Current Service Cost	1.84	1.88
Interest Cost	0.37	0.30
Benefit Cost(Expense Recognized in Statement of Profit and loss)	**2.21**	**2.18**

Table showing amount recognised in Other Comprehensive Income:

Other Comprehensive Income	As at March 31, 2024	As at March 31, 2023
Actuarial gain / loss on obligations due to change in financial and demographic assumptions	0.32	0.07
Actuarial gain/loss on obligations due to Unexpected Experience	0.88	(0.15)
Income for the year recognised in Other Comprehensive Income	**1.20**	**(0.08)**

A quantitative sensitivity analysis of impact on defined benefit obligations for significant assumption on the gratuity plan is as shown below:

Sensitivity Analysis	As at March 31, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 1%)	8.03	9.47	4.86	5.78
Salary Growth (+/- 1%)	9.46	8.02	5.78	4.85

The above sensitivity analysis is 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 while 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.

Risk Exposure

Interest rate volatility: - The gratuity liability is calculated using discount rate set with reference to Government securities yield. If there is any change in yield of Government securities, the provision may change accordingly.

Life expectancy:- The gratuity plan obligation is to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The weighted average duration of the defined benefit obligations is 21 years (March 31, 2023: 23 years).

iii) Leave Benefits:

The Company provides for accumulation of leave by its employees. The employees can carry forward a portion of the unutilised leave balances and utilise it in future periods or receive cash in lieu thereof as per the Company's policy. The Company records a provision for leave benefits in the period in which the employee renders the services that increases this entitlement. This is an unfunded plan.

The total provision recorded by the Company towards these benefits as at year end was Rs. 8.99 lakhs (March 31, 2023: Rs. 6.88 lakhs).

37. Computation of Earnings Per Share (EPS):

Particulars	Current Year	Previous Year
Profit/ (Loss) for the year **(A)**	(681.43)	(517.32)
Number of equity shares at the beginning of the year	4,598.61	4,084.24
Number of equity shares at the end of the year	4,598.61	4,598.61
Weighted average number of shares considered for computation of Basic and Diluted EPS (Numbers) **(B)**	4,598.61	4,147.00
Face Value of Each Equity Share (in Rs.)	10.00	10.00
Basic and Diluted earning per share (in Rs.) (A/B)	**(0.15)**	**(0.12)**

38. Related Parties Transactions:

Related party disclosure pursuant to Ind AS 24 prescribed under the act.

i) List of Related Parties and Relationship

Name of the Related Parties	Description of Relationship
Tata Steel Limited	Ultimate holding company
Tata Steel Utilities and Infrastructure Services Limited	Immediate holding company
Tata Steel Downstream Products Limited	Fellow subsidiary
Prasanta Mallick (Managing Director upto April 30, 2023)	Key managerial person
Manikanta Naik (Managing Director w.e.f May 03, 2023)	Key managerial person

ii) Details of Related Party Tranactions and balance outstanding

Transactions	Tata Steel Limited (Ultimate holding company)	
	As at March 31, 2024	As at March 31, 2023
Inter-corporate deposit repaid	-	(7,582.68)
Income from lease rent and other services	822.90	553.48
Outsourcing expenses	346.86	322.52
Legal and professional fees	5.04	2.89
Office Rent	24.10	-
Miscellaneous expenses	2.51	-
Interest expenses on borrowings	-	643.70

Tata Steel Special Economic Zone Limited

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Amount in INR Lakhs, unless stated otherwise

Balances outstanding as at the year end	Tata Steel Limited (Ultimate holding company)	
	As at March 31, 2024	As at March 31, 2023
Share application money pending allotment *	0.00	0.00
Trade payables - Current	33.21	27.63
Trade receivables - Current	8.00	-

* Below rounding off norm

Transactions	Tata Steel Utilities and Infrastructure Services Ltd (Immediate holding company)	
	As at March 31, 2024	As at March 31, 2023
Subscription for new equity shares (including securities premium)	-	6,800.00

Transactions	Tata Steel Downstream Products Ltd (Fellow subsidiary)	
	As at March 31, 2024	As at March 31, 2023
Inter-corporate loan given	9,000.00	-
Interest on loan	66.45	-

Balances receivable as at the year end	Tata Steel Downstream Products Ltd (Fellow subsidiary)	
	As at March 31, 2024	As at March 31, 2023
Inter-corporate loan (including interest accrued)	9,059.81	-

Loans to related parties	Tata Steel Downstream Products Ltd (Fellow subsidiary)	
	As at March 31, 2024	As at March 31, 2023
Beginning of the year	-	-
Loans advanced	9,000.00	-
Interest charged	66.45	-
Interest received	(6.64)	-
End of the year	**9,059.81**	-

There is no loss allowance for receivables in relation to any outstanding balances, and no loss allowance has been recognised during the year in respect of receivables from related parties.

Notes:

i) All outstanding balances are unsecured and considered good, payable in cash

ii) Transaction amount includes GST

iii) All transactions were made on normal commercial terms and conditions and at market rates applying the principles of arm's length pricing.

iv) The remuneration to key managerial personnel does not include provisions made for gratuity and leave benefits as they are determined on an actuarial basis for the Company as a whole.

v) Outsourcing expenses includes deputation cost of Mr. Prasanta Mallick, Managing Director (up to April 30, 2023) amounting to Rs. 13.95 lakhs (March 31, 2023: Rs. 167.34 lakhs) and Mr. Manikanta Naik, Managing Director (w.e.f May 3, 2023) amounting to Rs. 166.74 lakhs (March 31, 2023: Rs. Nil lakhs).

39. Deferred Tax:

The deferred tax liability is primarily in respect of property, plant and equipment. As the company is in the initial phase of setting up the industrial park, the company has recognised deferred tax asset on unabsorbed depreciation and carry forward of losses to the extent of deferred tax liability, resulting in net deferred tax liability of Rs. Nil (March 31, 2023: Rs. Nil).

Particulars	As at March 31, 2023	Charge/Credit	As at March 31, 2024
Deferred tax liability on property, plant and equipment	268.33	329.43	597.76
Deferred tax asset on carried forward of tax losses	268.33	329.43	597.76
Net	-	-	-

Particulars	As at March 31, 2022	Charge/Credit	As at March 31, 2023
Deferred tax liability on property, plant and equipment	169.72	98.61	268.33
Deferred tax asset on carried forward of tax losses	169.72	98.61	268.33
Net	-	-	-

Tata Steel Special Economic Zone Limited

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Amount in INR Lakhs, unless stated otherwise

40. Fair value measurement

Financial instrument by category

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets	Amortised cost	Amortised cost
Security Deposits	7.56	6.78
Trade receivables	14.63	-
Cash and cash equivalents	200.55	1,215.68
Other financial assets	59.81	-
Loans	9,000.00	-
Lease receivables (current and non-current)	4,681.38	4,670.67
Total financial assets	**13,963.93**	**5,893.13**
Financial liabilities		
Other financial liabilities	944.55	1,361.25
Trade payables	108.21	69.04
Lease liabilities	-	3.36
Total financial liabilities	**1,052.76**	**1,433.65**

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

41. Financial risk management

The Company's principal financial instruments comprise of financial assets and financial liabilities. The Company's principal financial liabilities comprises of trade payables and other liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivables, loans and security deposits that are derived 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 risk (interest rate risk & foreign currency risk), liquidity risk and credit risk. Management reviews and agrees policies for managing each of these risks which are summarized below.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and foreign currency risk.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.The Company is not directly exposed to the risk of changes in market interest rates because it does not have any borrowings nor does it have any variable rate financial assets/ liabilities as at the end of the reporting period.

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 undertakes transactions denominated in foreign currencies due to which exposures to exchange rate fluctuations arise. Presently, the exposure to foreign currency risk is not significant.

(b) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations at a reasonable price. The Company's Board of Directors are responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credits, bank loans among others.

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	Carrying Amount	Contractual Cash flows	Between 0 to 1 Year	Between 1 to 3 Years	More than 3 years
As at March 31, 2024					
a) Lease Liabilities	-	-	-	-	-
b) Trade payables	108.21	108.21	108.21	-	-
c) Other financial liabilities	944.55	945.55	587.52	83.09	274.94
As at March 31, 2023					
a) Lease Liabilities	3.36	3.36	3.36	-	-
b) Trade payables	69.04	69.04	69.04	-	-
c) Other financial liabilities	1,361.26	1,361.26	1,091.96	-	269.30

(c) Credit Risk

Credit risk is the risk of financial loss arising from the counter party failure to repay or service debt according to the contractual terms and obligations. Financial instruments that are subjected to concentration of credit risk principally consists of trade receivables, loans and other financial assets. None of the financial instruments of the Company results in the material concentration of the credit risk.

Tata Steel Special Economic Zone Limited

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Amount in INR Lakhs, unless stated otherwise

42. Capital Management

(a) Risk Management

The Company's capital management is intended to create value for shareholders by facilitating the achievement of long-term and short-term goals of the Company.
The Company determines the amount of capital required on the basis of annual business plan coupled with long-term and short term strategic investment and expansion plans.
The funding needs are met through equity and cash generated from operations.
The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.
Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances and current investments.
The table below summarises the capital, net debt and net debt to equity ratio of the Company.

Particulars	As at March 31, 2024	As at March 31, 2023
Equity share capital	45,986.16	45,986.16
Other equity	(1,391.96)	(709.33)
Total equity (A)	**44,594.20**	**45,276.83**
Lease obligations	-	3.36
Gross debt (B)	-	**3.36**
Total capital (A+B)	**44,594.20**	**45,280.19**
Gross debt as above	-	3.36
Less: Cash and cash equivalents	200.55	1,215.68
Net debt (C)	**(200.55)**	**(1,212.32)**
Net debt to equity ratio	**0.00**	**(0.03)**

(b) Dividends paid and proposed

The Company has not proposed and paid any dividend during the reporting period.

43. Leases as a Lessor:-

The Company has classified lease of shed as a finance lease, because at the inception date, the present value of the lease payments amounted to at least substantially all of the fair value of the shed.

a) The following table sets out the maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date:

Maturity analysis of lease receivable under Finance Lease	As at March 31, 2024	As at March 31, 2023
Upto one year	518.58	503.48
One to two years	534.14	518.58
Two to three years	550.16	534.14
Three to four years	566.67	550.16
Four to five years	583.67	566.67
More than five years	8,178.76	8,762.91
Total undiscounted lease payments receivable	**10,931.98**	**11,435.94**
Unearned finance income	(6,250.60)	(6,765.27)
Net investment in lease	**4,681.38**	**4,670.67**

b) Finance income on the net investment in the lease recognized during the year is Rs. 503.96 lakhs (March 31, 2023: Rs. 501.78 lakhs)

c) Maturity analysis of lease payments under Operating Lease

Undiscounted lease payments to be received on an annual basis	As at March 31, 2024	As at March 31, 2023
Upto one year	641.85	636.15
One to two years	644.41	559.58
Two to three years	647.04	562.14
Three to four years	600.58	564.77
Four to Five years	603.38	567.49
More than Five years	20,255.28	20,792.70
Total undiscounted lease payments receivable	**23,392.54**	**23,682.83**

Leasing arrangements :
The leasehold land is leased to tenants largely under operating leases with rentals payable as per the contracts. Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. There are no variable lease payments. The Company has a robust process / due diligence with respect to onboarding of customers including their credit worthiness, historical experience amongst the wider Tata group etc. However, where considered necessary to reduce credit risk, the Company may obtain bank guarantees for the term of the lease.

44. Net Debt Reconciliation :-

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Particulars	As at March 31, 2024	As at March 31, 2023
Current borrowings including accrued interest	-	-
Lease liabilities	-	3.36
Net debt	-	**3.36**

Particulars	Liabilities from financing activities	
	Current borrowings	Lease liabilities
Net debt as at 1 April 2022	7,003.35	22.46
Add/ less:		
Payment of lease liability	-	(20.42)
Interest on lease liability	-	1.32
Borrowing cost capitalised	643.70	-
TDS deposited on behalf of the lender	(64.37)	-
Repayment of borrowings during the year	(7,582.68)	-
Net debt as at 31 March 2023	-	3.36
Add/ less:		
Payment of lease liability	-	(3.40)
Interest on lease liability	-	0.04
Net debt as at 31 March 2024	-	-

Tata Steel Special Economic Zone Limited

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Amount in INR Lakhs, unless stated otherwise

45. Income tax expense

(a) Income tax expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Current tax	-	-
Current tax on profits for the year	-	-
(ii) Deferred tax		
Decrease/ (increase) in deferred tax assets	(329.43)	(98.61)
(Decrease)/ increase in deferred tax liabilities	329.43	98.61
Total deferred tax expense/ (benefit)	-	-
Income tax expense/ (benefit)	-	-

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Loss before tax	(681.43)	(517.32)
Tax at the Indian tax rate of 25.168% (2022-23: 25.168%)	**(171.50)**	**(130.20)**
(i) Exempted income net of expenses disallowed to earn such exempted income	-	-
(ii) Tax impact on unrecognised carry forward of tax losses	171.50	130.20
(iii) Tax effect of amounts which are not deductible in calculating taxable income	-	-
(iv) Others	-	-
Total income tax expense	-	-

(c) Unrecognised carry-forward amount of tax losses / credits representing unabsorbed depreciation amounts to Rs. 2,460.06 lakhs (March 31, 2023: 2,430.46 lakhs).

Tata Steel Special Economic Zone Limited

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Amount in INR Lakhs, unless stated otherwise

46. Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Current Ratio	Current Assets	Current Liabilities	0.98	1.55	-37%	Variation is largely on account of increase in current liabilities due to receipt of advance from customers of which major portion has been granted as loan resulting in an increase in current assets, part of the funds have been utilised in the operations.
Debt-Equity Ratio	Total Debt	Shareholder's Equity	-	-	0%	The company has no debt in current as well as in previous year.
Debt Service Coverage Ratio	Earnings before interest, depreciation and taxes (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest)	Debt Service (Interest & Lease Payments + Principal Repayments)	-	1.47	-100%	The company has no borrowings and interest in current year. All principal along with interest has been paid off in the previous year.
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity (Opening + Closing balance / 2)	(0.02)	(0.01)	24%	
Inventory turnover ratio	Cost of goods sold or Sales	Average Inventory	-	-	0%	The company does not have any inventory, hence not applicable
Trade Receivables turnover ratio	Total Sales	Avgerage Trade receivables (Opening + Closing balance / 2)	216.73	-	0%	Variation is majorly due to Nil balance of debtors in the previous year.
Trade Payable turnover ratio	Total Purchases	Average Trade Payables (Opening + Closing balance / 2)	9.41	41.63	-77%	Variation is mainly on account of lower cost of sales during the year compared to previous year.
Net capital turnover ratio	Net Sales (Total Sales - Sales Returns)	Working Capital (Current Assets - Current Liabilities)	(7.00)	3.26	-315%	Variation is on account of increase in current liability for advance received from customers and decrease in turnover.
Net profit ratio	Net Profit after Tax	Revenue from opertions (Total Revenue from opertions - Returns)	(0.43)	(0.23)	87%	Variation is due to higher revenue in previous year due to one-time income from grading and levelling contract.
Return on Capital employed	Earning before interest and taxes	Capital Employed (Net Worth + Intangible Assets)	(0.02)	(0.01)	33%	Variation is due to higher revenue in previous year due to one-time income from grading and levelling contract.
Return on investment	Gain on Investment	Total Investment	-	-	0%	The company has no investments in current year as well as previous year, hence not applicable.

47. Corporate Social Responsibility (CSR)

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

Details of excess CSR expenditure under Section 135(5) of the Act

Balance excess spent as at 1 April, 2023	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at 31 March 2024
-	-	1.24	1.24

The company was not required to make the contribution towards CSR expenes during the year. However, the company has made voluntary contribution of Rs. 1.24 lakhs.

48. The title deeds of all the immovable properties are held in the name of the Company, further in case where the Company is the lessee, the lease agreements are duly executed in favour of the lessee.

49. Segment Reporting

(i) The Company's Board of Directors is identified as the Chief Operating Decision Maker ('CODM') for the Company. The Company is primarily engaged in the sub leasing of the Industrial Park. The performance of the Company is assessed and reviewed by the CODM as a single operating segment and accordingly subleasing of land and its related ancilliary services is the only operating segment. The Company is domiciled in India and its operations are also primariliy based in India and accordingly disclosure of geographical information, if any are not warranted.

(ii) All non-current assets of the Company are located in India.

The customers which accounted for more than 10% of the revenues from external customers, individually, during the years ended March 31, 2024 and March 31, 2023 are as below:

Name of Customer	For the year ended March 31, 2024	For the year ended March 31, 2023
Tata Steel Limited	697.37	464.87
Tata Consumer Products Limited	614.01	608.10
Mahadhan Agritech Limited (formerly Smartchem Tecnologies Limited)	191.82	1,111.69

50. The Company has assessed the impact of the Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management (including considering a view from legal expert, inspections by PF authorities), the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Financial Statements.

Tata Steel Special Economic Zone Limited

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Amount in INR Lakhs, unless stated otherwise

51. Additional Regulatory Information required by Schedule III

(a) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(b) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(d) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restricton on number of layers) Rules, 2017, as applicable.

(e) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(f) Utilisation of borrowed funds and share premium

(i) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entity (Intermediary) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiary) or
b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiary

(ii) The Company has not received any fund from any person or entity, including foreign entity (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiary) or
b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiary

(g) Undisclosed Income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961 that has not been recorded in the books of accounts.

(h) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(i) Valuation of Property, Plant and Equipment (including Right-of-use Assets) and Intangible Assets

The Company has not revalued its Property, Plant and Equipment (including Right-of-use Assets) or Intangible Assets or both during the current or previous year.

(j) Registration of charges or satisfaction with Registrar of companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

52. The Company has done an assessment to identify Core Investment Company (CIC) [including CIC's in the Group] as per the necessary guidelines of Reserve Bank of India (including Core Investment Companies (Reserve Bank) Directions, 2016). The Companies identified as CIC's at Group level are Panatone Finvest Limited, Tata Industries Limited, Tata Sons Private Limited, TMF Holdings Limited, Fincare Business Services Limited, T S Investments and Talace Private Limited.

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

54. The financial statements were approved for issue by the Board of Directors on Apr 25, 2024.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No.304026E/E-300009

Gourab Bardhan
Partner
Membership No.: 131310
Place: Gurugram
Date: April 25, 2024

For and on behalf of Board of Directors

Chanakya Chaudhary
Chairman
DIN: 02139568
Place: Jamshedpur
Date: April 25, 2024

Manikanta Naik
Managing Director
DIN: 06634999
Place: Bhubaneswar
Date: April 25, 2024

Manas Bandyopadhyay
Chief Financial Officer
Place: Bhubaneswar
Date: April 25, 2024

Swati Sheth
Company Secretary
Place: Kolkata
Date: April 25, 2024