

Price Waterhouse & Co Chartered Accountants LLP

Independent Auditor's Report

To the Members of Neelachal Ispat Nigam Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Neelachal Ispat Nigam Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including 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, 2026, and total comprehensive income (comprising of profit 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 Board's Report along with Annexures to the Board's Report included in the Company's 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.

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 Indian 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.

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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E300009 (ICAI registration number before conversion was 304026E)



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6. In preparing the financial statements, Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. 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

8. 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.
9. 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.
 - 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.
10. 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.
11. 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.



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Report on other legal and regulatory requirements

12. 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.
13. As required by Section 143(3) of the Act, we report that:
- 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.
 - 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, except for the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
 - 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.
 - In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - On the basis of the written representations received from the directors as on March 31, 2026, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164(2) of the Act.
 - With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above on reporting under Section 143(3)(b) and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
 - 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".
 - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations as on March 31, 2026 on its financial position in its financial statements – Refer Note 19 and 31 to the financial statements;
 - The Company was not required to recognise a provision as at March 31, 2026 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any long term derivative contracts as at March 31, 2026.
 - 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, 2026.
 - The management has represented that, to the best of its knowledge and belief, as disclosed in Note 49(a) 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;



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- (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 49(b) 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 two accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit trail feature was not enabled at the database level to log any direct data changes. During the course of performing our procedures, except for the aforesaid instances of audit trail not enabled, where the question of our commenting on whether the audit trail feature has been tampered with does not arise, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention.
14. Except for managerial remuneration aggregating to Rs.0.31 Crores, the managerial remuneration paid/ provided for by the Company is in accordance with the requisite approvals as mandated by the provisions of Section 197 read with Schedule V to the Act. As stated in Note 36B to the financial Statements, the amount paid/ provided by the Company is subject to approval of the shareholders of the Company by way of a special resolution in the ensuing annual general meeting as required by Section 197 read with Schedule V to the Act.

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

Firm Registration Number: 304026E/E-300009



Amitesh Dutta

Partner

Membership Number: 058507

UDIN: 26058507GGGIVJ5554

Place: Kolkata

Date: May 06, 2026

Price Waterhouse & Co Chartered Accountants LLP

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of Neelachal Ispat Nigam Limited on the financial statements as of and for the year ended March 31, 2026
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Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Neelachal Ispat Nigam Limited ("the Company") as of March 31, 2026 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 specified 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.

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.



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Annexure A to Independent Auditor's Report

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of Neelachal Ispat Nigam Limited on the financial statements as of and for the year ended March 31, 2026
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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, 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, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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



Amitesh Dutta
Partner
Membership Number: 058507

UDIN: 26058507GGGIVJ5554
Place: Kolkata
Date: May 06, 2026

Price Waterhouse & Co Chartered Accountants LLP

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Referred to in paragraph 12 of the Independent Auditors Report of even date to the members of Neelachal Ispat Nigam Limited on the financial statements as of and for the year ended March 31, 2026

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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 of the Company are physically verified by the Management according to a phased programme designed to cover all the items over a period of three 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 on Property, Plant and Equipment to the financial statements, are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or Intangible Assets or both during the year. 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) 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 physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. In respect of inventories of stores and spares, the Management has a verification programme designed to cover the items over a period of three years. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account. Also, refer Note 48 to the financial statements.
- iii. (a) The Company has, during the year, made investments in nineteen mutual fund schemes. The Company has not granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties during the year.
- (b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.
- (c) The Company has not granted secured/ unsecured loans/advances in nature of loans to any parties. Therefore, the reporting under clauses 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.



Price Waterhouse & Co Chartered Accountants LLP

Annexure B to Independent Auditor's Report

Referred to in paragraph 12 of the Independent Auditors Report of even date to the members of Neelachal Ispat Nigam Limited on the financial statements for the year ended March 31, 2026

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- 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. Accordingly, the reporting under clause 3(v) of the Order is not applicable to the Company.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its certain products. We have broadly reviewed the books of account maintained by the Company pursuant to the said requirement, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) In our opinion, except for dues in respect of provident fund, the Company is regular in depositing undisputed statutory dues, including employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax, professional tax, labour welfare fund, electricity duty and other statutory dues, as applicable, with the appropriate authorities. The extent of the arrears of statutory dues outstanding as at March 31, 2026, for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of dues	Amount (Rs. Crores)	Period to which the amount relates	Due date	Date of payment
Employees Provident Fund & Miscellaneous Provisions Act, 1952	Provident fund	0.08	December 2022 to September 2025	Multiple due dates till September 2025	Not yet paid (Refer Note below)

Note: Due to non-linkage of UAN and Aadhar of employees, the Company is unable to deposit the amount to Employees' Provident Fund Organisation.

- (b) There are no statutory dues of employees' state insurance, income tax, sales tax, service tax, duty of customs, value added tax, cess, professional tax, labour welfare fund, electricity duty and cess which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2026 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (net of payments) (Rs. Crores)	Amount paid (Rs. Crores)	Period to which the amount relates (FY)	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty	13.60	0.53	2012-13	Customs, Excise and Service Tax Appellate Tribunal
Goods and Services Tax Act, 2017	Goods and Services Tax	21.76	0.53	2019-20	High Court
Goods and Services Tax Act, 2017	Goods and Services Tax	2.63	0.08	2017-18	Appellate Authority
Orissa Irrigation Act, 1959	Water Conservation Fund	32.35	-	2015-16	High Court



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Name of the statute	Nature of dues	Amount (net of payments) (Rs. Crores)	Amount paid (Rs. Crores)	Period to which the amount relates (FY)	Forum where the dispute is pending
Employees Provident Fund & Miscellaneous Provisions Act, 1952	Provident Fund	1.65	0.18	1998-2003	Employees' Provident Fund Appellate Tribunal
Employees Provident Fund & Miscellaneous Provisions Act, 1952	Provident Fund	4.73	3.15	1998-2003	Employees' Provident Fund Appellate Tribunal

- 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) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (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, we report that no funds raised on short-term basis have been utilised for long-term purposes by 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.



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- (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 by us, as statutory auditors, with the Central Government. Further, no such report has been filed by any other auditor appointed by the Company under the Act. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, 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 Sections 177 and 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.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (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 the directors. 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 as defined in the regulations made by the Reserve Bank of India. Accordingly, the additional reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) In our opinion, the Group (as defined in the Reserve Bank of India (Core Investment Companies) Directions, 2025 has Six CICs as part of the Group as detailed in Note 52 to the financial statements.
- 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 to the Company.
- 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.



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- xx. The Company was not required to spend any amount during the year for Corporate Social Responsibility under Section 135(5) of the Act. Accordingly, there is no amount unspent as at March 31, 2026 and the reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order relates to audit of Consolidated Financial Statements, which is not applicable to the Company. Accordingly, no comment in respect of this clause has been included.

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

Firm Registration Number: 304026E/E-300009



Amitesh Dutta

Partner

Membership Number: 058507

UDIN: 26058507GGGIVJ5554

Place: Kolkata

Date: May 06, 2026

NEELACHAL ISPAT NIGAM LIMITED
Balance Sheet as at March 31, 2026

		(₹ in crores)	
		As at March 31, 2026	As at March 31, 2025
I	Assets		
	Non-current assets		
(a)	Property, plant and equipment	1,903.02	1,874.52
(b)	Capital work-in-progress	428.71	354.93
(c)	Right-of-use assets	35.93	37.09
(d)	Other intangible assets	181.22	169.99
(e)	Intangible assets under development	-	11.94
(f)	Financial assets		
	Other financial assets	40.24	33.34
(g)	Income tax assets	15.15	11.54
(h)	Deferred tax assets (net)	804.16	-
(i)	Other non-current assets	43.45	20.90
	Total non-current assets	3,451.88	2,514.25
	Current assets		
(a)	Inventories	910.04	854.24
(b)	Financial assets		
	(i) Investments	119.83	204.81
	(ii) Trade receivables	1,281.10	88.38
	(iii) Cash and cash equivalents	4.98	150.75
	(iv) Bank balances other than (iii) above	805.67	702.06
	(v) Derivative assets	8.25	4.30
	(vi) Other financial assets	10.51	121.88
(c)	Other current assets	41.06	64.50
	Total current assets	3,181.44	2,190.92
	Total assets	6,633.32	4,705.17
II	Equity and liabilities		
	Equity		
(a)	Equity share capital	1,365.72	1,365.72
(b)	Other equity	(2,587.40)	(3,731.53)
	Total equity	(1,221.68)	(2,365.81)
	Liabilities		
	Non-current liabilities		
(a)	Financial liabilities		
	(i) Borrowings	6,831.35	6,133.96
	(ii) Lease liabilities	4.40	4.91
	(iii) Other financial liabilities	15.21	12.76
(b)	Provisions	102.43	106.57
	Total non-current liabilities	6,953.39	6,258.20
	Current liabilities		
(a)	Financial liabilities		
	(i) Lease liabilities	0.50	0.45
	(ii) Trade payables		
	- total outstanding dues of micro and small enterprises	33.12	41.21
	- total outstanding dues of creditors other than micro and small enterprises	564.51	538.07
	(iii) Other financial liabilities	184.56	89.58
(b)	Provisions	64.81	90.52
(c)	Other current liabilities	54.11	52.95
	Total current liabilities	901.61	812.78
	Total liabilities	7,855.00	7,070.98
	Total equity and liabilities	6,633.32	4,705.17

The accompanying notes forming an integral part of the financial statements 1 to 55
This is the Balance Sheet referred to in our report of even date

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



Amitesh Dutta
Partner
Membership No: 058507

For and on behalf of the Board of Directors



T.V. Narendran
Chairman
DIN: 03083605
Place: Mumbai

Padmapal
Managing Director & CEO
DIN: 11376305
Place: Kalinganagar



Uttam Singh
Director
DIN: 09365485
Place: Kalinganagar



Manoj Kumar Gupta
Chief Financial Officer
Place: Kalinganagar



Pooja K. Maru
Company Secretary
(ACS - 24606)
Place: Mumbai

Place: Kolkata
Date: May 06, 2026

Date: May 06, 2026

NEELACHAL ISPAT NIGAM LIMITED

Statement of Profit and Loss for the year ended March 31, 2026

(₹ in crores)

	Note	Year ended March 31, 2026	Year ended March 31, 2025
I Revenue from operations	22	5,281.59	5,701.06
II Other income	23	130.09	79.48
III Total income (I + II)		5,411.68	5,780.54
IV Expenses:			
Cost of materials consumed		2,202.80	2,730.99
Changes in inventories of finished and semi finished goods	24	(15.75)	102.74
Employee benefits expense	25	242.29	230.84
Finance costs	26	701.32	630.25
Depreciation and amortisation expense	27	168.47	171.66
Other expenses	28	1,655.62	1,584.80
Total expenses (IV)		4,954.75	5,451.28
V Profit before exceptional items and tax (III - IV)		456.93	329.26
VI Exceptional items	29	(117.39)	(0.74)
VII Profit before tax (V+VI)		339.54	328.52
VIII Tax expense:			
(1) Current tax		-	-
(2) Deferred tax	18	(804.27)	-
Total tax expense (VIII)		(804.27)	-
IX Profit for the year (VII- VIII)		1,143.81	328.52
X Other comprehensive income			
Items that will not be reclassified to profit or loss			
(a) Re-measurement gain/(loss) of the post-employment defined benefit plans		0.43	(4.06)
(b) Income tax relating to above item		(0.11)	-
Total other comprehensive income (X)		0.32	(4.06)
XI Total comprehensive income for the year (IX + X) (Comprising profit and other comprehensive income for the year)		1,144.13	324.46
XII Earnings per equity share (face value of ₹ 10 each) :	30		
(1) Basic (₹)		8.38	2.41
(2) Diluted (₹)		8.38	2.41

The accompanying notes forming an integral part of the financial statements 1 to 55
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 Number: 304026E/E-300009



Amitesh Dutta
Partner
Membership No: 058507

Place: Kolkata
Date: May 06, 2026

For and on behalf of the Board of Directors



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Chairman
DIN: 03083605
Place: Mumbai

Manoj Kumar Gupta
Chief Financial Officer
Place: Kalinganagar

Date: May 06, 2026



Padmapal
Managing Director & CEO
DIN: 11376305
Place: Kalinganagar



Uttam Singh
Director
DIN: 09365485
Place: kalinganagar



Pooja K. Maru
Company Secretary
(ACS - 24606)
Place: Mumbai

NEELACHAL ISPAT NIGAM LIMITED
Statement of changes in equity for the year ended March 31, 2026

(A) Equity share capital

Particulars	Note	₹ in crores	
		Amount	
As at April 1, 2024	14	1,365.72	
Changes in equity share capital during the year		-	
As at March 31, 2025		1,365.72	
Changes in equity share capital during the year		-	
As at March 31, 2026		1,365.72	

(B) Other equity

Particulars	Note	Reserves and surplus			Total
		Securities premium	Retained earnings	Remeasurement gain / (loss) of the defined benefit plans	
Balance as at April 1, 2025	15	3,556.50	(7,273.75)	(14.28)	(3,731.53)
Profit for the year		-	1,143.81	-	1,143.81
Other comprehensive income for the year		-	-	0.32	0.32
Balance as at March 31, 2026		3,556.50	(6,129.94)	(13.96)	(2,587.40)

Particulars	Note	Reserves and surplus			Total
		Securities premium	Retained earnings	Remeasurement gain / (loss) of the defined benefit plans	
Balance as at April 1, 2024	15	3,556.50	(7,602.27)	(10.22)	(4,055.99)
Profit for the year		-	328.52	-	328.52
Other comprehensive income for the year		-	-	(4.06)	(4.06)
Balance as at March 31, 2025		3,556.50	(7,273.75)	(14.28)	(3,731.53)

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

1 to 55

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


Amitesh Dutta
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Membership No: 058507

For and on behalf of the Board of Directors


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Date: May 06, 2026


Manoj Kumar Gupta
Chief Financial Officer
Place: Kalinganagar
Date: May 06, 2026


Pooja K. Maru
Company Secretary
(ACS - 24606)
Place: Mumbai

NEELACHAL ISPAT NIGAM LIMITED
Statement of Cash Flows for the year ended March 31, 2026

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
(A) Cash flows from operating activities:		
Profit before tax	339.54	328.52
Adjustments for:		
Depreciation and amortisation expenses (Refer Note 27)	168.47	171.66
(Gain)/loss on cancellation of forward contracts	-	(1.93)
Foreign Exchange (gain)/loss	0.56	(7.38)
Gain on sale/fair value changes of current investments (Refer Note 23)	(15.15)	(29.84)
Loss on disposal of property, plant and equipment and capital work-in-progress (Refer Note 28)	1.66	2.00
Interest income (Refer Note 23)	(51.02)	(13.24)
Finance Costs (Refer Note 26)	701.32	630.25
Exceptional items (Refer Note 29)	117.39	0.74
Other non-cash items*	(50.93)	(17.10)
	872.30	735.16
Operating profit before changes in non-current/current assets and liabilities	1,211.84	1,063.68
Adjustments for:		
(Increase)/decrease in Inventories	(55.80)	248.32
(Increase)/decrease in Non-current/current financial and non-financial assets	(1,183.37)	27.80
Increase/(decrease) in Non-current/current financial and non-financial liabilities/provisions	29.91	(46.44)
	(1,209.26)	229.68
Cash generated from operations	2.58	1,293.36
Income taxes paid (net of refund)	(3.61)	(1.48)
Net cash generated from/(used in) operating activities	(1.03)	1,291.88
(B) Cash flows from investing activities:		
Payments for purchases of capital assets (including capital advances)	(302.30)	(222.07)
Sale/(Purchase) of current investments (net)	100.12	(160.95)
Interest received	59.81	2.02
Fixed/restricted deposits with banks placed	(903.34)	(802.93)
Fixed/restricted deposits with banks realised	902.46	4.14
Net cash generated used in investing activities	(143.25)	(1,179.79)
(C) Cash flows from financing activities:		
Finance costs paid (excluding interest on lease liabilities)	(0.44)	(1.09)
Payment of lease obligations	(0.46)	(0.40)
Interest paid on lease liabilities	(0.59)	(0.63)
Amount received/(paid) on cancellation of forward contracts (net)	-	1.93
Net cash generated used in financing activities	(1.49)	(0.19)
Net increase/(decrease) in cash and cash equivalents	(145.77)	111.90
Cash and cash equivalents at the beginning of the year (Refer Note 12)	150.75	38.85
Cash and cash equivalents at the end of the year (Refer Note 12)	4.98	150.75

*Other non-cash items represents reversal of provision/liabilities no longer required written back (Also refer note 23).

The accompanying notes forming an integral part of the financial statements 1 to 55
This is the Statement of Cash Flows referred to in our report of even date

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

For and on behalf of the Board of Directors


Amitesh Dutta
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Membership No: 058507


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Place: Kalinganagar


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Company Secretary
(ACS - 24606)
Place: Mumbai

Place: Kolkata
Date: May 06, 2026

Date: May 06, 2026

NEELACHAL ISPAT NIGAM LIMITED
Notes to the financial statements

01. Corporate information

Neelachal Ispat Nigam Limited ('NINL' or 'the Company') (CIN : U27109OR1982PLC001050) is a public limited Company incorporated in India with its registered office at Samabaya Bhawan, 4th Floor, Unit- 9, Janpath, Bhoinagar, Bhubaneswar, Odisha. The Company has its principal place of business at Kalinga Nagar Industrial Complex, Duburi, Jajpur, Odisha. On July 4, 2022, Tata Steel Long Products Limited completed the acquisition of the Company for total consideration of ₹ 12,100 crores in accordance with the process run by Department of Disinvestment & Public Asset Management (DIPAM), Government of India and related Share Sale and Purchase Agreement (SPA). The Company became a subsidiary of Tata Steel Long Products Limited with effect from July 4, 2022.

The Hon'ble National Company Law Tribunal, Cuttack bench vide its order dated October 18, 2023 and the National Company Law Tribunal, Mumbai Bench vide its order dated October 20, 2023, had approved the Scheme of Amalgamation of Tata Steel Long Products Limited ('TSLP') with Tata Steel Limited ('TSL'). Pursuant to the approval, TSLP ceased to exist and was merged with TSL, making TSL as the Holding Company of Neelachal Ispat Nigam Limited.

The Company has presence across the value chain of steel manufacturing from mining and processing iron ore to producing steel based long products. The Company also has pig iron manufacturing facility, Coke oven plant and captive power plant.

The functional and presentation currency of the Company is Indian Rupee ("₹") which is the currency of the primary economic environment in which the Company operates, and all the values are rounded off to the nearest two decimal places, unless otherwise indicated.

The financial statements were approved and authorized for issue with the resolution of the Company's Board of Directors on May 06, 2026.

02. Material accounting policy information

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

02.01 Basis of accounting and preparation of financial statements

(i) Compliance with Ind AS

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

(ii) Historical cost convention

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

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefit plans — plan assets measured at fair value.

(iii) Current versus Non-current classification

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

An asset is classified as current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realized within twelve months after the reporting period,



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NEELACHAL ISPAT NIGAM LIMITED
Notes to the financial statements

- (iv) cash or cash equivalents (as defined in Ind AS 7: Statement of Cash Flows) unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- i. it is expected to be settled in the normal operating cycle,
- ii. it is incurred primarily for the purpose of trading,
- iii. it is due to be settled within twelve months after the reporting period, or
- iv. there is no unconditional right at the end of the reporting period 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.

(iv) Recent Accounting Pronouncements

In May and August 2025, the Ministry of Corporate Affairs notified amendments to Ind AS 21, Ind AS 1, Ind AS 7, Ind AS 107 and Ind AS 12, applicable from April 1, 2025. The Company has evaluated the amendments and determined that they do not have any significant impact on its financial statements.

02.02 Use of estimates and critical accounting judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that impact the application of accounting policies and the reported amounts of assets, liabilities, income, expenses 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.

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

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

The areas involving critical estimates or judgements are:

(i) Employee benefits - Refer Notes 02.12 and 33

Employment benefits represent obligation that will be settled in the future and require assumptions to project benefit obligations. Employment benefit accounting is intended to reflect the recognition of future benefit cost over the employees' approximate service period, based on the terms of plans and the investment and funding decisions made. The accounting requires the Company to make assumptions regarding variables such as discount rate and rate of compensation increase. Changes in these key assumptions can have a significant impact on the defined benefit obligations. The assumptions are reviewed annually and adjusted following actuarial and experience changes.



NEELACHAL ISPAT NIGAM LIMITED
Notes to the financial statements

- (ii) **Estimation of expected useful lives and residual values of property, plants and equipment, right-of-use assets and intangible assets-Refer Notes 02.03 and 03**

The Company reviews its estimate of the useful life of property, plant and equipment, right-of-use assets and intangible assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment, right-of-use assets and intangible assets. These reassessments may result in change in depreciation and amortization expense in future periods.

- (iii) **Provision and contingent liabilities-Refer Notes 02.15, 19 and 38**

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

The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past event where it is either not probable that an outflow of resources will be utilized to settle the obligation or a reliable estimate of the amount cannot be made. In the normal course of business, the Company consults with legal counsel and certain other experts on matters related to litigations.

- (iv) **Deferred taxes-Refer Notes 02.13 and 18**

Deferred tax is calculated based on the differences between the carrying value of assets and liabilities in financial statements and their respective tax bases used in the computation of taxable profit. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

02.03 Property, plant and equipment

Items of Property, plant and equipment are stated at cost or deemed cost applied on transition to Ind AS less accumulated depreciation (other than freehold land) and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the assets' carrying amount or recognized as a separate asset, as appropriate.

Depreciation on property, plant and equipment is calculated on a pro-rata basis using the straight-line method to allocate their cost/deemed cost, net of their estimated residual values, over their estimated useful lives. The useful lives determined are in line with the useful lives prescribed in Schedule II to the Act except in respect of certain buildings, roads, plant and machinery and railway sidings in which case the life of the assets has been assessed, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, etc.

The useful lives, residual values and the method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period. Depreciation on assets under construction commence only when the assets are ready for their intended use.



NEELACHAL ISPAT NIGAM LIMITED
Notes to the financial statements

The estimated useful lives of property, plant and equipment are as under:

Category of Assets	Estimated Useful Life (years)
Freehold Buildings	10 to 60 years
Roads	5 to 10 years
Plant and Machinery	5 to 35 years
Railway Sidings	30 to 35 years
Vehicles	5 to 10 years
Furniture, fixtures and office equipment	5 to 10 years

Freehold land is not depreciated.

Property, plant and equipment are evaluated for recoverability wherever there is any indication that their carrying value may not be recoverable. If any such indication exists, the recoverable amount is higher of fair value less costs to sell and value in use for the underlying business. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs. In assessing fair value less costs to sell, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable value of an asset (CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (CGU) is reduced to its recoverable value. An impairment loss is recognized in the Statement of Profit and Loss.

02.04 Exploration for and evaluation of mineral resources

Expenditures associated with search for specific mineral resources are recognised as exploration and evaluation assets. The following expenditure comprises cost of exploration and evaluation assets:

- obtaining of the rights to explore and evaluate mineral reserves and resources including costs directly related to this acquisition
- researching and analysing existing exploration data
- conducting geological studies, exploratory drilling and sampling
- examining and testing extraction and treatment methods
- compiling pre-feasibility and feasibility studies
- activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource.

Administration and other overhead costs are charged to the cost of exploration and evaluation assets only if directly related to an exploration and evaluation project.

If a project does not prove viable, all irrecoverable exploration and evaluation expenditure associated with the project net of any related impairment allowances is written off to the statement of profit and loss.

The Company measures its exploration and evaluation assets at cost and classifies as property, plant and equipment or intangible assets according to the nature of the assets acquired and applies the classification consistently. To the extent that a tangible asset is consumed in developing an intangible asset, the amount reflecting that consumption is capitalised as a part of the cost of the intangible asset.



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02.05 Leases

The Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the lease payments that are not paid at the commencement date of the lease.

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

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses if any. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

Payments associated with short-term leases of plant and machineries are recognized on a straight-line basis as an expense in Statement of Profit and Loss. Short-term leases are leases with a lease term of 12 months or less. Variable lease payments that depend on output generated are recognized in Statement of Profit and Loss in the period in which the condition that triggers those payment occurs.

02.06 Intangible assets

(i) Mining rights

Mining rights are amortised on the basis of production from mines.

On transition date, the Company had chosen to carry forward the previous GAAP carrying amount and accordingly net carrying amount on transition date was considered deemed cost.

Intangible assets are evaluated for recoverability wherever there is any indication that their carrying value may not be recoverable. If any such indication exists, the recoverable amount is higher of fair value less costs to sell and value in use for the underlying business. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs. In assessing fair value less costs to sell, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable value of an asset (CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (CGU) is reduced to its recoverable value. An impairment loss is recognized in the Statement of Profit and Loss.



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(ii) Computer Software

Computer software are recognized when future economic benefits are probable, and the cost can be measured reliably. Such assets are initially measured at cost and subsequently carried at cost or deemed cost less accumulated amortization and impairment losses. Computer software is amortised on a straight-line basis over its estimated useful life of 5 years.

Intangible assets are reviewed for impairment whenever indicators exist. If the carrying amount exceeds the recoverable amount (being the higher of fair value less costs of disposal and value in use), an impairment loss is recognized in the Statement of Profit and Loss.

02.07 Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

02.08 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 Statement of Profit and Loss), and
- those to be measured at amortised cost.

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

For assets measured at fair value, gains and losses are recorded in either the profit or loss or other comprehensive income.

(ii) Measurement

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value measured on initial recognition of financial asset. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in the Statement of Profit and Loss.

(iii) Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets which are not fair valued through profit or loss. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 35 details how the Company determines whether there has been a significant increase in credit risk.



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(iv) Derecognition of financial assets

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Interest 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 accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable which is the rate exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(vi) Fair Value of Financial Instruments

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date including available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

02.09 Financial liabilities and equity instruments

(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Measurement

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.



(iii) De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

02.10 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

02.11 Trade payables

Trade Payables 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.

02.12 Employee Benefits

(i) Short-term Employee Benefits

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. The liabilities are presented as 'Provision for employee benefits' within 'Current Provisions' in the Balance Sheet.

(ii) Post-employment Benefits

(a) Defined Benefit Plans

The liability or asset 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.

(b) 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.

(iii) Other Long-term Employee Benefits

The liabilities for compensated absences which are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are considered other long-term benefits. They are therefore measured annually by actuaries as the present value of expected future benefits in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting



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period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented under 'Provision for employee benefits' in the Balance Sheet. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised based on actuarial valuation.

02.13 Income Tax

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

The current 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 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 tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax credits 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 liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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

02.14 Inventories

Inventories comprises the following: (a) Raw material (including Goods in Transit), (b) Finished and semi-finished goods and (c) Stores and spares. Inventories are stated at the lower of cost and net realizable value. Cost of inventories comprises cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Finished and semi-finished goods comprise direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Provisions are made to cover slow-moving and obsolete items based on historical experience of utilization on a product category basis, which involves individual businesses considering their product lines and market conditions.



02.15 Provisions and Contingent Liabilities

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

Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where the time value of money is material, provisions are measured on a discounted basis.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

02.16 Revenue

Revenue from sale of products is recognised when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, the risks of loss has been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied. Revenue from these sales is recognised based on the price specified in the contract, which is generally fixed. No element of financing is deemed present as the sales are made against the receipt of advance or with an agreed credit period of up to 7-60 days, which is consistent with the market practices. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only passage of time is required before payment is due.

02.17 Borrowing costs

Borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred. The cash flows from the non-cumulative redeemable preference shares (NCRPS) represent solely payments of principal and interest and are held by the Company within the business model to pay contractual cash flows. Accordingly, NCRPS issued by the Company is measured at amortised cost. Contractual cash flows from the NCRPS represent the principal plus the accrued interest.

02.18 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director of the Company.

02.19 Foreign Currency Transactions

In preparing the financial statements, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period and resulting exchange difference recognized in profit or loss. Exchange differences arising on the settlement of monetary items are included in the statement of profit and loss for the period.



3 Property, plant and equipment and Capital work-in-progress

Carrying amounts of:	₹ in crores	
	As at March 31, 2025	As at March 31, 2025
Freehold Land including roads	15.64	8.38
Freehold buildings	68.95	64.96
Plant and machinery	1,801.63	1,782.95
Furniture and fixtures	2.10	2.09
Office equipment	6.96	7.74
Vehicles	1.86	2.09
Railway Sidings	5.88	6.31
Total	1,903.02	1,874.52
Capital work-in-progress [Refer note 3(v) to 3(viii)]	428.71	354.93
Total	2,331.73	2,229.45

	₹ in crores							
	Freehold Land including roads	Freehold Buildings	Plant and Machinery	Furniture and fixtures	Office equipment	Vehicles	Railway Sidings	Total
Gross Carrying amount								
Balance as at April 1, 2025	16.63	101.81	3,275.21	3.04	12.98	4.19	18.72	3,432.58
Additions during the year	8.43	7.76	174.74	0.67	1.70	-	-	193.30
Assets disposed / written off during the year	-	-	(12.52)	-	-	-	-	(12.52)
Balance as at March 31, 2026	25.06	109.57	3,437.43	3.71	14.68	4.19	18.72	3,613.36
Accumulated depreciation								
Accumulated depreciation as at April 1, 2025	8.25	35.85	1,492.26	0.95	5.24	2.10	12.41	1,558.06
Charge for the year	1.17	3.77	154.40	0.66	2.48	0.23	0.43	163.14
Depreciation on assets disposed / written off during the year	-	-	(10.86)	-	-	-	-	(10.86)
Accumulated depreciation as at March 31, 2026	9.42	40.62	1,635.80	1.61	7.72	2.33	12.84	1,710.34
Net Carrying amount								
Balance as at April 1, 2025	8.38	64.96	1,782.95	2.09	7.74	2.09	6.31	1,874.52
Balance as at March 31, 2026	15.64	68.95	1,801.63	2.10	6.96	1.86	5.88	1,903.02

	₹ in crores							
	Freehold Land including roads	Freehold Buildings	Plant and Machinery	Furniture and fixtures	Office equipment	Vehicles	Railway Sidings	Total
Gross Carrying amount								
Balance as at April 1, 2024	16.63	92.86	3,243.41	1.70	10.84	1.93	16.72	3,366.09
Additions during the year	-	8.95	31.80	1.34	2.14	2.26	-	46.49
Assets disposed / written off during the year	-	-	-	-	-	-	-	-
Balance as at March 31, 2025	16.63	101.81	3,275.21	3.04	12.98	4.19	18.72	3,432.58
Accumulated depreciation								
Accumulated depreciation as at April 1, 2024	6.73	33.95	1,334.85	0.41	2.77	1.93	11.98	1,392.62
Charge for the year	1.52	2.90	157.41	0.54	2.47	0.17	0.43	165.44
Depreciation on assets disposed / written off during the year	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2025	8.25	36.85	1,492.26	0.95	5.24	2.10	12.41	1,558.06
Net Carrying amount								
Balance as at April 1, 2024	9.60	58.91	1,908.56	1.29	8.07	-	6.74	1,993.47
Balance as at March 31, 2025	8.38	64.96	1,782.95	2.09	7.74	2.09	6.31	1,874.52

Notes :

- Depreciation on property, plant and equipment has been included under 'Depreciation and amortisation expense' in the Statement of Profit and Loss (Refer Note 27).
- On transition to IND AS, the Company had chosen to carry forward previous GAAP carrying amount and accordingly the net carrying amount on transition date was considered as the deemed cost.
- 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), are held in the name of the Company.
- Refer Note 32 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- During the year ended March 31, 2026, the Company recognised a provision for impairment of ₹ 90.71 crores in respect of the Lime Calcination Plant (LCP) under capital work-in-progress initiated by erstwhile management, based on conclusions from a post-acquisition feasibility assessment. (Also refer Note 29)
- Additions to CWIP during the year is ₹ 357.79 crores (2024-25: ₹ 230.85 crores).



(vi) Ageing of Capital work-in-progress (CWIP)

As at March 31, 2026

(₹ in crores)

Particulars	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	246.54	142.29	2.62	37.26	428.71
Projects temporarily suspended	-	-	-	-	-
Total	246.54	142.29	2.62	37.26	428.71

As at March 31, 2025

(₹ in crores)

Particulars	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	214.91	11.96	-	127.92	354.79
Projects temporarily suspended	-	-	-	0.14	0.14
Total	214.91	11.96	-	128.06	354.93

(vii) Completion schedule for Capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan

As at March 31, 2026

(₹ in crores)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Projects in progress					
(a) Improvement projects	-	11.62	-	-	11.62
(b) Sustenance projects	44.62	17.76	-	0.14	62.52
(ii) Projects temporarily suspended					
(a) Improvement projects	-	-	-	-	-
(b) Sustenance projects	-	-	-	-	-
Total	44.62	29.38	-	0.14	74.14

As at March 31, 2025

(₹ in crores)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Projects in progress					
(a) Improvement projects	-	11.62	90.71	-	102.33
(b) Sustenance projects	79.66	-	17.76	-	97.42
(ii) Projects temporarily suspended					
(a) Improvement projects	-	-	-	-	-
(b) Sustenance projects	-	-	-	0.14	0.14
Total	79.66	11.62	108.47	0.14	199.89

(viii) Operations of the Company were shut since March 2020 and the capital projects got delayed as detailed above. Post acquisition of the Company (Refer note 39) the new management had made a detailed assessment, inter alia, involving external technical experts as applicable. Certain projects pertaining to post-acquisition period also remain overdue and all overdue projects are expected to be completed as per the timelines mentioned above.



4 Right-of-use assets

(i) The Company as a lessee

The Company has lease contracts for land and building. Leases of land have a term of 5 to 90 years and leases of building have a term of 5 years. Generally, the Company is restricted from assigning or subleasing the leased assets. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. The land lease is terminable at the option of the Company with prior notice, while the building lease is terminable by either party with prior notice and no extension options are available under either lease.

The Company also has certain leases of plant & machineries with lease term of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases and recognizes the lease payments as an expense on a straight-line basis in the Statement of Profit and Loss.

(ii) Following are the changes in carrying value of right-of-use assets

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Right-of-use land	35.13	35.85
Right-of-use building	0.80	1.24
Total Right-of-use assets	35.93	37.09

	(₹ in crores)		
	Right-of-use land	Right-of-use Building	Total
Gross Carrying amount			
Balance as at April 1, 2025	41.55	2.21	43.76
Additions during the year	-	-	-
Balance as at March 31, 2026	41.55	2.21	43.76
Accumulated depreciation			
Accumulated depreciation as at April 1, 2025	5.70	0.97	6.67
Charge for the year	0.72	0.44	1.16
Accumulated depreciation as at March 31, 2026	6.42	1.41	7.83
Net Carrying amount			
Balance as at April 1, 2025	35.85	1.24	37.09
Balance as at March 31, 2026	35.13	0.80	35.93

	(₹ in crores)		
	Right-of-use land	Right-of-use Building	Total
Gross Carrying amount			
Balance as at April 1, 2024	40.48	2.21	42.69
Additions during the year	1.07	-	1.07
Balance as at March 31, 2025	41.55	2.21	43.76
Accumulated depreciation			
Accumulated depreciation as at April 1, 2024	4.98	0.53	5.51
Charge for the year	0.72	0.44	1.16
Accumulated depreciation as at March 31, 2025	5.70	0.97	6.67
Net Carrying amount			
Balance as at April 1, 2024	35.50	1.68	37.18
Balance as at March 31, 2025	35.85	1.24	37.09



[Handwritten mark]

(iii) Following are the changes in carrying value of lease liabilities

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Balance as at April 1, 2025	5.36	5.76
Additions during the year	-	-
Interest expenses	0.59	0.63
Payment of lease obligations	(1.05)	(1.03)
Balance as at March 31, 2026	4.90	5.36
Current lease liabilities	0.50	0.45
Non-current lease liabilities	4.40	4.91

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2026 and March 31, 2025 on an undiscounted basis -

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Less than one year	1.10	1.04
One to five years	2.17	2.84
More than five years	24.95	25.39
Total	28.22	29.27

(iv) Following are the amounts recognised in the Statement of Profit and Loss

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Depreciation expense on right-of-use assets (Refer Note 27)	1.16	1.16
Interest expense on lease liabilities (Refer Note 26)	0.59	0.63
Expenses in respect of short term leases (Refer Note 28)	25.74	20.87
Total amount recognised in the Statement of Profit and Loss	27.49	22.66

- (a) The Company does not have any leases of low value assets and subleases.
(b) No lease contracts of the Company contain any variable lease payments.
(c) There are no residual value guarantees in relation to any lease contracts.
(d) The Company had a total cash outflows of ₹ 1.05 crores for leases for the year ended March 31, 2026 (March 31, 2025 : ₹ 1.03 crores).



5 Other intangible assets

(₹ in crores)		
Carrying amounts of:	As at March 31, 2026	As at March 31, 2025
Mining rights (acquired)	180.70	169.06
Computer software	0.52	0.93
Total intangible assets	181.22	169.99

(₹ in crores)			
	Mining rights (acquired)	Computer software	Total
Gross Carrying amount			
Balance as at April 1, 2025	183.75	2.06	185.81
Additions during the year	15.40	-	15.40
Balance as at March 31, 2026	199.15	2.06	201.21
Accumulated amortisation			
Accumulated amortisation as at April 1, 2025	14.69	1.13	15.82
Charge for the year	3.78	0.41	4.17
Accumulated amortisation as at March 31, 2026	18.45	1.54	19.99
Net Carrying amount			
Balance as at April 1, 2025	169.06	0.93	169.99
Balance as at March 31, 2026	180.70	0.52	181.22

(₹ in crores)			
	Mining rights (acquired)	Computer software	Total
Gross Carrying amount			
Balance as at April 1, 2024	183.75	2.03	185.81
Additions during the year	-	-	-
Balance as at March 31, 2025	183.75	2.06	185.81
Accumulated amortisation			
Accumulated amortisation as at April 1, 2024	10.04	0.72	10.76
Charge for the year	4.65	0.41	5.03
Accumulated amortisation as at March 31, 2025	14.69	1.13	15.82
Net Carrying amount			
Balance as at April 1, 2024	173.71	1.34	175.05
Balance as at March 31, 2025	169.06	0.93	169.99

Notes :

- (i) The amortisation of intangible assets has been included under 'Depreciation and Amortisation Expenses' in the Statement of Profit and Loss (Refer Note 27).
- (ii) On transition to IND AS, the Company had chosen to carry forward previous GAAP carrying amount and accordingly the net carrying amount on transition date was considered as the deemed cost.
- (iii) Mining rights (acquired) represents expenditure incurred in relation to acquisition of mine, mine development expenditure post establishment of technical and commercial feasibility. As on March 31, 2026, the useful life of mining assets is 41 years (March 31, 2025: 42 years). (Refer Note 41)

(iv) Ageing of Intangible assets under development

As at March 31, 2026

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

As at March 31, 2025

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	8.24	3.70	-	11.94
Projects temporarily suspended	-	-	-	-	-
Total	-	8.24	3.70	-	11.94

- (v) There are no intangible assets under development as on March 31, 2026 & March 31, 2025 whose completion is overdue or has exceeded its cost as compared to its original plan.



6 Other financial assets

(Unsecured, considered good unless stated otherwise)

(₹ in crores)

	As at March 31, 2026		As at March 31, 2025	
	Non-current	Current	Non-current	Current
(a) Interest accrued on deposits	0.01	2.75	0.17	11.38
(b) Security deposits				
Considered good	37.45	-	31.34	-
Considered impaired	0.40	-	0.40	-
Less: Allowance for credit losses	(0.40)	-	(0.40)	-
(c) Bank deposits with more than 12 months original maturity	2.78	5.95	1.83	109.64
(d) Others	-	1.81	-	0.86
	40.24	10.51	33.34	121.88

- (i) Security deposits are primarily in relation to public utility services
(ii) Out of total non-current and current bank deposits ₹ 7.11 crores (March 31, 2025: ₹ 9.14 crores) is earmarked towards security deposit with government bodies and margin money for bank guarantee.
(iii) Current other financial assets includes amount receivable on cancellation of forward contracts.

7 Income tax assets (Non current)

(₹ in crores)

	As at March 31, 2026	As at March 31, 2025
	Tax deducted/collected at source	15.15
	15.15	11.54

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

8 Other assets

(Unsecured, considered good unless stated otherwise)

(₹ in crores)

	As at March 31, 2026		As at March 31, 2025	
	Non-current	Current	Non-current	Current
(a) Capital advances	36.29	-	20.79	-
(b) Other loans and advances				
(i) Advances with public bodies				
Considered good	7.16	26.76	-	55.52
Considered doubtful	-	6.93	-	6.48
Less: Provision for doubtful advances	-	(6.93)	-	(6.48)
(ii) Other advances and prepayments*				
Considered good	-	14.30	0.11	8.98
Considered doubtful	-	0.78	-	0.78
Less: Provision for doubtful advances	-	(0.78)	-	(0.78)
	43.45	41.06	20.90	64.50

*Includes advances to related parties (Refer Note 36) of ₹ 1.23 crores. (March 31, 2025: Nil).

- (i) Advances with public bodies primarily relate to input credit entitlements, royalty deposits and amounts paid under protest in respect of demands and claims from regulatory authorities.
(ii) Other Includes advances against supply of goods/services ₹ 12.00 crores (March 31, 2025 : ₹ 6.98 crores).



9 Inventories

(lower of cost and net realisable value)

(₹ in crores)

	As at March 31, 2026	As at March 31, 2025
(a) Raw materials	556.10	516.23
(b) Finished and semi-finished goods	90.02	74.27
(c) Stores and spares	263.92	263.74
	910.04	854.24
Included above, goods-in-transit		
Raw materials	82.62	100.33
	82.62	100.33

- (i) During the year discrepancies noted on physical verification of raw material inventories is ₹ 5.43 crores (amount in books being lower) (March 31, 2025: ₹ 10.39 crores - amount in books being lower), which has been appropriately adjusted in the books of accounts.
- (ii) During the year discrepancies noted on physical verification of finished goods and semi finished goods inventories is ₹ 2.17 crores (amount in books being higher) (March 31, 2025: ₹ 0.77 crores; amount in books being lower), which has been appropriately adjusted in the books of accounts.
- (iii) The above discrepancies noted on physical verification of inventories as compared to the book records are not 10% or more in aggregate for each class of inventory.
- (iv) Value of inventories stated above is after provisions for obsolete items and write-downs to net realisable value ₹ 4.26 crores (March 31, 2025: Nil).
- (v) Refer Note 43 for information on inventories hypothecated as security by the Company.

10 Investments

(₹ in crores)

	As at March 31, 2026	As at March 31, 2025
Current Investments (Unquoted)		
Investment in mutual funds (carried at fair value through profit and loss)		
(a) Aditya Birla Sun Life Liquid Fund - Growth-Direct	8.76	25.06
(b) Axis Liquid Fund - Direct Growth	8.83	12.95
(c) Bandhan Liquid Fund-Growth- Direct Growth	13.60	7.20
(d) Baroda BNP Paribas Liquid Fund -Direct Growth	4.01	2.60
(e) DSP Liquidity Fund - Direct Plan - Growth	-	34.39
(f) Edelweiss Liquid Fund -Direct Plan Growth-Growth	-	12.52
(g) HDFC Liquid Fund - Direct Plan - Growth Option	-	9.40
(h) HSBC Liquid Fund - Direct Growth	-	17.42
(i) ICICI Prudential Liquid Fund -Direct-Growth	4.01	6.54
(j) Invesco India Liquid Fund - Direct Plan Growth	-	18.14
(k) Kotak Liquid Fund-Direct-Growth	66.63	10.97
(l) LIC MF Liquid Fund - Direct Plan-Growth	5.18	-
(m) Mirae Asset Liquid Fund - Direct Plan - Growth	-	10.39
(n) Nippon India Liquid Fund - Direct Growth Plan - Growth Option	-	25.06
(o) SBI Liquid Fund - Direct Plan - Growth	8.81	12.17
	119.83	204.81
Aggregate amount of unquoted investments	119.83	204.81

Refer Note 35 for information about fair value measurement, credit risk and market risk on investments.

11 Trade receivables

(₹ in crores)

	As at March 31, 2026	As at March 31, 2025
(a) Unsecured, considered good	1,281.10	88.38
(b) Unsecured, credit impaired	-	-
	1,281.10	88.38
Less : Allowance for expected credit loss	-	-
Total trade receivables	1,281.10	88.38
Trade receivables from related parties (Refer Note 36)	1,281.10	88.38



(i) Ageing of trade receivables excluding loss allowance is as below:

As at March 31, 2025

(₹ in crores)

	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 – considered good	1,074.40	202.14	0.74	-	-	-	1,277.28
Add: Unbilled trade receivables							3.82
Total trade receivables	1,074.40	202.14	0.74	-	-	-	1,281.10

As at March 31, 2026

(₹ in crores)

	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 – considered good	66.35	0.67	-	-	-	-	67.02
Add: Unbilled trade receivables							21.36
Total trade receivables	66.35	0.67	-	-	-	-	88.38

- (ii) There is one customer whose balance represents more than 10% of total balance of trade receivables as at March 31, 2026 and as at March 31, 2025.
(iii) There are no outstanding receivables due from directors or other officers of the Company.
(iv) Refer Note 35 for information about credit risk and market risk on receivables.
(v) Refer Note 43 for information on trade receivables hypothecated as security by the Company.

12 Cash and cash equivalents

(₹ in crores)

	As at March 31, 2026	As at March 31, 2025
Balances with banks		
(i) In current accounts	4.98	55.75
(ii) In deposit accounts (original maturity of less than 3 months)	-	95.00
Total cash and cash equivalents	4.98	150.75

13 Other balances with banks

(₹ in crores)

	As at March 31, 2026	As at March 31, 2025
Bank deposits with original maturity of more than three months and less than twelve months*	805.67	702.06
Total other balances with banks	805.67	702.06

* Out of total bank deposits March 31, 2026: ₹ 2.64 crores (March 31, 2025 : Nil) is earmarked towards margin money for bank guarantee.



14. Equity share capital

A. Details of authorised, issued, subscribed and paid-up capital

(₹ in crores)

	As at March 31, 2026	As at March 31, 2025
Authorised share capital:		
5,10,00,00,000 fully paid equity shares of ₹ 10 each (March 31, 2025: 5,10,00,00,000 equity shares of ₹ 10 each)	5,100.00	5,100.00
Issued and subscribed:		
1,37,26,40,143 fully paid equity shares of ₹ 10 each (March 31, 2025: 1,37,26,40,143 equity shares of ₹ 10 each)	1,372.64	1,372.64
Paid up:		
1,35,87,88,143 Equity shares of ₹ 10 each, fully paid up (March 31, 2025: 1,35,87,88,143 equity shares of ₹ 10 each, fully paid up)	1,358.79	1,358.79
1,38,52,000 Equity shares of ₹ 10 each, ₹ 5 partly paid up* (March 31, 2025: 1,38,52,000 equity shares of 10 each, ₹ 5 partly paid up)	6.93	6.93
Total Paid up equity share capital	1,365.72	1,365.72

*1,38,52,000 equity shares of ₹ 10/- each on which ₹ 5/- has already been paid up shall not be called up except in the event of and for the purpose of the Company being wound up.

B. Reconciliation of number of shares outstanding

	No. of equity shares	Amount ₹ in crores
Equity shares of Rs. 10 each		
As at April 1, 2024		
- Fully Paid (of ₹ 10 each)	1,35,87,88,143	1,358.79
- Partly Paid (of ₹ 5 each)	1,38,52,000	6.93
Changes in equity share capital during the year		
- Fully Paid (of ₹ 10 each)	-	-
- Partly Paid (of ₹ 5 each)	-	-
As at March 31, 2025		
- Fully Paid (of ₹ 10 each)	1,35,87,88,143	1,358.79
- Partly Paid (of ₹ 5 each)	1,38,52,000	6.93
Changes in equity share capital during the year		
- Fully Paid (of ₹ 10 each)	-	-
- Partly Paid (of ₹ 5 each)	-	-
As at March 31, 2026		
- Fully Paid (of ₹ 10 each)	1,35,87,88,143	1,358.79
- Partly Paid (of ₹ 5 each)	1,38,52,000	6.93

C. Shares held by holding company

	As at March 31, 2026		As at March 31, 2025	
	No. of equity shares*	%	No. of equity shares	%
Tata Steel Limited	1,37,26,40,143	100.00%	1,37,03,47,551	99.83%

*As at 31st March 2026, including 6 shares held by nominee shareholders

D. Details of shareholders holding more than 5% of outstanding shares

	As at March 31, 2026		As at March 31, 2025	
	No. of equity shares*	%	No. of equity shares	%
Name of shareholders				
Tata Steel Limited	1,37,26,40,143	100.00%	1,37,03,47,551	99.83%

*As at 31st March 2026, including 6 shares held by nominee shareholders



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E. Details of shareholding of promoters

Name of promoter	As at March 31, 2025		As at March 31, 2024		% Change during the year
	No. of equity shares [*]	%	No. of equity shares	%	
Tata Steel Limited	1,37,26,40,143	100%	1,37,03,47,561	99.83%	0.17%

^{*}As at 31st March 2026, including 6 shares held by nominee shareholders

F. Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. 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, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Also refer Note 39 to the financial statements.

16 Preference share capital

A. Details of authorised, issued, subscribed and paid-up capital

		₹ in crores	
		As at March 31, 2026	As at March 31, 2025
Authorised share capital:			
10,00,00,000	Convertible Preference shares of Rs. 10 each (As at March 31, 2025: 10,00,00,000 shares of Rs 10 each)	100.00	100.00
70,00,00,000	Non Convertible Redeemable Preference shares of Rs. 100 each (As at March 31, 2025: 70,00,00,000 shares of Rs 100 each)	7,000.00	7,000.00
Issued and subscribed:			
45,60,54,252	Non Convertible Redeemable Preference shares of Rs. 100 each (As at March 31, 2025: 45,60,54,252 shares of Rs 100 each)	4,560.54	4,560.54
Paid up:			
45,60,54,252	Non Convertible Redeemable Preference shares of Rs. 100 each (As at March 31, 2025: 45,60,54,252 shares of Rs 100 each)	4,560.54	4,560.54

B Reconciliation of number of shares outstanding

	No. of preference shares	Amount ₹ in crores
Non Convertible Redeemable Preference shares of Rs. 100 each		
As at April 1, 2024	-	-
Changes during the year	45,60,54,252	4,560.54
As at March 31, 2025	45,60,54,252	4,560.54
Changes during the year	-	-
As at March 31, 2026	45,60,54,252	4,560.54

The Company had issued 0.01% Non Convertible Redeemable Preference shares (NCRPS) during the year ended March 31, 2023 amounting to ₹ 4,560.54 crores having face value of ₹ 100 each. Considering the accounting principles to be followed in line with Indian Accounting Standards, the Company had computed the liability portion of NCRPS as the present value of the contractual obligations associated with the instrument and had presented it in Note 16 Borrowings. The difference between the issue amount of NCRPS and the liability so computed is Nil, accordingly 'Equity component of compound financial instruments' is Nil.

C Rights, preferences and restrictions attached to preference shares

The Company has issued preference shares having a par value of ₹ 100 per share. Preference shares carry voting rights as per the provisions of Section 47(2) of the Companies Act, 2013. The Company shall declare and pay dividend in Indian Rupees. The preference shares shall carry a preferential right vis-à-vis equity shares of the Company with respect to payment of dividend and repayment of capital. However, the holders of the preference shares shall be paid dividend on a non-cumulative basis. The preference shares shall be non-participating in the surplus funds and also in the surplus assets and profits which may remain after the entire capital has been repaid on winding up of the Company.

For terms of redemption, refer sub-note (i) of Note 16- Borrowings.

Also refer Note 39 to the financial statements.



15 Other equity

	(₹ In crores)	
	As at March 31, 2025	As at March 31, 2025
Securities premium	3,556.50	3,556.50
Retained earnings	(6,129.94)	(7,273.75)
Remeasurement gain / (loss) of the post-employment defined benefit plans	(13.96)	(14.28)
Total	(2,587.40)	(3,731.53)

Particulars	Reserves and surplus			Total
	Securities premium	Retained earnings	Remeasurement gain / (loss) of the defined benefit plans	
As at April 1, 2025	3,556.50	(7,273.75)	(14.28)	(3,731.53)
Profit for the year	-	1,143.81	-	1,143.81
Other comprehensive income for the year	-	-	0.32	0.32
As at March 31, 2026	3,556.50	(6,129.94)	(13.96)	(2,587.40)

Particulars	Reserves and surplus			Total
	Securities premium	Retained earnings	Remeasurement gain / (loss) of the defined benefit plans	
As at April 1, 2024	3,556.50	(7,602.27)	(10.22)	(4,055.99)
Loss for the year	-	328.52	-	328.52
Other comprehensive income for the year	-	-	(4.06)	(4.06)
As at March 31, 2025	3,556.50	(7,273.75)	(14.28)	(3,731.53)

(a) Securities premium

Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013. The details of movement in securities premium is as below.

	(₹ In crores)	
	As at March 31, 2025	As at March 31, 2025
Balance at the beginning of the year	3,556.50	3,556.50
Changes during the year	-	-
Balance at the end of the year	3,556.50	3,556.50

(b) Retained earnings

Retained Earnings are the profits and gains that the Company has earned till date, less any transfer to general reserve, dividends or other distributions paid to shareholders.

(c) Remeasurement gain / (loss) of the post-employment defined benefit plans

The Company recognises remeasurement gain / (loss) of the post-employment defined benefit plans in Other Comprehensive Income. These changes are accumulated within the equity under "Remeasurement gain / (loss) of the defined benefit plans" reserve within equity.



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16. Borrowings

	As at		As at	
	March 31, 2026		March 31, 2025	
	Non-current	Non-current	Non-current	Non-current
(a) Unsecured borrowings				
(i) Liability component of non convertible redeemable preference shares (Refer sub-note (ii))	6,831.35		6,133.96	
	6,831.35		6,133.96	

(i) Maturity profile of borrowings is as below:

	As at		As at	
	March 31, 2026		March 31, 2025	
Not later than one year or on demand	-	-	-	-
Later than one year but not five years	-	-	-	-
More than five years	6,831.35		6,133.96	
	6,831.35		6,133.96	

(ii) The Company had issued 0.01% Non-Convertible Redeemable Preference Shares ("NCRPS") to erstwhile Tata Steel Long Products Limited (merged with Tata Steel Limited) in FY 2022-23. The NCRPS are mandatorily redeemable at the end of 20 years from the date of allotment at premium of ₹ 762 per NCRPS. The NCRPS shall be redeemable at premium upon maturity or optional early redemption with accrued interest thereon computed on the basis of the effective yield of the instrument, at the option of the Company. The dividend payment to holders of NCRPS is discretionary (non-guaranteed) and non-cumulative in nature and accordingly these are accounted for as compound financial instruments.

(iii) Debt reconciliation:

	As at	
	Amount	
Debt as at April 1, 2024		5,507.77
Cash flows (Net)		(1.09)
Interest on liability component of non-convertible preference shares/borrowings (Refer Note 26)		627.28
Debt as at March 31, 2025		6,133.96
Cash flows (Net)		(0.44)
Interest on liability component of non-convertible preference shares/borrowings (Refer Note 26)		697.83
Debt as at March 31, 2026		6,831.35

(iv) Net debt reconciliation:

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

	As at	
	Amount	
Bank balances & deposits (including earmarked balances)	819.58	684.28
Liquid investments	119.83	204.31
Borrowings	(6,831.35)	(6,133.96)
Lease liabilities	(4.50)	(5.36)
Net debt	(5,897.04)	(4,970.23)

	Assets from investing activities		Liabilities from financing activities		Total
	Bank balances and deposits	Liquid investments	Borrowings	Lease liabilities	
April 1, 2025	984.28	204.31	(6,133.95)	(5.35)	(4,970.23)
Cash flows (net)	(144.90)	(85.31)	-	0.46	(229.75)
Interest expense	-	-	(697.83)	(0.59)	(698.42)
Interest paid	-	-	0.44	0.59	1.03
Fair value adjustments	-	0.33	-	-	0.33
March 31, 2026	819.38	119.83	(6,831.35)	(4.90)	(5,897.61)

	Assets from investing activities		Liabilities from financing activities		Total
	Bank balances and deposits	Liquid investments	Borrowings	Lease liabilities	
April 1, 2024	53.59	14.02	(5,507.77)	(5.76)	(5,445.92)
Cash flows (net)	910.69	193.15	-	0.40	1,104.24
Interest expense	-	-	(627.28)	(0.63)	(627.91)
Interest paid	-	-	1.69	0.63	2.32
Fair value adjustments	-	0.64	-	-	0.64
March 31, 2025	964.28	204.31	(6,133.96)	(5.36)	(4,970.23)

- (v) The borrowings obtained by the Company have been applied for the purposes for which such borrowings were taken.
(vi) The Company has not defaulted in repayment of loans or other borrowings.
(vii) The Company has utilised working capital facilities which have been repaid during the year.

17. Other financial liabilities

	As at March 31, 2026				As at March 31, 2025			
	Non-current		Current		Non-current		Current	
(a) Interest accrued on micro and small payables (Refer note 20)(i)	-	-	11.87	-	-	-	8.76	-
(b) Creditors for capital supplies and services*	-	-	122.12	-	-	-	59.88	-
(c) Accrued wages and salaries	-	-	21.61	-	-	-	15.84	-
(d) Other credit balances*	15.21	-	29.16	-	12.76	-	5.10	-
Total Other financial liabilities	15.21	-	164.36	-	12.76	-	89.58	-

*Includes payable to related parties (Refer Note 36) of ₹ 41.56 crores, (March 31, 2025: 15.23 crores).

*Includes liability towards employees family benefit scheme ₹ 15.87 crores (March 31, 2025: ₹ 14.07 crores) and old outstanding balances ₹ 23.84 crores (March 31, 2025: ₹ 2.99 crores).



18 Income taxes

A. Income tax expenses/(income)

Reconciliation of income tax recognised in the Statement of Profit and Loss

	As at March 31, 2025	As at March 31, 2025
Current tax expense on profit for the year	-	-
Deferred tax expense/(income) on temporary differences	6.64	-
Deferred tax expense/(income) on business losses and unabsorbed depreciation	(804.27)	-
Total tax expense/(income) (Refer reconciliation below)	(804.27)	-

	As at March 31, 2025	As at March 31, 2025
The Income tax expense for the year can be reconciled to the accounting profit as follows:		
(a) Current tax:		
Profit before tax	339.54	328.52
Income tax expense calculated at enacted Income tax rate of 25.168% (March 31, 2025 : 25.168%)	85.46	82.68
Effect of expenses that are not deductible in determining taxable profit:		
(i) Interest on non-convertible redeemable preference shares (Refer Note 16 & 26)	176.00	157.60
(f) Other items	31.37	1.75
Effect of previously unrecognized tax losses now utilised	(232.83)	(242.03)
Current tax expense as reported	-	-
(b) Deferred tax:		
Effect of deferred tax assets (net) recognised	(804.27)	-
Deferred tax expense/(income) as reported	(804.27)	-
Total tax expense/(income) (a+b)	(804.27)	-

B. Deferred tax assets/(liabilities)

The Company has unabsorbed depreciation and brought forward business losses under the provisions of the Income-tax Act, 1961, primarily relating to the pre-acquisition period (Refer Note 35). Deferred tax assets in respect of such losses have been recognised over the years to the extent supported by taxable temporary differences after considering deferred tax assets arising from other temporary differences, in accordance with Ind AS 12. During the year, the Company has recognised additional deferred tax assets of ₹ 804.16 crores on unabsorbed depreciation and carried forward business losses, based on an evaluation that it is probable that sufficient future taxable profits will be available for utilisation of such losses as supported by the Company's latest business plan and budgets.

(i) The following is the analysis of deferred taxes presented in the Balance Sheet:

	As at March 31, 2025	As at March 31, 2025
Deferred tax liabilities	(301.55)	(304.29)
Deferred tax assets	1,105.71	304.29
Deferred tax assets (net)	804.16	-

(ii) Components of deferred tax assets and liabilities as at March 31, 2025 is as below:

	Balance as at April 1, 2025	Recognised/ (reversed) in profit or loss during the year	Recognised/(reversed) in other comprehensive income	Balance as at at March 31, 2025
Deferred tax liability:				
(a) Property, plant and equipment and intangible assets	293.85	(3.50)	-	290.35
(b) Right-of-Use Assets	9.33	(0.29)	-	9.04
(c) Others	1.11	1.05	-	2.16
Total deferred tax liability	304.29	(2.74)	-	301.55
Deferred tax assets:				
(a) On carry forward of business losses and unabsorbed depreciation	249.11	810.91	-	1,050.02
(b) Amount allowable for tax purposes on payment basis	44.79	(15.24)	(0.11)	29.44
(c) Others	10.39	5.85	-	16.25
Total deferred tax asset	304.29	801.53	(0.11)	1,105.71
Net Deferred tax assets/(liabilities)	-	804.27	(0.11)	804.16

Components of deferred tax assets and liabilities as at March 31, 2025 is as below:

	Balance as at April 1, 2024	Recognised/ (reversed) in profit or loss during the year	Recognised/(reversed) in other comprehensive income	Balance as at March 31, 2025
Deferred tax liability:				
(a) Property, plant and equipment and intangible assets	296.77	(2.92)	-	293.85
(b) Right-of-Use Assets	9.38	(0.03)	-	9.33
(c) Others	0.01	1.10	-	1.11
Total deferred tax liability	306.14	(1.85)	-	304.29
Deferred tax assets:				
(a) On carry forward of business losses and unabsorbed depreciation	254.42	(5.31)	-	249.11
(b) Amount allowable for tax purposes on payment basis	42.56	2.23	-	44.79
(c) Others	9.16	1.23	-	10.39
Total deferred tax asset	306.14	(1.85)	-	304.29
Net Deferred tax assets/(liabilities)	-	-	-	-

(a) Deferred tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws.



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- (ii) Deferred tax assets have not been recognised on the remaining unabsorbed depreciation aggregating to ₹ 528.52 crores as at March 31, 2026 (carried-forward business losses and unabsorbed depreciation as at March 31, 2025 ₹ 3,991.48 crores), after considering the expected timing of utilisation of such losses and the requirements relating to convincing evidence for recognition under Ind AS 12. The tax losses and unabsorbed depreciation, in respect of which deferred tax asset has not been recognized, expire unutilized based on the year of origination as below:

	(₹ in crores)	
	As at March 31, 2024	As at March 31, 2025
Within five years	-	602.44
Later than five years but less than eight years	-	1,095.81
No expiry	528.52	2,293.25
	528.52	3,991.50

19 Provisions

	(₹ in crores)			
	As at March 31, 2024		As at March 31, 2025	
	Non-current	Current	Non-current	Current
(a) Provision for employee benefits				
(i) Post-employment defined benefits	3.43	0.01	3.35	0.04
(ii) Retiring gratuities (Refer Note 33)	6.09	-	17.99	-
(iii) Compensated absences (Refer Note 33)	68.36	2.57	72.77	2.03
(iv) Voluntary retirement scheme	24.55	11.74	12.46	8.30
(b) Provision for statutory and other liabilities (Refer note 38)	-	50.49	-	80.15
Total provisions	102.43	64.81	106.57	90.52



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20 Trade payables

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Current		
(i) Total outstanding dues of micro and small enterprises (Refer sub-note (i) below)	33.12	41.21
(ii) Total outstanding dues of creditors other than micro and small enterprises	564.51	538.07
Total trade payables	597.63	579.28
Trade payable to related parties (Refer Note 36)	392.33	277.47
Trade payable to other than related parties	295.30	301.81
Total trade payables	597.63	579.28

Notes:

(i) Ageing of trade payables is as below

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	
As at March 31, 2026							
(i) MSME	15.96	16.21	0.95	-	-	-	33.12
(ii) Others	184.59	303.76	76.07	-	-	0.09	564.51
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	200.55	319.97	77.02	-	-	0.09	597.63
As at March 31, 2025							
(i) MSME	24.52	14.63	0.41	-	-	1.65	41.21
(ii) Others	248.90	238.28	38.43	0.07	0.09	12.32	538.07
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	273.42	252.89	38.84	0.07	0.09	13.97	579.28

(ii) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The amount due to the Micro and Small Enterprise as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of the information available with the Company. The disclosure relating to micro and small enterprises is as below:

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
(a) (i) The principal amount remaining unpaid to supplier as at end of the accounting year*	54.21	41.21
(ii) Interest due thereon remaining unpaid to supplier as at end of the accounting year	1.39	2.12
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) The 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 Micro, Small and Medium Enterprises Development Act, 2006;	1.51	0.41
(d) The amount of interest accrued and remaining unpaid at the end of the accounting year (Refer note 17)	11.67	8.77
(e) The 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 Micro, Small and Medium Enterprises Development Act, 2006.	-	-

*Includes dues of micro and small enterprises amounting to ₹ 21.09 crores as at March 31, 2026 (March 31, 2025: Nil), included under creditors for capital supplies and services (Refer note 17)

Refer Note 35 for information about liquidity risk relating to Trade payables.

21 Other current liabilities

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
(a) Advances from customers	13.32	7.78
(b) Other payables		
(i) Employee recoveries and employer contributions	3.05	2.98
(ii) Other statutory liabilities (GST, TDS, etc)	37.74	42.19
Total other current liabilities	54.11	52.95

Notes:

(i) Amount of revenue recognised for the year ended March 31, 2026, from amounts included in the advances from customers outstanding at the beginning of the year is ₹ 7.63 crores (March 31, 2025: ₹ 14.35 crores).



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NEELACHAL ISPAT NIGAM LIMITED
Notes to the financial statements

22 Revenue from operations

	(₹ In crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
(a) Revenue from contracts with customers		
Sale of products	5,262.10	5,687.60
(b) Other operating revenue*	19.49	13.46
Total revenue from operations	5,281.59	5,701.06

*Other operating revenue includes sale of scrap and revenue from other miscellaneous services.

(i) Revenue from contracts with customers disaggregated on the basis of geographical region and major businesses is as below:

	Year ended March 31, 2026		
	India	Outside India	Total
(a) Steel	5,027.47	-	5,027.47
(b) Others	234.63	-	234.63
	5,262.10	-	5,262.10

	Year ended March 31, 2025		
	India	Outside India	Total
(a) Steel	5,241.42	-	5,241.42
(b) Others	446.18	-	446.18
	5,687.60	-	5,687.60

(ii) Customers who contributed 10% or more to the Company's revenue

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Tata Steel Limited	4,908.34	5,313.51
	4,908.34	5,313.51

(iii) Contract balances

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Trade receivables (Refer note 11)	1,281.10	88.38
Contract liabilities		
Advance from customers (Refer Note 21)	13.32	7.78

23 Other income

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
(a) Interest income on financial assets at amortised cost	50.29	12.76
(b) Interest received on income tax refund	0.73	0.48
(c) Gain on sale/fair value changes of mutual funds (net) (Refer Note (i) below)	15.15	29.84
(d) Gain on cancellation of forwards contracts	7.26	1.93
(e) Liabilities no longer required written back	2.96	6.36
(f) Provisions no longer required written back (Refer Note 38)	47.97	10.74
(g) Other non-operating income (Refer Note (ii) below)	5.73	17.37
Total other income	130.09	79.48

Note:

- (i) Gain on sale/fair value changes of mutual funds includes ₹ 15.46 crores (2024-25: ₹ 29.21 crores) as gain on sale of mutual funds.
- (ii) Other non-operating income includes ₹ 5.00 crores (2024-25: ₹ 16.22 crores) received towards insurance claim.



24 Changes in inventories of finished and semi-finished goods

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Finished and semi-finished goods		
Opening stock	74.27	177.01
Less: Closing stock	90.02	74.27
Net (increase)/decrease in finished and semi-finished goods	(15.75)	102.74

25 Employee benefits expense

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
(a) Salaries and wages	210.76	199.19
(b) Contribution to provident and other funds (Refer note 33)	18.40	18.87
(c) Staff welfare expenses	13.13	12.78
Total employee benefits expense	242.29	230.84

26 Finance costs

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
(a) Interest expenses		
(i) Non-convertible redeemable preference shares (Refer Note 16)	697.39	626.19
(ii) Bank borrowings and others	0.44	0.90
(iii) Leases	0.59	0.63
(b) Other borrowing costs	2.90	2.53
Total finance costs	701.32	630.25



NEELACHAL ISPAT NIGAM LIMITED

Notes to the financial statements

27 Depreciation and amortisation expense

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
(a) Depreciation on property, plant and equipment (Refer Note 3)	163.14	165.44
(b) Depreciation on right-of-use assets (Refer Note 4)	1.16	1.16
(c) Amortisation of intangible assets (Refer Note 5)	4.17	5.06
Total depreciation and amortisation expense	168.47	171.66

28 Other expenses

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
(a) Consumption of stores and spares	185.24	194.50
(b) Fuel and industrial gases consumed	53.77	24.29
(c) Purchase of power	90.31	94.15
(d) Rent and hire charges	25.74	20.87
(e) Repairs to buildings	0.39	0.53
(f) Repairs to machinery	149.10	172.58
(g) Insurance	6.04	5.45
(h) Rates and taxes	120.80	78.83
(i) Freight and handling charges	195.56	249.87
(j) Commission, discounts and rebates	-	0.66
(k) Royalty	207.05	184.99
(l) Conversion charges	451.93	388.14
(m) Allowance for credit losses/provision for doubtful advances	0.45	-
(n) Other expenses		
(1) Legal and professional fees (Refer Note 28.01)	11.63	18.30
(2) Derivatives (MTM) Loss/(Gain)	(3.95)	(3.77)
(3) Net Loss on foreign currency transactions	6.06	2.26
(4) Loss on disposal of property plant and equipment & capital work-in-progress	1.66	2.00
(5) Contract labour charges	66.79	51.69
(6) Other general expenses	87.05	99.46
Total other expenses	1,655.62	1,584.80

28.01 Payment to auditors

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Auditors remuneration and out-of-pocket expenses		
(i) Statutory Audit	1.05	1.05
(ii) Tax Audit	0.05	0.05
(iii) Attestation and Certification	0.17	0.17
(iv) Out-of-Pocket Expenses	0.02	0.03
	1.29	1.30



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29 Exceptional Items

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
(a) Provision for impairment of non-current assets (Refer note (i) below)	(90.71)	-
(b) Employee separation compensation (Refer note (ii) below)	(28.59)	(0.74)
(c) Statutory impact of new Labour Codes (Refer note (iii) below)	(0.09)	-
Total Exceptional Items	(117.39)	(0.74)

Notes :

- (i) Provision for impairment of non-current assets relates to impairment of Lime calcination plant (LCP) that was under capital work-in progress initiated by erstwhile management, based on conclusions from a post-acquisition feasibility assessment.
- (ii) Employee separation compensation relates to provisions recognised in respect of amounts payable for employees separation scheme. The scheme is applicable to certain employees with minimum 10 years of experience in the Company and age limit of minimum 45 years. It provides for calculation of compensation which is dependent on the age of the employee and years of service, with the ceiling limit of current gross salary (including all allowances) for the balance period of service.
- (iii) On November 21, 2025, the Government of India notified four 'New Labour Codes', the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020, consolidating existing labour laws. The Ministry of Labour & Employment has also published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in said regulations. The Company has assessed and disclosed the incremental impact of these changes, consistent with the guidance provided by the Institute of Chartered Accountants of India as Exceptional Item. The Company continues to monitor the finalisation of draft Central / State Rules and related clarifications from the Government on other aspects of the New Labour Codes and would provide appropriate accounting effect on the basis of such developments as and when needed.

30 Earnings per equity share

	Year ended March 31, 2026	Year ended March 31, 2025
Profit for the year (₹ in crores)	1,143.81	328.52
Outstanding equity shares throughout the year (Nos.)		
- Fully paid up ₹ 10	1,35,87,89,143	1,35,87,88,143
- Partly paid up ₹ 5	1,38,52,000	1,38,52,000
Weighted average number of equity shares outstanding during the year (Nos.)	1,35,57,14,143	1,35,57,14,143
Nominal value per equity share (₹)	10	10
Basic and diluted earnings per equity share (₹)	8.38	2.41

The Company did not have any potentially dilutive securities in any of the period presented

31 Contingent liabilities

(a) Claims against the Company not acknowledged as debts

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

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

It is not practicable for the Company to estimate the timings of the cash outflows, if any, pending resolution of the respective proceedings. The Company does not expect any reimbursements in respect of the same.

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Goods & Services Tax	27.48	41.70
Claim by supplier	7.70	-
	35.18	41.70

The details of significant demands are as below:

(i) Goods and Services Tax includes:

(a) Demand for Goods and Services Tax, March 31, 2026 ₹ 24.59 crores (March 31, 2025: ₹ 22.70 crores)- Dispute relates to an audit by the State GST authorities for FY 2019-20. The Company has contested the demand on the grounds that it was confirmed beyond the scope of the Show Cause Notice and quantified only in the Order-in-Original, in violation of principles of natural justice. A Writ Petition has been filed before the Honble Odisha High Court on April 8, 2025. Hearings were concluded on September 2, 2025 and the order is awaited.

(b) Demand for errors in calculation of Net Present Value (NPV) in the Compensatory Afforestation Fund Management and Planning Authority (CAMPA) fund March 31, 2026: Nil (March 31, 2025: ₹ 15.77 crores) - Dispute relates to Goods and Services Tax demand raised for reverse charge on payment of NPV to the CAMPA fund during the period April-2018 to April-2019 which is in contravention to the provisions of the Central Goods and Services Tax Act, 2017 and Odisha Goods and Services Tax Act, 2017. The Company filed an appeal, pursuant to which a favourable order has been issued during the current year.

(ii) Claim by supplier represent interest claims raised during the year, which is under dispute and pending resolution.

(b) Other money for which the Company is contingently liable

	(₹ in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Water Conservation Fund	32.35	32.35
	32.35	32.35

The amount of ₹ 32.35 crores (March 31, 2025: ₹ 32.35 crores) has been demanded by Irrigation Department in 2017 under the Crissa Irrigation Act, 1959. The Company has preferred an appeal and the Orissa High Court has granted a stay in Company's favour.



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(c) The above mentioned contingent liabilities includes Nil (balance as at March 31, 2025: ₹ 14.74 crores) retained in an escrow account of Tata Steel Limited out of total consideration payable for acquisition of the Company as part of the disinvestment process. The Company was indemnified for any claims that may materialise against these liabilities within a period of three years from the date of completion of the Company's strategic disinvestment on July 4, 2022. Upon completion of the indemnity period during the year, the remaining consideration held in escrow has been released and repaid.

32 Capital Commitment

Estimated amounts of contracts remaining to be executed on capital account (Property, plant and equipment) and not provided for is ₹ 711.92 crores (March 31, 2025: ₹ 436.11 crores) net of advances of ₹ 36.29 crores (March 31, 2025: ₹ 20.79 crores)

33 Employee benefits

(I) Post employment defined contribution plans

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Amount recognised in the Statement of Profit and Loss		
(i) Provident fund contribution	15.21	15.10
	15.21	15.10

The Company makes contribution towards provident fund for the qualifying employees at the rate specified. The Company's contribution to the Employees Provident Fund are deposited with the Regional Provident Fund Commissioner. Such provident fund benefit is classified as defined contribution scheme as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which is recognised as expense in the Statement of Profit and Loss.

(II) Post employment defined benefit plans

(a) Description of plan characteristics

(i) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity liability arises on retirement, resignation, and death of an employee. The plan provides for a lump-sum payment to vested employees an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service for regular employees/one year for fixed-term employees.

The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit method with actuarial valuations being carried out at each Balance Sheet date.

The Scheme is funded by way of a separate irrevocable Trust. The Company is making contributions to the gratuity fund, as per requirement which is managed by LIC of India. The contributions are invested in LIC's conventional group gratuity product. LIC provides a capital guarantee of the balance accumulated and declares interest periodically that is credited to the fund account. The Trust is responsible for settlement of gratuity claims.

(ii) Other defined benefits

Other benefits provided under unfunded schemes include post-retirement medical benefits, based on employee's last drawn salary.

(b) Risk analysis

Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefit plans and management's estimation of the impact of these risks are as follows:

(i) Interest risk

A decrease in the Indian government bond yield rate (discount rate) will increase the plan liability.

(ii) Salary risk

The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

(iii) Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields. If the return on plan asset is below this rate, it will create a plan deficit.

(iv) Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(c) Details of defined benefit obligations and plan assets

A. Gratuity (Funded)

(i) Reconciliation of opening and closing balances of obligation

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
a. Opening defined benefit obligation	107.32	96.34
b. Current service cost	3.28	3.08
c. Interest cost	6.71	6.65
d. Remeasurement (gains)/losses	(0.14)	3.99
e. Benefits paid	(11.26)	(2.74)
f. Past service cost*	0.06	-
Closing defined benefit obligation	105.97	107.32

*Statutory impact of new Labour Codes (Refer note 29)



(ii) Movements in the fair value of the plan assets are as follows

	As at March 31, 2026	As at March 31, 2025
a. Opening fair value of plan assets	89.33	86.45
b. Interest income	6.80	5.95
c. Contributions from the employer	15.00	(0.33)
d. Return on plan assets excluding interest income	-	-
e. Benefits paid	(11.26)	(2.74)
Fair value of plan assets at the end of the year	99.87	89.33

(iii) Reconciliation of fair value of assets and obligations

	As at March 31, 2026	As at March 31, 2025
a. Fair value of plan assets	99.87	89.33
b. Present value of obligation	(105.97)	(107.32)
c. Amount recognised in the Balance Sheet	(6.10)	(17.99)
- Retirement benefit obligations - Non-current	(6.10)	(17.99)
- Retirement benefit obligations - Current	-	-

(iv) Amounts recognised in the Statement of Profit and Loss

	As at March 31, 2026	As at March 31, 2025
Employee benefits expense:		
a. Current service cost	3.28	3.08
b. Past service cost	0.06	-
c. Net interest expense/(income)	(0.09)	0.69
	3.25	3.77
Other comprehensive income:		
a. Return on plan assets excluding amount included in employee benefits expense	-	-
b. Actuarial (gain)/loss arising from changes in financial assumptions	(2.38)	4.07
c. Actuarial (gain)/loss arising from changes in experience adjustments	2.22	(0.08)
	(0.14)	3.99
Total defined benefit costs	3.11	7.76

(v) The plan assets of the Company relating to Gratuity are invested through Life Insurance Corporation (LIC). The details of investments relating to these assets are not shown by LIC. Hence, the composition of each major category of plan assets, the percentage or amount that each major category constitutes to the fair value of the total plan assets has not been disclosed.

	As at March 31, 2026	As at March 31, 2025
Category of Plan Assets:	In %	In %
Funded with LIC	100%	100%

(vi) Principal assumptions used for the purposes of the actuarial valuations

	As at March 31, 2026	As at March 31, 2025
a. Discount Rate (per annum)	6.90%	6.60%
b. Salary Escalation Rate (per annum)	7.00%	7.00%
c. Mortality Rate	Indian Assured Lives Mortality (2006-08) UNL	Indian Assured Lives Mortality (2006-08) UL
d. Withdrawal Rate	1.60%	1.60%



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(vii) Maturity profile of defined benefit obligation

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Within 1 year	5.49	3.29
1-2 year	6.56	5.81
2-5 years	25.24	23.98
Over 5 years	67.01	64.09

The weighted average duration of the defined benefit plan obligation representing average duration for active members is 8 years (March 31, 2025: 9 years).

(viii) The Company expects (best estimate) to contribute ₹ 6.10 crores (previous year : ₹ 17.99 crores) to the plan during the next financial year.

(ix) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The table below outlines the effect on gratuity obligation in the event of a decrease/increase of 0.5% in the assumptions used.

Assumptions

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
a. Discount rate increase by 0.5%	Decrease by 3.76	Decrease by 4.13
b. Discount rate decrease by 0.5%	Increase by 3.99	Increase by 4.39
c. Expected salary growth increase by 0.5%	Increase by 1.54	Increase by 1.82
d. Expected salary growth decrease by 0.5%	Decrease by 1.66	Decrease by 1.98

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

The Company ensures that the investment positions are managed within an asset liability matching (ALM) framework that has been developed to achieve long term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Company's ALM objective is to match assets to the gratuity obligations by investing with LIC.

B. Post Retirement Medical Benefit

(i) Reconciliation of opening and closing balances of obligation

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
a. Opening defined benefit obligation	3.39	3.02
b. Current service cost	0.15	0.14
c. Interest cost	0.22	0.21
d. Remeasurement (gains)/losses	(0.29)	0.07
e. Benefits paid	(0.03)	(0.05)
Closing defined benefit obligation	3.44	3.39

(ii) Reconciliation of fair value of assets and obligations

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
a. Fair value of plan assets	-	-
b. Present value of obligation	(3.44)	(3.39)
c. Amount recognised in Balance Sheet	(3.44)	(3.39)
- Retirement benefit obligations - Non-current	(3.43)	(3.35)
- Retirement benefit obligations - Current	(0.01)	(0.04)
	(3.44)	(3.39)



(iii) Amounts recognised in the Statement of Profit and Loss

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Employee benefits expense		
a. Current service cost	0.15	0.14
b. Net interest expense	0.22	0.21
	0.37	0.35
Other Comprehensive Income		
a. Actuarial (gain)/loss arising from changes in financial assumptions	(0.15)	0.08
b. Actuarial (gain)/loss arising from changes in experience adjustments	(0.14)	(0.01)
	(0.29)	0.07
Total defined benefit costs	0.08	0.42

(iv) Principal assumptions used for the purposes of the actuarial valuations

	As at March 31, 2026	As at March 31, 2025
a. Discount Rate (per annum)	6.90%	6.60%
b. Withdrawal Rate	1.6%	1.6%
c. Mortality Rate	Indian Assured Lives Mortality (2006-08) (modified) UIT	Indian Assured Lives Mortality (2003-08) (modified) UIT

(v) Maturity profile of defined benefit obligation

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
Within 1 year	0.01	0.04
1-2 year	0.10	0.07
2-5 years	0.40	0.34
Over 5 years	1.21	1.08

The weighted average duration of the defined benefit plan obligation representing average duration for active members is 15 years (March 31, 2025: 16 years).

(vi) Sensitivity analysis

Significant actuarial assumption for the determination of the defined obligation is discount rate. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The table below outlines the effect on obligation in the event of a decrease/increase of 1% in the assumptions used.

Assumption

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
a. Discount rate increase by 1%	Decrease by 0.44	Decrease by 0.46
b. Discount rate decrease by 1%	Increase by 0.54	Increase by 0.57

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

(iii) Long term benefit

Leave obligations

The Company provides for accumulation of leave to its employees disclosed under salary and wages in Note 25. These employees can carry forward a portion of the unutilised leave balances and utilise it in future years or receive cash for the accumulated leave balance on separation (only in case of earned leave) in lieu thereof as per the Company's policy. The Company records a provision for leave obligations in the year in which the employee renders the services that increases this entitlement. The total provision recorded by the Company towards this obligation was ₹ 70.03 crores and ₹ 74.80 crores as at 31st March 2026 and 31st March 2025 respectively. The Company presents provision for leave salaries as current and non-current based on actuarial valuation considering estimates of availment of leave, separation of employee etc.



34 Capital Management

Risk management

The objective of the Company's capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding needs are met through equity, cash generated from operations, long-term and short-term bank borrowings.

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, lease liabilities and liability component of preference shares less cash and cash equivalents, other bank balances (including current & non-current earmarked balances) and current investments.

The table below summarises the capital, net debt and net debt to equity ratio of the Company

	(₹ in crores)	
	As at March 31, 2025	As at March 31, 2026
Equity share capital	1,365.72	1,365.72
Other equity	(2,587.40)	(3,731.53)
Total equity (A)	(1,221.68)	(2,365.81)
Non-current borrowings	6,831.35	6,133.96
Non-current lease liabilities	4.40	4.91
Current lease liabilities	0.50	0.45
Gross debt (B)	6,836.25	6,139.32
Total capital (A+B)	5,614.57	3,773.51
Gross debt as above	6,836.25	6,139.32
Less : Current investments	119.83	204.81
Less : Cash and cash equivalents	4.98	150.75
Less : Other balance with banks (including earmarked balances)	814.40	813.53
Net debt (C)	5,897.04	4,970.23
Net debt to equity ratio¹	(3.29)	(1.97)

Note :

¹ Net debt to equity ratio has been computed based on average of opening and closing equity.

35 Disclosures on financial instruments

(a) Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of above risks. The senior executives working to manage the financial risks are accountable to the Audit Committee and the Board of Directors. This process provides assurance that the Company's financial risks-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and the Company's risk appetite.

This Note explains the sources of risk which the entity is exposed to and how the entity manages the risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(i) Credit risk management

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in financial loss to the Company. The Company's exposure to credit risk primarily arises from trade receivables, investments in mutual funds and balances with banks.

Trade receivables

Trade receivables are typically unsecured, considered good and are derived from revenue earned from customers. Customer credit risk is managed as per Company's policy and procedures which involve credit approvals, establishing credit limits and continually monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored.

Trade receivables primarily relate to the holding company and, based on the expected credit loss assessment and absence of any past precedent of default, no material credit loss is expected.

Other Financial Assets

Credit risk from balances with banks, term deposits, and investments in mutual funds are managed by Company's finance department. Investments of surplus funds are made only with approved counterparties who meet the minimum threshold requirements. The Company monitors ratings, credit spreads and financial strength of its counterparties.

The carrying value of financial assets represents the maximum credit risk as disclosed in 35(b)(i).



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(ii) Liquidity risk management

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and maintain adequate source of financing.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposits and in mutual funds, which carry no or low market risk.

a. Financing arrangement

The Company has utilised fund based and non-fund based arrangement with banks of ₹ 500.00 crores (March 31, 2025: ₹ 500.00 crores) and ₹ 639.75 crores (March 31, 2025: ₹ 349.82 crores) respectively, which may be utilised at any time.

b. Maturities of financial liabilities

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Company's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the end of the reporting period. Cash flows in foreign currencies are translated using the period end spot rates.

(₹ in crores)					
As at March 31, 2026	Carrying value	Contractual cash flows	less than one year	between one to five years	More than five years
Non-derivative financial liabilities:					
Borrowings	6,831.35	39,311.88	-	-	39,311.88
Lease liabilities	4.90	28.22	1.10	2.17	24.95
Trade payables	597.63	597.63	597.63	-	-
Other financial liabilities	199.77	199.77	184.56	15.21	-
	7,633.65	40,137.50	783.29	17.38	39,336.83

As at March 31, 2025	Carrying value	Contractual cash flows	less than one year	between one to five years	More than five years
Non-derivative financial liabilities:					
Borrowings	6,133.96	39,311.88	-	-	39,311.88
Lease liabilities	5.36	29.27	1.04	2.84	25.39
Trade payables	579.28	579.28	579.28	-	-
Other financial liabilities	102.34	102.34	89.53	12.76	-
	6,820.94	40,022.77	669.90	15.60	39,337.27

(iii) Market risk

a. Foreign currency exchange rate risk & exposure

Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency and in foreign currencies. The Company has foreign currency trade payables and is therefore exposed to foreign currency risk. Foreign currency risk exposure is evaluated and managed through operating procedures and sourcing policies. The Company also uses foreign exchange forwards to hedge foreign exchange exposure.

(in crores)		
	Year ended March 31, 2026	Year ended March 31, 2025
Financial liabilities		
Trade payables		
Exposure in USD	2.27	1.91
Exposure in GBP*	-	0.00
Exposure in EURO	0.03	0.08
Derivative assets		
Buy foreign currency-USD	(2.27)	(1.91)
Buy foreign currency-GBP	-	-
Buy foreign currency-EURO	(0.02)	-
Net exposure to foreign currency risk (Liabilities)	0.01	0.08

*0.00 represents value less than 0.01 Crore.

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in foreign currency exchange rate, with all other variables held constant. The impact on the Company's profit before/after tax due to changes in exchange rates are as follows:

	(₹ in crores)			
	Impact on profit before tax ^a		Impact on profit after tax ^a	
	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025
Increase in rate of Rs. against 1 GBP by 10%	-	(0.03)	-	(0.02)
Decrease in rate of Rs. against 1 GBP by 10%	-	0.03	-	0.02
Increase in rate of Rs. against 1 EURO by 10%	(0.48)	(0.74)	(0.36)	(0.55)
Decrease in rate of Rs. against 1 EURO by 10%	0.48	0.74	0.36	0.55

^a Considering all other variables as constant.

Since USD exposure is entirely hedged, sensitivity has not been performed.



b. Interest rate 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's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. At present the Company is not have any long-term debt obligations with floating interest rates. Hence the Company does not faces any interest rate risk.

(iv) Commodity Price risk

Exposure to market risk with respect to commodity prices primarily arises from the Company's purchase of imported raw materials for production of finished goods. Cost of raw materials forms the largest portion of the Company's cost of sales. Market forces generally determine prices for such raw materials purchased by the Company. These prices may be influenced by factors such as supply and demand, production costs and global and regional economic conditions and growth. Adverse changes in any of these factors may impact the results of the Company. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies.

(b) Financial Instruments by Category

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments

(i) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2026 and March 31, 2025.

(₹ In crores)				
As at March 31, 2026	Fair value through profit or loss	Amortised cost	Total carrying value	Total fair value
Financial assets				
Investments in Mutual fund	119.83	-	119.83	119.83
Trade receivables	-	1,281.10	1,281.10	1,281.10
Cash and cash equivalents	-	4.98	4.98	4.98
Derivative assets	8.25	-	8.25	8.25
Other bank balances	-	805.67	805.67	805.67
Other financial assets	-	50.75	50.75	50.75
Total	128.08	2,142.50	2,270.58	2,270.58
Financial liabilities				
Borrowings	-	6,831.35	6,831.35	6,831.35
Lease liabilities	-	4.90	4.90	4.90
Trade payables	-	597.63	597.63	597.63
Other financial liabilities	-	199.77	199.77	199.77
Total	-	7,633.65	7,633.65	7,633.65

(₹ In crores)				
As at March 31, 2025	Fair value through profit or loss	Amortised cost	Total carrying value	Total fair value
Financial assets				
Investments in Mutual fund	204.81	-	204.81	204.81
Trade receivables	-	88.38	88.38	88.38
Cash and cash equivalents	-	150.75	150.75	150.75
Derivative assets	4.30	-	4.30	4.30
Balances with banks	-	702.06	702.06	702.06
Other financial assets	-	155.22	155.22	155.22
Total	209.11	1,096.41	1,305.52	1,305.52
Financial liabilities				
Borrowings	-	6,133.96	6,133.96	6,133.96
Lease liabilities	-	5.36	5.36	5.36
Trade payables	-	579.28	579.28	579.28
Other financial liabilities	-	102.34	102.34	102.34
Total	-	6,820.94	6,820.94	6,820.94



(ii) Fair value measurement

The fair values of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used in the previous year.

The following methods and assumptions were used to estimate the fair values:

(a) The management assessed that fair values of trade receivables, cash and cash equivalents, other bank balances, other financial assets (current), trade payables, and other financial liabilities (current), approximate to their carrying amounts due to the short-term maturities of these instruments.

(b) In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors. Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

Fair value hierarchy

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

Quoted prices in an active market (Level 1): This level hierarchy includes financial instruments measured using quoted prices. This includes mutual funds. The mutual funds are valued using the closing Net Asset Value.

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

Valuation techniques with significant unobservable inputs (Level 3): If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There were no amount required to be transferred as at the end of the current year and as at the end of the previous year.

(₹ in crores)				
As at March 31, 2026	Level 1	Level 2	Level 3	Total
Financial assets				
Investment in mutual funds	119.63	-	-	119.83
Derivative assets	-	8.25	-	8.25
Total	119.83	8.25	-	128.08

As at March 31, 2025	Level 1	Level 2	Level 3	Total
Financial assets				
Investment in mutual funds	204.81	-	-	204.81
Derivative assets	-	4.30	-	4.30
Total	204.81	4.30	-	209.11

(iii) Derivative financial instruments

Derivative Instruments used by the Company include forward exchange contracts. Such derivative instruments are measured at fair value at each reporting date, and changes in fair value are recognised in the Statement of Profit and Loss in accordance with Ind AS 109 Financial Instruments. The Company does not hold or issue derivative financial instruments for trading purposes. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities.

As at the end of the reporting period, total notional amount of outstanding foreign currency contracts that the Company has committed to is as below:

	As at March 31, 2026	As at March 31, 2025
Derivative financial instrument		
Forward Contracts (USD in Crores)	3.57	4.68
Forward Contracts (Euro in Crores)	0.02	-
Total financial instrument	3.59	4.68



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A List of related parties

Name of the related parties	Relationship
Tata Steel Limited	Holding Company
Others with whom transactions have taken place during the current or previous year	
Tata Pigments Limited (Subsidiary of Tata Steel Utilities and Infrastructure Services Limited) Tata Steel Utilities and Infrastructure Services Limited T S Global Procurement Company Pte. Ltd. (Singapore) Medica TS Hospital Private Limited Tata Steel Business Delivery Center Limited Tata Steel Technical Services Limited Tata Steel Support Services Limited Tata Bluescope Steel Private Limited (from 01-01-2026 to 31-03-2026)	Fellow Subsidiaries
TM International Logistics Limited Tata Bluescope Steel Private Limited (from 01-04-25 to 31-12-2025) mjunction services Limited Jamipol Limited Himalaya Steel Mill Services Private Limited	Joint Ventures of Holding Company
Tata Sons Private Limited	Company having significant influence over the Holding Company
Mr. Sudhir Kumar Mehta	Key Management personnel - Managing Director & CEO (upto November 14, 2025)
Mr. Padmapal	Key Management personnel - Managing Director & CEO (w.e.f. November 15, 2025)
Mr. T V Narendran	Key Management personnel - Non- Executive Director, Chairman
Mr. Koushik Chatterjee Mr. Ashish Anupam Mr. Ansuman Das Mr. Srikumar Meron Mr. Atrayee Sanyal Mr. Uttam Singh (w.e.f. Apr 23, 2025) Mr. Rajeev Kumar (upto March 12, 2025) Mr. Manoj Kumar Gupta (w.e.f. Mar 1, 2025) Mr. Sanjib Kumar Ghose (upto February 28, 2025)	Key Management personnel - Non-Executive Directors
	Chief Financial Officer

B Particulars of transactions during the year

Name of the related parties	Nature of relationship	₹ In crores	
		Year ended March 31, 2026	Year ended March 31, 2025
Tata Steel Limited	Holding Company	4,908.34	5,313.51
Jamipol Limited	Joint Ventures of Holding Company	0.29	-
Total - Sale of goods		4,908.63	5,313.51
Tata Steel Limited	Holding Company	15.57	4.38
Total - Services rendered		15.57	4.38
Tata Steel Limited	Holding Company	348.10	433.34
Tata Bluescope Steel Private Limited	Joint Venture of Holding Company	-	0.28
T S Global Procurement Co Pte Limited	Fellow Subsidiary	1,339.46	1,498.38
Total - Purchase of goods		1,687.56	1,932.00
Tata Steel Limited	Holding Company	41.95	36.93
Tata Steel Limited	Holding Company	(0.17)	-
Total - Reimbursement paid/(received)		41.78	36.93
Tata Pigments Limited	Fellow Subsidiary	10.26	15.70
Tata Steel Limited	Holding Company	24.10	54.42
Medica TS Hospital Private Limited	Fellow Subsidiary	0.30	0.29
TM International Logistics Limited	Joint Venture of Holding Company	31.11	29.38
Tata Steel Utilities and Infrastructure Services Limited	Fellow Subsidiary	27.84	12.32
Himalaya Steel Mill Services Private Limited	Joint Venture of Holding Company	6.81	5.18
Tata Steel Technical Services Limited	Fellow Subsidiary	3.74	1.39
Tata Sons Private Limited	Company having significant influence over the Holding Company	0.54	0.58
Tata Steel Support Services Limited	Fellow Subsidiary	0.42	0.23
Tata Steel Business Delivery Center Limited	Fellow Subsidiary	0.36	0.47
mjunction Services Limited	Joint Venture of Holding Company	1.56	1.83
Tata Bluescope Steel Private Limited	Joint Venture of Holding Company	0.24	0.84
Tata Bluescope Steel Private Limited	Fellow Subsidiaries	1.75	-
Jamipol Limited	Joint Ventures of Holding Company	0.03	-
Total - Services received		109.08	122.69
Tata Steel Limited	Holding Company	697.35	626.19
Total - Interest expense recognised		697.35	626.19



Name of the related parties	Nature of relationship	₹ in crores	
		Year ended March 31, 2024	Year ended March 31, 2025
Srikumar Menon	Non-Executive Director	0.03	0.03
Ansuman Das	Non-Executive Director	0.03	0.03
Total - Sitting fees		0.06	0.06
Srikumar Menon	Non-Executive Director	0.10	0.10
Ansuman Das	Non-Executive Director	0.10	0.10
Total - Commission to Independent Directors		0.20	0.20
Sudhir Kumar Mehta (upto November 14, 2025)	Managing Director & CEO	1.41	1.64
Padmapal (w.e.f November 15, 2025)*	Managing Director & CEO	0.96	-
Total - Employee benefits expense		2.37	1.64

*Managerial remuneration amounting to ₹ 0.31 crores has been paid in excess of the limits prescribed under section 197 read with Schedule V of the companies Act, 2013. The excess remuneration has been duly approved by the Nomination and Remuneration Committee and Board of Directors, and the same shall be placed for approval by the shareholders through a special resolution at the forthcoming Annual General Meeting.

C Balances outstanding

Name of the related parties	Relationship	₹ in crores	
		As at March 31, 2024	As at March 31, 2025
Tata Steel Limited	Holding Company	1,280.83	83.38
Jampol Limited	Joint Ventures of Holding Company	0.27	-
Total - Trade receivables		1,281.10	83.38
TM International Logistics Limited	Joint Venture of Tata Steel Limited	1.23	-
Total - advances for supplies and services		1.23	-
Tata Steel Limited	Holding Company	103.11	57.09
Tata Bluescope Steel Private Limited	Fellow Subsidiary	1.06	0.69
Tata Pigments Limited	Fellow Subsidiary	2.16	2.22
Medica TS Hospital Private Limited	Fellow Subsidiary	0.04	0.25
TM International Logistics Limited	Joint Venture of Tata Steel Limited	3.82	0.77
Tata Steel Utilities and Infrastructure Services Limited	Fellow Subsidiary	14.98	7.13
Himalaya Steel Mill Services Private Limited	Joint Venture of Tata Steel Limited	1.74	1.15
Tata Steel Business Delivery Center Limited	Fellow Subsidiary	0.07	0.04
junction Services Limited	Joint Venture of Tata Steel Limited	0.39	0.61
Tata Steel Support Services Limited	Fellow Subsidiary	0.18	0.23
Tata Sons Private Limited	Company having significant influence over the Holding Company	0.54	0.57
T S Global Procurement Co Pte Limited	Fellow Subsidiary	210.08	222.55
Tata Steel Technical Services Limited	Fellow Subsidiary	0.74	-
Jampol Limited	Joint Venture of Tata Steel Limited	0.03	-
Total - payables for supplies and services		343.89	292.70
Tata Steel Limited	Holding Company	6,831.35	6,133.96
Total - Non-convertible preference shares		6,831.35	6,133.96
Srikumar Menon	Non-Executive Director	-	0.01
Ansuman Das	Non-Executive Director	-	0.01
Total - Payable for sitting fees		-	0.02

- (i) Sitting fees & commission to Directors were paid as per the Board resolution.
(ii) All other transactions were made on general commercial terms and conditions at market rates.
(iii) All outstanding balances are unsecured and are repayable in cash.



37 Ratios

Sr. No.	Particulars	As at March 31, 2026	As at March 31, 2025	% Change	
(a)	Current ratio (times)	3.53	2.70	31%	Refer sub-note (i)
(b)	Debt-equity ratio (times)	(3.81)	(2.43)	57%	Refer sub-note (ii)
(c)	Debt service coverage ratio (times)	813.12	530.69	53%	Refer sub-note (iii)
(d)	Return on equity ratio (%)	**	**	n/a	
(e)	Inventory turnover ratio (in days)	61	63	(3)%	
(f)	Trade receivables turnover ratio (in days)	47	6	678%	Refer sub-note (iv)
(g)	Trade payables turnover ratio (in days)	56	49	14%	
(h)	Net capital turnover ratio (in days)	126	60	110%	Refer sub-note (v)
(i)	Net profit ratio (%)	21.66%	5.76%	276%	Refer sub-note (vi)
(j)	Return on capital employed (%)	24.23%	30.78%	(21)%	
(k)	Return on investment (%)	6.90%	6.95%	(1)%	

**Average shareholder's equity is negative

Formulas for ratios

		Numerator	Denominator
(a)	Current ratio	Total current assets	Total current liabilities (-) current lease liabilities
(b)	Debt-equity ratio	Total Gross Debt (Non-current borrowings + Lease liabilities)	Average shareholder's equity
(c)	Debt service coverage ratio	Earnings for Debt Service [Profit/(loss) before tax + Finance cost + Depreciation and amortisation + Other non cash expenditure]	Debt service = (Interest payments + Lease Payments + Principal Repayments)
(d)	Return on equity ratio	Profit/(loss) after tax	Average shareholder's equity
(e)	Inventory turnover ratio	Average inventory * 365	Total revenue from operations
(f)	Trade receivables turnover ratio	Average trade receivables * 365	Total revenue from operations
(g)	Trade payables turnover ratio	Average trade payables * 365	Cost of materials and services consumed or used
(h)	Net capital turnover ratio	Average working capital = Current assets (-) Current liabilities excluding current lease liabilities * 365	Total revenue from operations
(i)	Net profit ratio	Profit/(loss) after tax	Total revenue from operations
(j)	Return on capital employed	Earnings before interest and taxes [Profit/(loss) before taxes and exceptional items + Finance cost]	Average Capital employed = Total equity + Borrowings + Lease liabilities - Capital Work-in-progress - Intangible assets under development
(k)	Return on investment	Income generated from mutual funds and fixed deposits	Time weighted average investments

- (i) Current ratio has increased during the year primarily due to an increase in trade receivables. Also, refer note (iv) below.
(ii) Debt-equity ratio decreased mainly due to higher profit after tax driven by recognition of deferred tax assets, resulting in an increase in equity funds.
(iii) Improvement in debt service coverage ratio mainly due to increase in profits earned in current year vis-à-vis previous year.
(iv) Trade receivables turnover ratio has increased due changes in the credit terms implemented during the year.
(v) Net capital turnover ratio has increased due to increase in average working capital as compared to previous year.
(vi) Net profit ratio improved during the current financial year due to higher profit after tax, primarily driven by recognition of deferred tax assets.



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39 Disclosure relating to provisions as per Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets
The details of movement in provision balances and nature of provision is below:-

	(₹ in crores)	
	As at March 31, 2026	As at March 31, 2025
	Provision for statutory and other liabilities	
Carrying amount as at beginning of the year	80.15	109.18
Add : Provision made/reclassified during the year	18.31	6.31
Less : Amount paid during the year	-	(24.60)
Less : Amount written back during the year	(47.97)	(10.74)
Carrying amount as at the end of the year (Refer Note 19.b)	50.49	80.15
Nature of obligation	Statutory and legal matters including disputed statutory demands relating to Indirect taxes, Provident fund, Mines & Minerals laws and other State levies.	
Expected timing of resultant outflow	On decision by competent authority	
Indication of uncertainty about those outflows	The above matters are under dispute with authorities	
Major assumptions concerning future events	The matter is with higher authorities for adjudication. Provision has been made on the grounds of prudence.	
Amount of any expected reimbursement, i.e., amount of any asset that has been recognised for that expected reimbursement	Nil	

39 On July 4, 2022, Tata Steel Long Products Limited (TSLP) (merged with Tata Steel Limited) completed the acquisition of the Company for a total consideration of Rs. 12,100 crores in accordance with the process run by Department of Disinvestment & Public Asset Management (DIPAM), Government of India and the Share Sale and Purchase Agreement (SPA). On completion of the acquisition, the Company became a subsidiary of TSLP and step-down subsidiary of Tata Steel Limited (TSL) (Holding Company of TSLP).

The aforesaid SPA dated March 10, 2022 were executed by and amongst MMTC Limited, NMDC Limited, MECON Limited, Bharat Heavy Electricals Limited, Industrial Promotion and Investment Corporation of Odisha Limited, Odisha Mining Corporation, The President of India, The Government of Odisha, TSLP, TSL and the Company (NINL) for acquisition of 93.71% equity share capital in NINL by TSLP.

As part of the transaction, following were completed by TSLP:

- Acquisition of 0.01%, 456,054,252 Non-Convertible Redeemable Preference Shares (NCRPS) of face value of ₹100/- each aggregating to Rs. 4,560.54 crores.
- Acquisition of 484,375,000 equity shares of face value Rs. 10/- each aggregating to Rs. 3,100.00 crores.
- Purchase of 694,029,741 equity shares from MMTC Limited, NMDC Limited, MECON Limited, Bharat Heavy Electricals Limited, Industrial Promotion and Investment Corporation of Odisha Limited, and Odisha Mining Corporation Limited (Sellers) for Rs. 4,439.46 crores.

The total consideration was been discharged by TSLP in the manner set out in the SPA including, inter alia, payment of financial creditor dues of the Company prior to the completion of aforesaid acquisition.

During the year ended March 31, 2023, TSLP further invested Rs. 600.00 crores in equity shares of NINL, after acquisition, towards capital expenditure, working capital and operating cost to restart the plant. TSL had also subscribed to further issue of equity shares by the Company and acquired equity stake in the Company for amounts aggregating Rs. 300.00 crores and Rs. 249.57 crores respectively. Subsequently, during the year ended March 31, 2026 and March 31, 2025, TSL acquired equity stake in the Company for amounts aggregating to Rs. 17.42 crores and Rs. 17.26 crores respectively.

Consequent to the merger of TSLP with TSL in FY 2023-24, TSL is the holding company of NINL.

The acquisition will provide an inorganic growth opportunity for TSL to grow in the long products business and leverage the captive iron ore mines of the Company.



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40 Segment reporting

The Company is in the business of manufacture of steel and allied products (including manufacture of pig iron) and accordingly, steel and allied products is the only reportable segment in accordance with Ind AS 108- Segment Reporting.

Details of non-current assets other than income tax assets, deferred tax assets and financial assets, based on geographical area are as below :

		(₹ in crores)	
		As at March 31, 2026	As at March 31, 2025
(i)	India	2,592.33	2,469.37
(ii)	Outside India	-	-
	Total	2,592.33	2,469.37

For details of major customers accounting for more than 10% of revenue from external customers, Refer Note 22 (i).

41 The Company was granted mining lease by the Government of Odisha for a period of 50 years commencing from FY 2016-17. The Company had commenced plant and mining operations during financial year 2022-23. The Company has assessed with their inhouse technical experts, that the mining pts are being prepared and operations are currently limited to the surface level of mines and the extent of mining does not give rise to any obligation for mines restoration cost as at the balance sheet date.

42 The provision of Corporate Social Responsibility (CSR) as mentioned in Section 135 of the Companies Act, 2013 is applicable to the Company and accordingly the Company has a CSR committee in place. However, the average net profits of the preceding three financial years is negative and accordingly, the Company is not required to make any CSR contribution.

43 Assets hypothecated as security

The carrying amounts of assets pledged as security for working capital requirements as follows :

		(₹ In crores)	
		As at March 31, 2026	As at March 31, 2025
Current assets			
<i>First charge (against working capital requirement from Banks)</i>			
(i)	Inventories	910.04	854.24
(ii)	Trade receivables	1,281.10	88.38
(iii)	Other current assets	41.06	64.50
		2,232.20	1,007.12

Notes:

(i) Refer Note 48 for disclosure relating to total amount of security (charge created) to the extent of sanctioned working capital facilities as on March 31, 2026 and March 31, 2025.

(ii) As at March 31, 2026, the register of charges of the Company as available in records of the Ministry of Corporate Affairs (MCA) includes charges that were created/modified since the inception of the Company. Satisfaction of charges aggregating to ₹ 233.25 crores (March 31, 2025 : ₹ 255.55 crores) relating to borrowings which were repaid in FY 2022-23, is pending due to practical challenges in obtaining no-objection certificates (NOCs) from the charge holders of such charges. The Company is in the process of obtaining NOCs from chargeholders for satisfaction of charges.

44 The following table depicts the details of balances outstanding in respect of transactions undertaken with a company struck-off under Section 248 of the Companies Act, 2013:

		(₹ In crores)	
		Balance as at March 31, 2026	Balance as at March 31, 2025
Name of struck off companies	Nature of transactions with struck-off companies		
Webel Electronics Communications System Limited		-	0.05
Vallab Engineers Private Limited		-	0.03
Jayaswals Neco Limited		-	0.01
SAP Communication Private Limited		-	0.00
Ashcroft India Private Limited		-	0.00
Pranam Powermech Private Limited	Purchase of goods and receiving of services	-	0.00
Geom'n Consultants Private Limited		-	0.00
A-One Mercantile Private Limited		-	0.00
Suzsons Care Private Limited		-	0.00
Keonjhar Minerals Private Limited		-	0.00

*0.00 represents value less than ₹ 0.01 Crore.

45 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2026 and March 31, 2025.

46 The Company has not granted loans or advances in the nature of loans to its promoters, directors, key managerial personnel (KMP) and the other related parties (as defined under the Companies Act, 2013).

47 The Company has not made any investments during the year other than investment in scheme of mutual funds. The Company has not granted secured/ unsecured loans/ advances in the nature of loans to any company/firm/limited liability partnership/other party during the year. The Company has not provided guarantee or security to/on behalf of any company/firm/limited liability partnership/other party during the year.

48 The Company has obtained sanctioned limits from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with the banks, as applicable which are in agreement with the books of accounts for year ended March 31, 2026 and March 31, 2025. Total amount of security (charge created), towards working capital facilities, as on March 31, 2026 is ₹ 1,010.00 crores (March 31, 2025: ₹ 510 crores)



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NEELACHAL ISPAT NIGAM LIMITED
Notes to the financial statements

- 49 (a) 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) 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.
- 50 The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.
- 51 The Board of Directors of the Company at its meeting held on March 17, 2026, considered, and approved the amalgamation of Company into and with its holding company, Tata Steel Limited, by way of scheme of amalgamation (Scheme). As part of the Scheme, the Company shall stand dissolved without being wound up upon the Scheme becoming effective. The Scheme is subject to certain conditions, including approval from regulatory authorities and sanction of the Scheme by the Hon'ble National Company Law Tribunal ("NCLT").
- 52 The Company has done an assessment to identify Core Investment Company (CIC) [including CICs 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 CICs at Group level are Tata Industries Limited, Tata Sons Private Limited, TMF Holdings Limited, Panatone Finvest Limited, Protraviny Private Limited and T S Investments.
- 53 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.
- 54 The Company has not been declared willful defaulter by any bank or financial institutions or government or any government authority.
- 55 The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

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

For and on behalf of the Board of Directors



Amitesh Dutta
Partner
Membership No: 058507

Place: Kolkata
Date: May 06, 2026



T.V. Narendran
Chairman
DIN: 03083605
Place: Mumbai

Manoj Kumar Gupta
Chief Financial Officer
Place: Kalinganagar

Date: May 06, 2026



Padma Pal
Managing Director & CEO
DIN: 11376305
Place: Kalinganagar



Uttam Singh
Director
DIN: 09365485
Place: Kalinganagar



Pooja K. Maru
Company Secretary
(ACS - 24606)
Place: Mumbai