TSLPL/SE/2023-24/31

July 11, 2023

The Secretary, Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

The Manager, Listing Department
National Stock Exchange of India Limited
"Exchange Plaza", 5th Floor, Plot No. C/1,
G Block, Bandra-Kurla Complex, Bandra (East),
Mumbai 400 051

Scrip Code: 513010

Symbol: TATASTLLP

Dear Sir/ Madam,

Sub: Integrated Report & Annual Accounts for the Financial Year 2022-23 of Tata Steel Long Products Limited ('Company')

This is further to our disclosure dated July 11, 2023 wherein the Company has, inter alia, informed that the 40th Annual General Meeting ('**AGM**') of the Company will be held on Wednesday, August 2, 2023.

The AGM will be held via two-way Video Conference/Other Audio-Visual Means. This is in compliance with the General Circulars issued by the Ministry of Corporate Affairs dated April 8, 2020, April 13, 2020, May 5, 2020 and subsequent circulars issued in this regard, the latest being December 28, 2022.P

Please find enclosed herewith the 5th Integrated Report & 40th Annual Accounts of Tata Steel Long Products Limited for the Financial Year 2022-23 along with the Notice of the 40th AGM ('**Integrated Report**'). The Integrated Report is available on the website of the Company at https://www.tatasteellp.com/storage/2023/07/Tata-Steel-Long-Products-IR-2022-23_Final.pdf

The Integrated Report is being sent only through electronic mode, to those Members whose e-mail addresses are registered with the Company/Registrar and Transfer Agent/Depository Participant/ Depositories. This is in compliance with the SEBI Circulars dated May 12, 2020, January 15, 2021, May 13, 2022 and January 5, 2023 and applicable Circulars issued by Ministry of Corporate Affairs in this regard from time to time.

This disclosure is being submitted pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

This is for your information and records.

Thanking You

Yours faithfully,

For Tata Steel Long Products Limited

SANKAR BHATTACHARYA
Digitally signed by SANKAR BHATTACHARYA
Date: 2023.07.12 00:23:21 +05'30'

Sankar Bhattacharya
Company Secretary and Compliance Officer

TATA STEEL LONG PRODUCTS LIMITED

Integrated Report & Annual Accounts 2022-23

TATA

Growing with Resilience

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Visit our website: https://www.tatasteellp.com/

Growing With Resilience

Tata Steel Long Products (TSLP) has consistently aimed to provide high-quality products that offer a compelling value proposition. The recent acquisition of Neelachal Ispat Nigam Ltd (NINL) marks a significant milestone in our journey to become the preferred supplier of long products for our valued customers, addressing their evolving requirements effectively. With a robust captive base of raw materials, expanded production capacity, and synergistic advantages throughout the value chain, NINL reinforces our market position as a producer of superior-quality steel specifically tailored for our chosen markets of Automotive and Construction. The demand for these products is experiencing strong momentum, driven by mobility needs, rapid urbanization and infrastructure development.

At TSLP, we are enhancing our capabilities and fostering innovation to create a more diversified product portfolio that reflects manufacturing excellence. Despite a challenging external environment during the year gone by, we recorded strong topline growth, though our margins came under pressure due to significant input cost volatility. This resilience speaks volumes about our continued focus on improving efficiency and reducing costs under the Shikhar initiatives.

We are building a sustainable organisation with a strong emphasis on digitalisation, along with mindful resource use, waste circularity, water neutrality, reduced GHG emissions and energy conservation efforts. Imbibing the Tata ethos of putting society's interests first, we are committed to doing the right thing, always. We are also building a future-ready workforce, fostering personal and professional growth by providing equitable opportunities.

At TSLP, we act as a force of positive change and drive inclusive progress for our stakeholders.

About the Report

Our approach to reporting

Our integrated report presents a well-rounded view of our financial and non-financial performance over the past financial year and holds forth a comprehensive analysis of our strategy, governance, risks and opportunities. Through the information presented in this report, we hope to enable the reader to gain an informed understanding of our ability to create value in the short, medium and long term, and on the future viability of our business.

Frameworks, guidelines and standards

The financial and statutory data presented in this Report is in line with the requirements of the Companies Act, 2013 (including the rules made thereunder); Indian Accounting Standards (Ind AS); the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and the Secretarial Standards. The Report is prepared following the Integrated Reporting framework as published by the International Financial Reporting Standards Foundation (IFRS), formed after the consolidation of the Value Reporting Foundation (VRF) and the SASB standards. The Report also presents an overview of how our value-creation process contributes to the United Nations Sustainable Development Goals (UNSDGs).

Reporting scope and boundary

The Report also covers the Company's raw material locations, manufacturing locations, sales and marketing activities, value chain-related initiatives and other community initiatives for FY 2022-23 (April 1, 2022, to March 31, 2023) in a comprehensive and concise manner.

Financial and non-financial reporting

This Report covers both our financial and non-financial performances, including our operational, environmental, and social performance, related outcomes and prospects for the year under review. Report content and presentation are based on issues material to Tata Steel Long Products (TSLP) and its stakeholders. Material issues have been gathered from multiple channels and forums of engagement across the organisation and external stakeholders. The report details our short, medium and long-term value creation processes/ strategies, opportunities and risks, as attributable to or associated with our stakeholders.

Independent assurance

Assurance on financial statements has been provided by independent auditors , Price Waterhouse & Co Chartered Accountants LLP. The non-financial information of the Report has been assured by Bureau Veritas. The assurance has been given against the Report's adherence to the International <IR> Framework of the IFRS and the GRI's Sustainability Reporting Standards. For the detailed assurance statement, please visit: https://www.tatasteellp.com/annual-report-agm-notice/

Management responsibility statement

Our Board acknowledges its accountability for the integrity and completeness of this Report and its contents. The information covered in this Report has been reviewed collectively by multiple functions within TSLP. The management confirms that the Report addresses all material topics pertaining to the organisation and our stakeholders.

Target readers

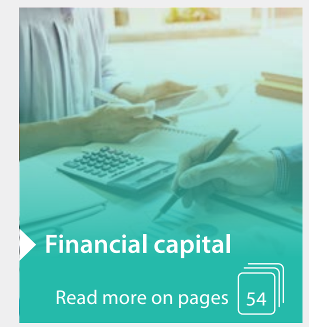
This integrated report is intended to address the information requirements of key stakeholders, including investors, customers, regulators, employees and the society at large.

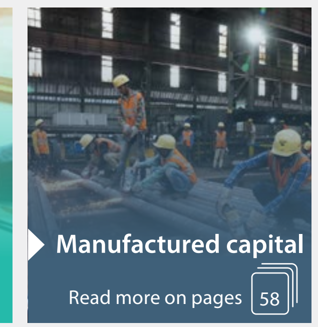
Contribution to Sustainability Developments Goals

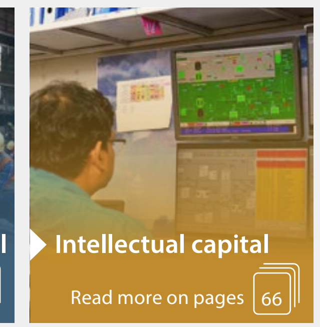
We contribute to the United Nations' Sustainability Development Goals (UN SDGs) with prudent and optimal use of our six key capitals to generate sustainable value. We primarily contribute to the following UN SDGs.

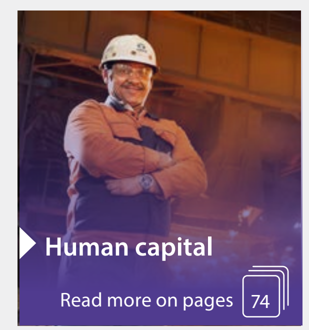
Our capitals

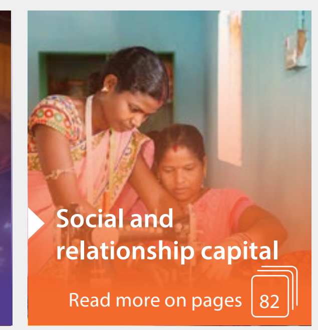
Value creation at TSLP depends on the integrated relationships between the six capitals identified below:

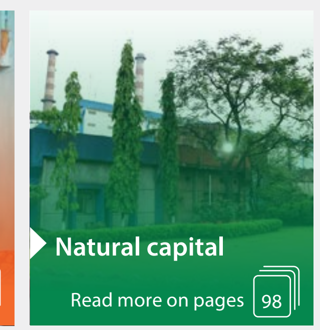






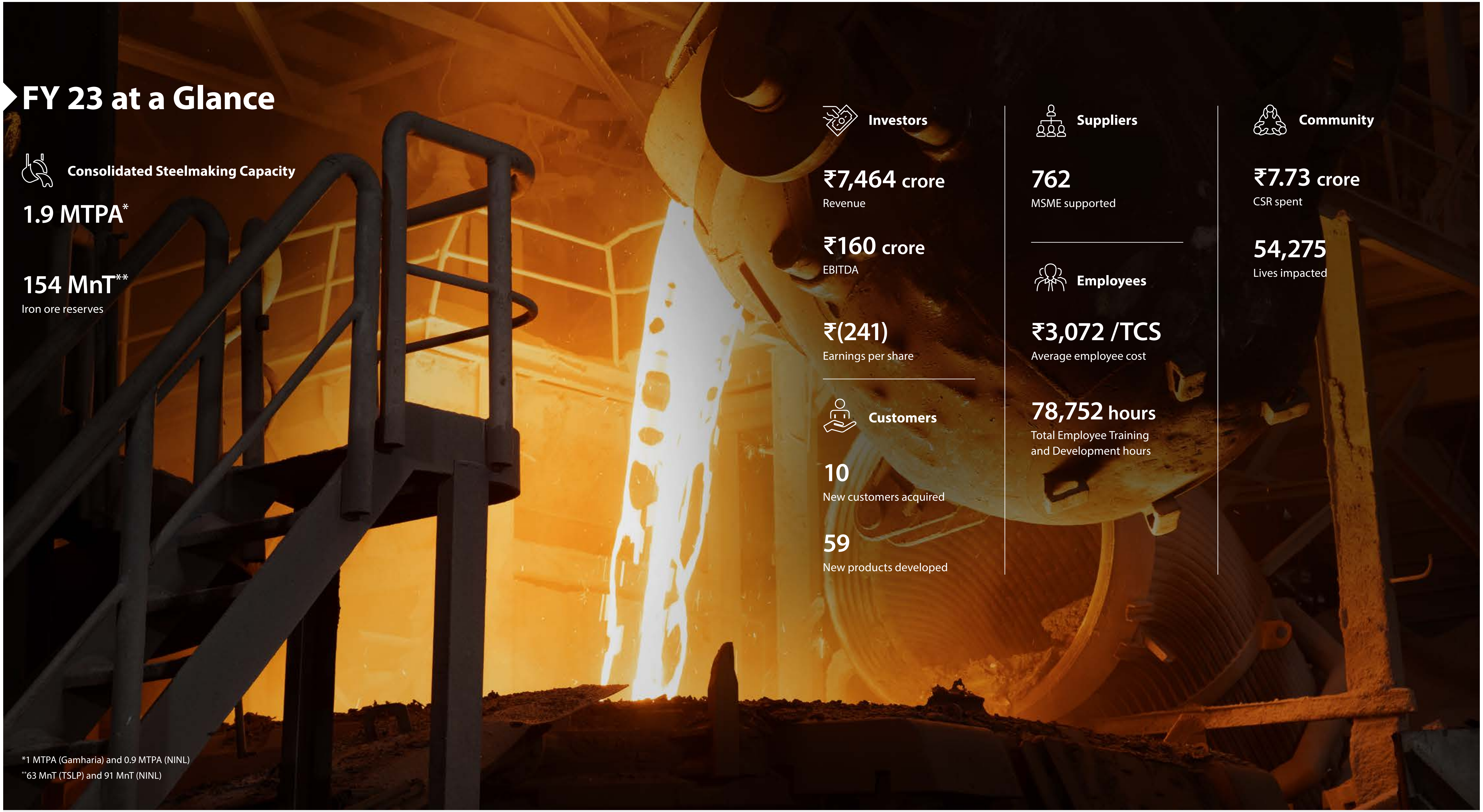






Read more at our website: https://www.tatasteellp.com/

Connect with us on Linkedin



FY 23 at a Glance

Consolidated Steelmaking Capacity

1.9 MTPA*

154 MnT**

Iron ore reserves

Investors

₹7,464 crore

Revenue

₹160 crore

EBITDA

₹(241)

Earnings per share

Customers

10

New customers acquired

59

New products developed

Suppliers

762

MSME supported

Employees

₹3,072 /TCS

Average employee cost

78,752 hours

Total Employee Training and Development hours

Community

₹7.73 crore

CSR spent

54,275

Lives impacted

*1 MTPA (Gamharia) and 0.9 MTPA (NINL)

**63 MnT (TSLP) and 91 MnT (NINL)

About Tata Steel Long Products

Forging a Prosperous Future

Tata Steel Long Products has expanded its product portfolio from high end alloy steel to Rebar for construction segment. It is continually investing in the state of the art manufacturing facilities, advanced technology, and skilled workforce. We ensure that every steel leaving our plants adheres to the most stringent quality standards.

Our comprehensive product range caters to a wide array of industries, including automotive, construction, infrastructure, railways and more. Renowned for their durability, strength, and reliability, our offerings empower customers to construct structures that stand the test of time, fostering sustainable development.

Vision

Be a benchmark in the Indian Long Product Industry for value creating and corporate citizenship

Mission

Tata Steel Long Products strives to attain sustainable growth by actively pursuing quality products, services and setting best-in-class practices to emerge as the partner of choice for all our stakeholders

Values

We are driven by our five core values

Integrity

We will be fair, honest, transparent and ethical in our conduct; everything we do must stand the test of public scrutiny

Excellence

We will be passionate about achieving the high standards of quality, always promoting meritocracy

Pioneering

We will be bold and agile, courageously taking on challenges, using deep customer insight to develop innovative solutions

Unity

We will invest in our people and partners, enable continuous learning, and build caring and collaborative relationships based on trust and mutual respect

Responsibility

We will integrate environmental and social principles in our businesses, ensuring that what comes from the people goes back to the people many times over

Who We Are

Building a Sustainable Enterprise Together

Our parent company, Tata Steel, enables us to revamp our systems and processes and build a sustainable organisation. Together, we implement the Tata Business Excellence Model to steer our operations and guide our activities. By doing that, we optimise our expenses and enhance our returns through economies of scale in procuring essential materials such as coal, fluxes, refractories, industrial gases, consumables, and graphite electrodes.

Tata Group

With ten verticals ranging from consumer goods to next-gen technologies, Tata Group has become one of the major global conglomerates.

100+
Countries

7,50,000+
Employees across the globe

$100 billion+
Revenue

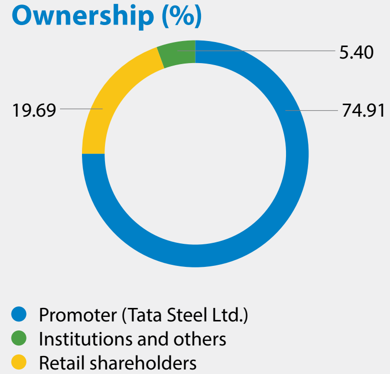
Tata Steel

Tata Steel is an integrated global steel-producing company with its operations extending from mining to manufacturing and marketing of final products. It has prominent commercial presence and production centres spread out across geographies.

Tata Steel Long Products

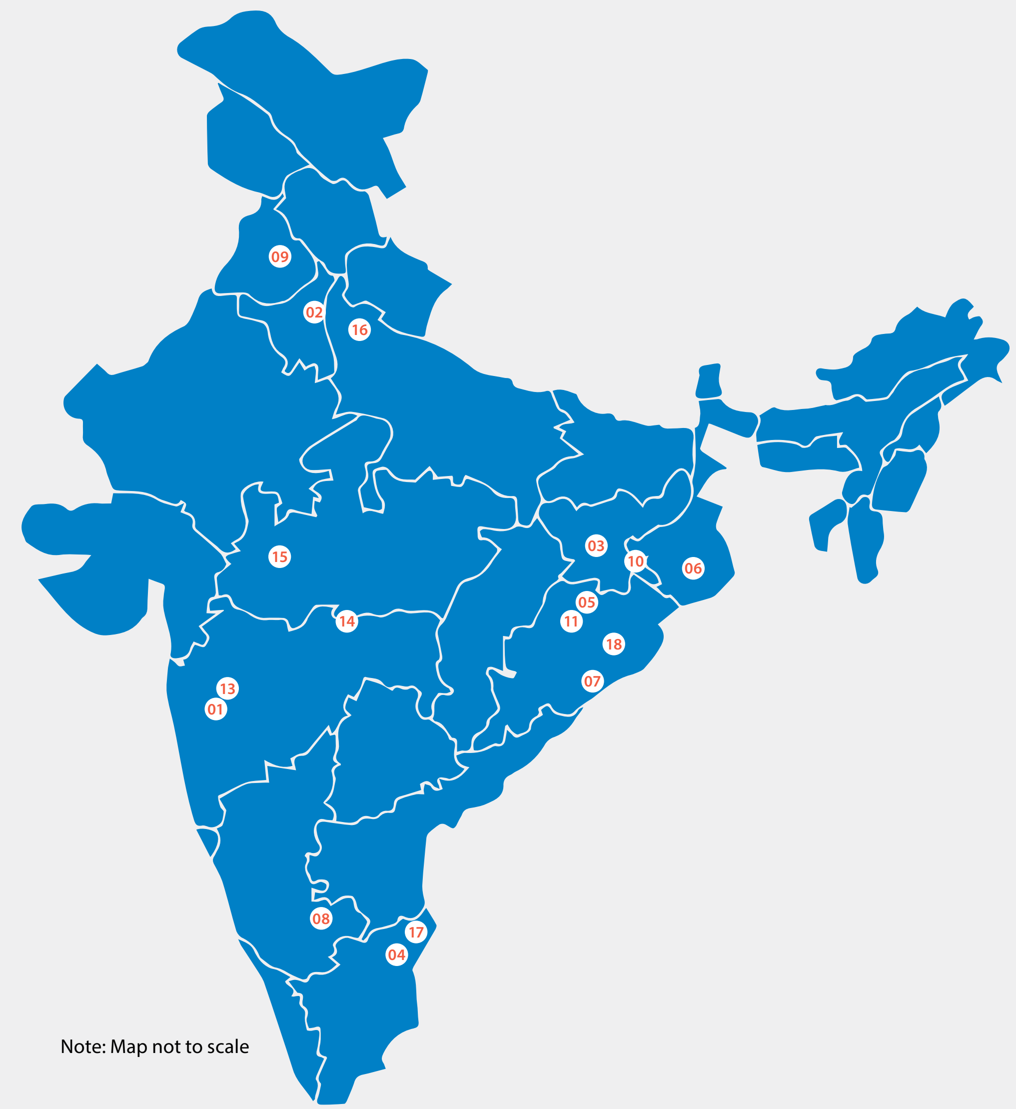
Tata Steel Long Products Limited is one of India's largest specialty steel producers in the Special Bar Quality (SBQ) segment and merchant DRI. With the completion of the acquisition of Neelachal Ispat Nigam Limited ('NINL') in July 2022, the Crude steel capacity of the TSLP has almost doubled to ~1.9 MTPA level.

Ownership (%)



*Figures as of 31st March, 2023

Operational footprint



Note: Map not to scale

Sales office
- (01) Pune
- (02) Delhi
- (03) Gamharia and Jamshedpur
- (04) Chennai

Registered office
- (05) Joda

Corporate office
- (06) Kolkata

Mining office
- (07) Vijay II Mines

Satellite office
- (08) Bengaluru
- (09) Ludhiana

Iron ore mine
- (10) Barajamda

DRI plants
- (05) Joda
- (03) Gamharia

Warehouse
- (13) Pune
- (14) Nagpur
- (15) Indore
- (16) Faridabad
- (17) Chennai

Steel plants
- (18) Kalinganagar
- (03) Gamharia

Product Portfolio

Crafting Solutions for Diverse Needs

Our integrated operations enable us to manufacture products adhering to the highest quality standards while optimising costs. This provides us with a significant competitive edge in serving user industries such as construction, infrastructure and automotive among others.

Integrated production

Consolidated Assets and Capacity

Facilities – Captive Mines

Vijay-II 63 MnT
reserves of Iron Ore (63% captive iron ore sourcing for Gamharia)

Added this year:

Koira 91 MnT
reserves of iron ore

Facilities – Iron Making

Gamharia
- 0.65 MTPA BF
- 1 MTPA DRI

Added this year:

NINL
1 MTPA BF

Facilities – Rolling Mills

- 0.10 MTPA Bar Mill
- 0.36 MTPA Wire Rod Mill
- 0.24 MTPA Bloom Mill
- 24,000 TPA Wire Mill
- 0.84 MTPA Rebar (EPA) at NINL

Facilities – Agglomerates

Gamharia
- 1.2 MTPA Pellet Plant
- 0.6 MTPA Sinter Plant
- 0.4 MTPA Coke Plant

Added this year:

NINL
- 1.7 MTPA Sinter Plant
- 0.9 MTPA Coke Plant

Facilities – Steel Making

Gamharia
- 1 MTPA Steel

Added this year:

NINL
- 0.9 MTPA Steel

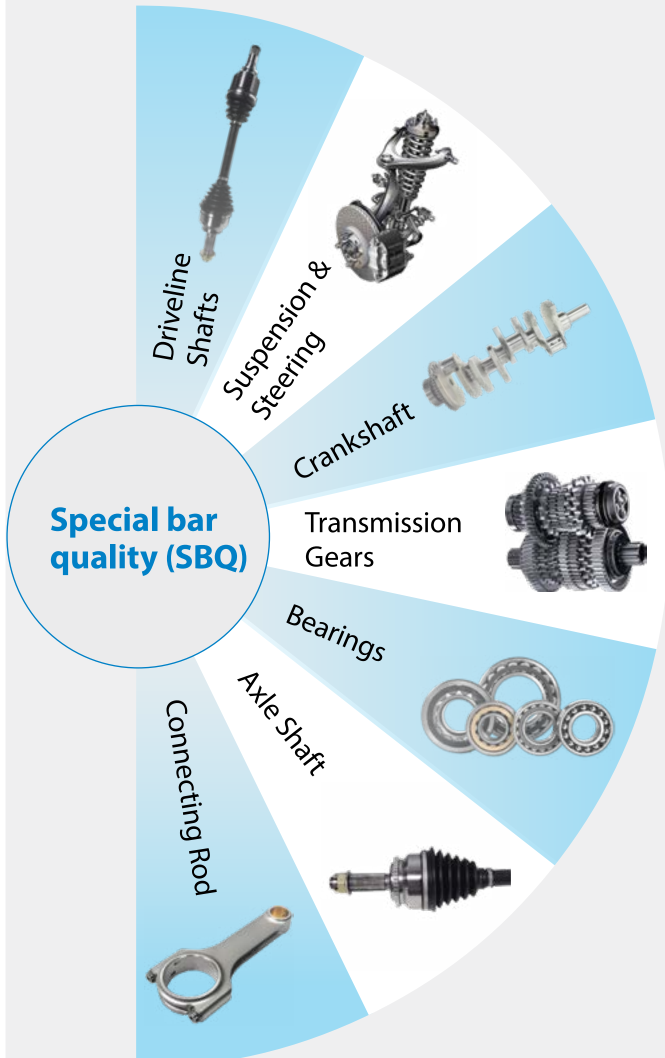
Facilities – Auxiliaries

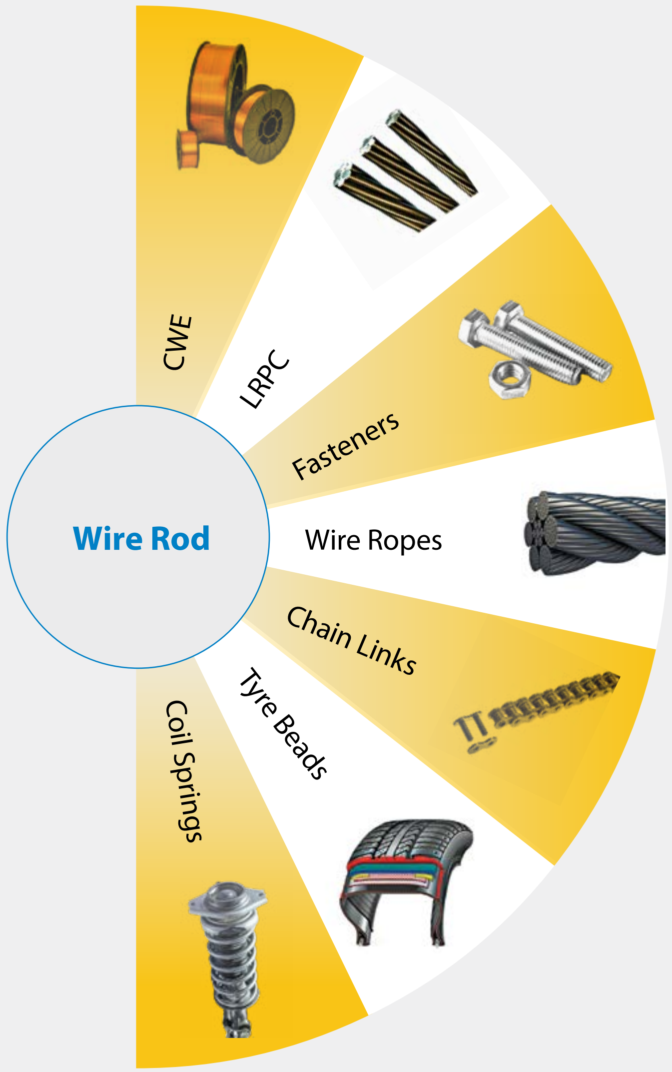
Gamharia
- 160 MW Power plant
- 240+ wagons/day*
- Handled through 3 tracks of own railway siding
- 345 TPD
- Total capacity of 3 oxygen plants of 200 TPD
- Total capacity of 3 lime kiln plants

Added this year:

NINL
- 62.5 MW captive power plant
- 418 TPD oxygen plant
- RMHS - 2 wagon tipplers stacker cum reclaimer; blender reclaimer twin boom stacker PCM 2 strand PCM

Product Portfolio





Industries we cater to

Automobile (passenger vehicle, commercial vehicle, two-/three-wheeler)

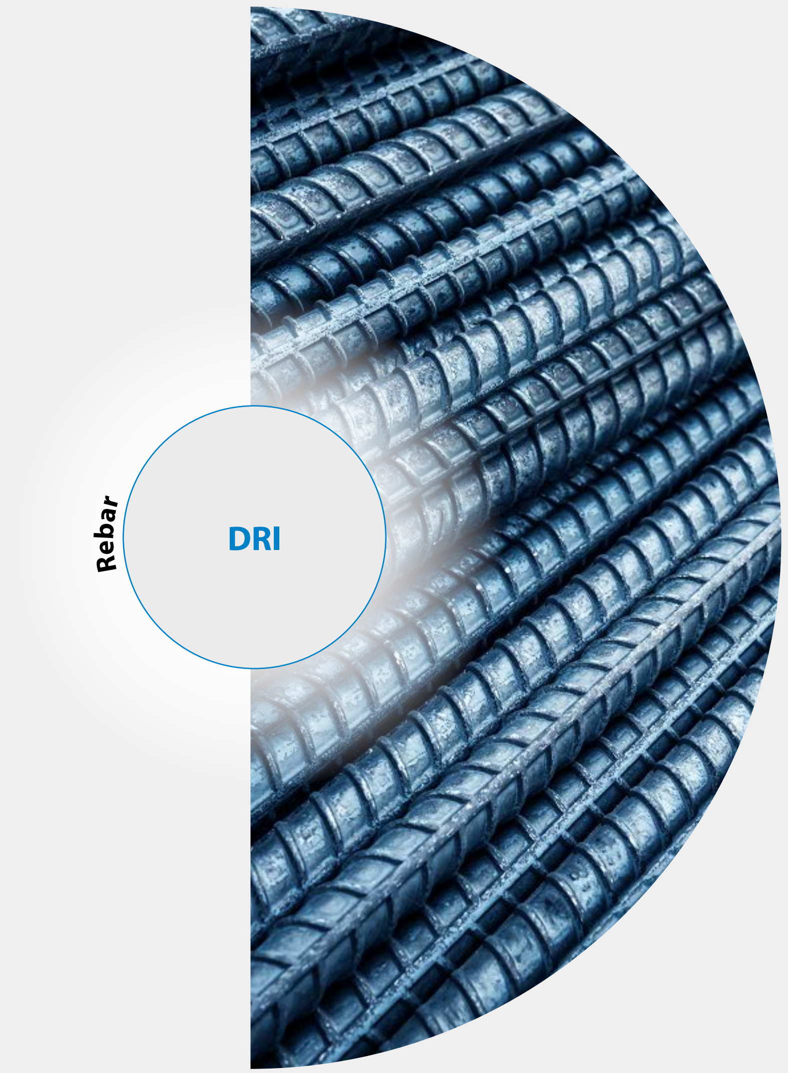
Agriculture Equipment

Lifting and Excavation (L&E)

General Engineering

Railways

Defence



Industries we cater to

Construction

Infrastructure

Value Proposition

Driving Continuous Improvements by Harnessing Synergies

Leveraging our core strengths, we have established a robust and integrated steel value chain. Our structural, financial, and cultural prowess form the fundamental pillars of our value-creation process. We also invest in reducing our environmental footprint, in line with our vision for a sustainable tomorrow.

Structural

Enhancing product mix quality and expanding capacity by driving maximisation

- Being an unparalleled benchmark in segments of automotive and construction
- Expand customer base with additional capacity at NINL
- Strengthen our position in the specialty steel category with the combi mill facility in Jamshedpur, being built leveraging the PLI scheme of the GoI

Financial

Deleveraged Balance Sheet with improved efficiency

- Enhanced share of high-end products to drive profitability
- Driving operational efficiency through effective process optimisation and implementation of digital tools
- Strengthening fundamentals by reducing leverage, effective capital allocation and prudent working capital management
- Accelerated implementation of high-value projects using our Agile Way of Working methodology

Cultural

Agile, Digital and Proactive Work Environment

- Institutionalising a culture of wellness to make the organisation's lifestyle disease-free
- Build an organisation-wide culture of data-driven innovation, agility and collaboration
- Focused interventions across the organisation to build a culture of customer obsession
- Fostering a risk-intelligent culture within the organisation to support our decision-making processes and improve our performance
- Harness the power of digital technology to foster agility, amplify efficiency, and facilitate business transformation.
- Build a top-down safety-first culture and focused on enhancing diversity and inclusion in the organisation

Board of Directors

Guiding Us Towards a Shared Future

Our Board of Directors guide us on our journey of creating a shared and prosperous future. Their experience and expertise in diverse fields enable us to navigate business cycles and uphold the highest standards of corporate governance.

T.V. Narendran
Chairman,
Non-Executive

C M

Sougata Ray
Non-Executive,
Independent
Director

C M M M

Srikumar Menon
Non-Executive,
Independent
Director

C C M

Shashi Kant Maudgal
Non-Executive,
Independent
Director

C C M M

Ansuman Das
Non-Executive,
Independent
Director

M M C

Neeta Karmakar
Non-Executive,
Independent
Director

M

Koushik Chatterjee
Non-Executive,
Non-Independent
Director

M M

Debashish Bhattacharjee
Non-Executive,
Non-Independent
Director

M M

Meena Lall
Non-Executive,
Non-Independent
Director

M

Ashish Anupam
Managing
Director

M M M
M M

C Chairman   M Member

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility Committee
- Committee of Board
- Safety, Health and Environment Committee

Board of Directors

T.V. Narendran
Chairman, Non-Executive

Mr. Narendran is the CEO & Managing Director of Tata Steel Limited. He has over 35 years of experience in the Metals and Mining industry and has been a thought leader on complex, strategic and operational matters relating to steel industry.

He has overseen the organic and inorganic growth of Tata Steel Long Products Limited over the last few years including the acquisition of Steel business of Usha Martin Limited in 2019 and Neelachal Ispat Nigam Limited in 2022. He is a member of the Executive Committee and the Board of the World Steel Association and President of the Indian Institute of Metals, he has served as the President of the Confederation of Indian Industry (CII) from 2021 to 2022.

Sougata Ray
Non-Executive, Independent Director

As the esteemed Thomas Schmidheiny Chair, Professor of Strategy and Entrepreneurship Practice, and Executive Director of Thomas Schmidheiny Centre for Family Enterprise at Indian School of Business currently and Professor, Dean and Board Member at the Indian Institute of Management Calcutta, and Head of Innovation at Infosys earlier he possesses vast experiences and expertise. He specialises in strategy, sustainability, corporate governance, innovation, entrepreneurship, digital transformation, and international business.

Recognised as a top strategic management scholar in India with international acclaim, he has an impressive portfolio of over 150 published research papers, book chapters, and case studies in prestigious international journals and leading management publications.

His outstanding achievements and unwavering commitment to education and practice positively impact the business community and serve as a source of inspiration for future leaders.

Srikumar Menon
Non-Executive, Independent Director

With over 41 years of experience in business management, leadership, and finance, he is a Chartered Accountant and commerce Graduate from Hindu College, Delhi University. His career began in 1978 at Balmer Lawrie, where he held various finance positions at a pan-India level for 16 years. He then served as the CFO of a joint venture of Balmer Lawrie in 1994.

In subsequent years, he joined Linde India Ltd in 1998, followed by a tenure at Pidilite Industries in 2000. Returning to Linde India Ltd. in 2001 as Finance Director, he later assumed the role of Managing Director from 2008 until 2013. In 2012, he took on the responsibility for the South Asia cluster encompassing India, Bangladesh, and Sri Lanka and was formally designated as the Managing Director, South Asia of the Linde Group in 2013. He retired in 2014 as the Managing Director, South Asia for the Linde Group.

Shashi Kant Maudgal
Non-Executive, Independent Director

Mr. Shashi Kant Maudgal, an accomplished professional, holds a Chemical Engineering degree from IIT Delhi, an MBA from IIM Calcutta, and has completed the Advanced Management Program at Harvard University.

Mr. Maudgal's last two corporate assignments were at the Aditya Birla Group, as the President and CEO of Novelis Asia (Seoul) from 2012-16 and as CEO (Integration) at UltraTech (Mumbai) from 2017-20.

Mr. Maudgal has served on various Boards, including Hindalco Almex Aerospace Ltd. (2007- 2012), Novelis Asia in Seoul (2012-2016), Aluminium Company of Malaysia Ltd in Kuala Lumpur (2012-2016), and Tata Steel BSL Ltd (2018-2021). Currently, he is also a Board Member of The Tinplate Company of India Limited.

Ansuman Das
Non-Executive, Independent Director

Ansuman Das graduated in Mechanical Engineering from NIT, Rourkela and has an MBA Degree from the University of Hull, UK with a British Council Scholarship under the Colombo Plan.

He has rich experience in the Mines, Metals and Power sector. He started his career in Hindustan Aeronautics Limited as a Management Trainee and served 6 years in the Aeronautical production sector. Subsequently, he joined National Aluminum Company Limited (NALCO) and served the company in many key functions. As Chairman-cum-Managing Director, NALCO a Navratna Central Public Sector Enterprises (CPSE), he has made substantial contributions in areas of Project management, Operations, Sustainability, Marketing, Human Resources, Corporate Governance and others. In August 2015, he was appointed as the Member; subsequently the Chairman of Public Enterprises Selection Board (PESB), Government of India primarily engaged in the selection of CMD's and Functional Directors of CPSE. He has also served the Government of India as Chairman and Member of various search cum selection committees for top Government appointments including regulatory bodies and Government-led SPVs.

Neeta Karmakar
Non-Executive, Independent Director

With over 34 years of diverse industry experience, Neeta Karmakar has expertise in policy advocacy at both state and central government levels. Recently, she retired from her role as Regional & Senior Director (East and North-East) at the Confederation of Indian Industry.

She has held key positions such as Secretary General of the Indian Paints Association and the Indian Fan Manufacturers Association. She has also contributed her skills to renowned companies like Larsen & Toubro Limited and Bharat Heavy Plates & Vessels Limited.

Education-wise, she holds a Post Graduate Diploma in Business Management (Finance) from IIM Calcutta and a Bachelor's degree in Chemical Engineering from the National Institute of Technology. In addition, she serves as a Director on the Board of Quadra Medical Services Pvt. Limited.

Koushik Chatterjee
Non-Executive,
Non-Independent Director

Mr. Koushik Chatterjee is the Executive Director and Chief Financial Officer of Tata Steel Limited. He is also the Chairman of the Board of Directors of Tata Metaliks Limited and The Tinplate Company of India.

As a Director of Tata Steel Long Products, he has closely overseen the acquisitions of the Steel Business of Usha Martin Limited in 2019 and Neelachal Ispat Nigam Limited (NINL) in the last year. Under his leadership, NINL has been successfully ramped up and integrated with TSLP.

He is a Member of the Advisory Board of the United Nations Global Compact CFO Coalition for Sustainable Development Goals, the Task Force on Nature Related Financial Disclosures (TNFD), the Task Force on Climate-Related Financial Disclosures (TCFD), the IIF Washington DC sponsored Taskforce on Scaling Voluntary Carbon Markets, and the Steering Committee on UK Voluntary Carbon Markets Forum, London, among others.

Debashish Bhattacharjee
Non-Executive,
Non-Independent Director

Debashish Bhattacharjee, a metallurgical engineering professional, holds a B.E. from Jadavpur University, an M.Tech from IIT Kanpur, and a PhD from the University of Cambridge. With extensive research experience, including prestigious post-doctoral work, he is an expert in materials science and metallurgy.

Since 1996, Bhattacharjee has played vital roles at Tata Steel R&D, serving as Chief of Research & Development and Scientific Services until 2009. He then became the Group Director of Research, Development & Technology for Tata Steel Group at Tata Steel Europe. His expertise encompasses materials development, associated technologies, fracture and fatigue of materials, physical metallurgy of rolling, and application of artificial neural networks in industry.

In addition, Bhattacharjee actively engages in industry committees. He chairs the Expert Committee on Industry Academia Connect Task Force at the Bengal Chamber of Commerce and is a member of the Technology Advisory Group for Empowered Technology Group, the Government of India, and the National Accreditation Board for Testing and Calibration Laboratories (NABL). He also mentors the Expert Committee on Metals at the Bengal Chamber of Commerce and Industry.

Meena Lall
Non-Executive,
Non-Independent Director

Ms Meena Lall is the Chief Legal Officer (Industrial & Litigation) at Tata Steel. She has done her Bachelors in Science followed by LLB from Rani Durgavati Vishwavidyalaya, Jabalpur. She comes from a family of Judges and Lawyers. After practicing in Jabalpur High Court, she joined Tata Steel in 1990 in theLegal Department. In recent past, she has cleared a specialized course on Cyber Law and Cyber Forensics. In Tata Steel, she has been heading the legal function since 2008. She has handled complex legal issues and has gained experience in diverse fields of law, interacted and worked with several Counsels in India & abroad on subjects of mining, forest, environment, land, township, labour, to name a few. She has also collaborated with a renowned Counsel Mr. S. Pal and contributed to his book on the 'India's Constitution- Origins and Evolution'. She is a director on Boards of several subsidiary companies of Tata Steel.

Ashish Anupam
Managing Director

Ashish Anupam, the Managing Director of the Company since November 2019, brings a diverse background and extensive experience to his role. He holds a B.E. in Mechanical Engineering from BIT, Mesra, Ranchi, and has completed a General Management Programme from CEDEP (INSEAD, France).

He began his career with Tata Steel Limited as a Graduate Trainee in 1991 and has held various positions in different functions, including Operations, International Trading, Marketing & Sales, and general management, both in India and overseas. From July 2015 to March 2019, he served as the President and CEO of NatSteel Holdings Pte. Ltd. in Singapore.

During his tenure, he also served as the Chairman of SEAISI (South-East Asia Iron & Steel Institute) for two years (2016-2018). Currently, he holds positions on the Boards of Tata Steel Thailand Ltd and serves as the Chairman of The Siam Industrial Wire Co., Ltd., TSN Wires Co., and Indian Steel & Wire Product Ltd.

Management Team

Steering Ahead with Conviction

Ashish Anupam
Managing Director

Sanjay Kumar Shrivastav
Chief Financial Officer & Senior General Manager – Finance & Accounts, IT and Legal Services

Sankar Bhattacharya
Company Secretary and Compliance Officer

Ritu Agrawal
Senior General Manager – Strategy & Business Excellence and Risk Officer, Chairperson POSH Internal Committee

R. V. Gangaraj
Senior General Manager - Engineering & Projects

N. P. Venkatesan
Chief Marketing & Sales

Vilas N. Gaikwad
Senior General Manager - SHE & Sustainability and Ethics Counsellor

Chandra Mohan Verma
Senior General Manager - Operation & Maintenance (Steel)

Mukesh Agarwal
Chief People Officer

Subrata Basak
Senior General Manager – Supply Chain Management and IBMD

Dr. T Bhaskar
Chief Technology Officer and Senior General Manager - Technology, QA, QCTQM, NPD

Manikanta Naik
Senior General Manager - Operations & Maintenance (Sponge)

Chairman's Message

Onwards and Upwards, with Confidence

T.V. Narendran
Chairman

> The intended merger is anticipated to bolster operational efficiency, provide a coordinated strategic approach, and enhance overall agility across the businesses. Also our commitment to sustainability has led us to take bold measures to reduce our CO_2 footprint.

Dear Shareholders,

I hope this letter finds you in good health and high spirits. I am delighted to share the significant milestones achieved by Tata Steel Long Products Limited (TSLP) during the fiscal year 2023, despite numerous challenges. I am also pleased to introduce the inaugural Business Responsibility and Sustainability Report (BRSR), highlighting our commitment to responsible practices and sustainable growth within your company.

Heightened volatility at the marketplace easing out

The year 2022 brought significant volatility to the global economy, including the steel industry. Several factors such as the Russia-Ukraine conflict induced global energy crisis, supply chain constraints, inflationary pressures, semiconductor shortages, interest rate hikes by central banks worldwide, and China's zero-Covid policy, contributed to this volatility. As a result, the demand-supply balance in the steel industry was impacted, leading to a substantial contraction in spreads. Additionally, Indian steel manufacturers faced the challenge of 15% export duty introduced from May to November 2022, which disrupted supply patterns compared to historical trends.

Despite these challenges, steel demand in India grew 10% in fiscal year 2023, and is projected to keep pace with the GDP growth. Indian economy has effectively managed inflation and is on a robust growth trajectory, with infrastructure-focused government expenditure. As commodity prices ease and demand improves, we anticipate a reduction in volatility in the steel market in the near term.

Remained resilient despite several headwinds

On the operational front, your company achieved a historic feat by reviving the Neelachal Ispat Nigam Limited (NINL) plant within 100 days of acquisition, leveraging the strength of the Tata Steel ecosystem. This resulted in 33% increase in crude steel production and 26% increase in deliveries in FY23.
TSLP Gamharia unit crossed the 0.7 MnT mark for crude steel production on a standalone basis for the first time. Specialty steel sales were the highest ever at 0.54 MnT, up from 0.49 MnT in FY22.

The company made a conscious decision to change the business model of its Joda Direct Reduced Iron (DRI) unit from own to conversion route for Tata Steel. This was executed successfully in Q3 FY23. DRI Gamharia plant registered its best annual production of 0.46 MnT, up 18% from the previous year.

However, the unprecedented volatility in the market especially in coal coupled with some outages at blast furnaces resulted in higher costs. In TSLP, we responded with agility and sharpened our focus on managing the volatility through recalibrating the operating processes and aligning the supply chain. This was demonstrated in our management of working capital where we ended the financial year with a healthy cash balance and averted any fresh borrowing during the year. Our continuous improvement program (Shikhar) focussed on improving operating metrices to mitigate the adverse impact of contraction in spreads. Despite this, there was a negative impact on the company's financial performance in H1 FY23. However, the situation normalised in H2 FY23.

> This year, Tata Steel Long Products (TSLP) completed its acquisition of the 0.9 MnTPA Neelachal Ispat Nigam Limited (NINL) and production was ramped up to the rated capacity within nine months of the acquisition.

For the year ended March 31, 2023, TSLP's consolidated revenue grew by 32% to ₹8,992 crore, supported by the NINL acquisition and ramp-up, product mix enrichment, and elevated price levels. Standalone revenue grew by 10% to ₹7,464 crore. However, both EBITDA and profit after tax were substantially lower compared to the previous year.

A year of strategic achievement; successful ramp-up of NINL

During FY23, the company completed the acquisition of NINL under the Government of India divestment program, at an aggregate consideration of approximately ₹12,100 crore. This acquisition has resulted in doubling the crude steel capacity to ~1.9 MTPA and is well positioned to grow synergistically in the future being part of the Kalinganagar eco-system. Despite the fact that the plant was mothballed for almost three years, it was revived within 100 days and the production was ramped up to the rated capacity within nine months of the acquisition. This has

Chairman's Message

enabled the company to enhance its product portfolio by leveraging "Tata Tiscon", the retail brand of Tata Steel.

Swift progress towards growth in specialty steel

Another significant milestone in our growth journey is our state-of-the-art facility, the 0.5 MTPA "Combi mill" for specialty steel in Jamshedpur. This upcoming mill will enhance our presence and drive growth in the chosen segments of passenger vehicles and 2-wheelers. We are proud to share that this project has been selected and approved by the Ministry of Steel for Automotive Powertrain and Bearing steel, as part of the Production Linked Incentive (PLI) scheme for specialty steel. The project is progressing well and is expected to complete by early FY25.

Unlocking greater value through proposed merger with Tata Steel

The intended merger is anticipated to bolster operational efficiency, provide a coordinated strategic approach, and enhance overall agility across the businesses. This amalgamation will also facilitate synergies through access to raw materials, centralised procurement, optimised inventory management, reduced logistics expenses, and improved utilisation of facilities. At present, the proposed merger has reached an advanced stage with the court-convened Extraordinary General Meeting conducted on June 29th, 2023. Currently, it is undergoing necessary judicial and regulatory procedures, and we anticipate its completion by the end of the current fiscal year.

Furthering commitment to decarbonisation and transformation

Our commitment to sustainability has led us to take bold measures to reduce our CO_2 footprint. We have prioritised the transition to green energy through various initiatives, such as the partial closure of one of the coal-based captive power plants at Gamharia, maximizing green power generation through waste heat recovery, changing fuel combination to reduce fresh coal usage. These efforts, combined with increased throughput and reduced fuel consumption across our mills, have resulted in 9% year-on-year reduction in CO_2 emissions, from 4.39 ton of CO_2/ton of crude steel in FY22 to approximately 4.0 ton of CO_2/ton of crude steel in FY23. During the year, we participated in sustainability assessment conducted by Confederation of Indian Industries (CII), gaining valuable perspective on our sustainability journey. I am delighted to announce that the company has been honoured with the Corporate Outstanding Accomplishment Award by CII in recognition of its efforts towards the sustainability journey.

As part of customer obsession journey, the company has undertaken several initiatives to enhance relationships, improve product quality, and drive new product development. We have developed a strategic roadmap to accelerate our digital transformation journey and have successfully implemented a single Enterprise Resource Planning system across the organisation. Further, we have strengthened our partnerships with our vendor partners. We continue to enhance our systems and processes to achieve business excellence, focusing on areas such as safety practices, skill development, employee wellness and recognising high performers. Guided by the Tata ethos, we are dedicated to promoting equity, inclusion, and social development through our Corporate Social Responsibility initiatives, which encompass education, healthcare, sanitation, youth engagement, essential services and livelihood enhancement. We remain committed to providing our shareholders with a higher degree of transparency through enhanced disclosures in our Business Responsibility and Social Reporting.

In conclusion, I would like to express my sincere gratitude to all our employees for their resolute efforts towards forging a resilient and agile organisation. I also extend my sincere gratitude to all our stakeholders for their unstinted support over the years and hope for continued support in the journey to take your company to greater heights.

Warm regards,

T.V. Narendran
Chairman

Opportunity Landscape

Capitalising on India's Growth Story

As a part of the world's fastest-growing economy, India's appetite for steel is expected to be massive fuelled by macroeconomic growth drivers and a protracted industry upcycle. Capacity consolidation, increasing technology upgradation, specialty production and quality excellence are trends that are transforming the industry.

6.5%
Projected GDP growth in FY 24

₹400 billion
PLI scheme investment outlay

14 sectors
Covered under PLI scheme

42 MnT
PLI driven growth Specialty steel manufacturing

Accelerating on a multi-trillion-dollar growth path

As a part of the world's fastest-growing economy, India's steel industry is benefiting from a steady upcycle and other macroeconomic growth drivers like heavy government spending on infrastructure, logistics and the Production-Linked Incentive (PLI) scheme, to see its market drastically expand. A significant increase in demand for steel is already projected, touching ~430 MnT by 2050 from the current 128.9 MnT. Expanding infrastructure and a growing network of railways within the country is likely to take demand for longs to new highs as the Indian government's $ 122-billion infrastructure outlay for FY 24 starts taking shape. Likewise, the demand for specialty steel is linked to the rise in India's manufacturing prowess, and growth in indigenous production of a wide variety of products, complemented by the push for import substitution. With sectors like defence, and power now increasingly looking towards domestic manufacturers, the market for specialty steel should significantly widen. Further, the automotive industry with strong global and domestic demand is expected to become the third largest globally by 2026, fast-tracked by PLI schemes.

In addition to these positive drivers, urbanisation, a large youth population and a steadily growing middle class will also drive up demand for housing and the construction sector and white goods. All these factors augur well for our future growth.

Our response

Capitalise on the growth potential of the large and growing Indian market. We are expanding our portfolio and working at strengthening our product range in traditional sectors, as well as focusing on developing market-driven products for newly emerging demand areas.

Market consolidation

Consolidation within the steel industry will continue as its market size grows and it becomes more high-technology driven. The top end of the steel industry in India has traditionally been dominated by 4-5 players, while the bottom end has varying denominations of players, who mostly cater to local markets and follow outdated production methods. As a core industry that is an engine for the nation's growth, consolidation of capacities can help to make the industry more advanced and competitive, increasing productivity while reducing costs. Collaborations and mergers and acquisitions will continue to dominate this industry in the future, as government policies also help to usher in this transformation.

Our response

We have made strategic investment in the past few years to grow our capacity and streamline our product lineup. Our amalgamation with Tata Steel is a really significant step in this direction. We have also deleveraged our balance sheet to stay away from the chronic issues that plague the industry. Our prime focus remains on the modernisation of our units, leveraging digitalisation and Industry 4.0 to redesign and energise our production processes. Our focus is on leading the industry with innovation and research to reinforce our drive towards the improvement of operational efficiency, resource optimisation and sustainability.

As hard to abate turns over a new leaf

The Indian steel sector contributes to nearly 12% of the country's overall greenhouse gas (GHG) emissions. For India's long-term development to be consistent with a 1.5-degree global warming scenario, it is essential for India to innovate and transition to a pathway of zero carbon steel, so that industrial growth may be decoupled from GHG emissions rise. TSLP's approach is aligned with TSL's Net Zero emissions target and the company had take various initiatives like maximizing green power generation, reducing coal and fuel consumption through several initiatives, and exploring new technologies on Carbon Capture & Usage to reduce its carbon footprint. TSLP has detailed out long-term decarbonization plans through various Capex and Opex intensive initiatives and deploying the same in a time bound manner. Further, with end-consumers also setting their own sustainability and emissions-related goals, the market for sustainably-produced steel is likely to increase, helping to bridge the cost differentials.

Our response

We strive to take on a leadership role in sustainability by adopting a circular economy model, cleaner steel-making routes, and other sustainable options. We have created a comprehensive roadmap considering the core issues of sustainability to reduce the overall impact on the environment. We are progressing well for achieving key ESG goals by 2030.

Business Model

Augmenting Value through a Resilient Framework

Capital inputs

Financial capital
Equity capital : **₹45 crore**
Preference capital: **₹12,700 crore**
Reserves: **₹2,014 crore**
Net debt: **₹14,088 crore**

Manufactured capital (including NINL)
Crude steel installed capacity: **1.9 MnTPA**
DRI installed capacity: **1 MnTPA**
Iron ore mines: **154 MnT**

Intellectual capital
Design and development of products that are high-quality and customer need focused, with the help of high-technology and research-based collaborations
R&D expenditure **₹63 lakh**

Human capital
Total workforce: **9,356**
(including 7069 contractual workforce)
Investment in employee training and development: **₹7,500 per employee**
Total employee's training hours: **78,752**
Employees trained: **2,287**
Employees benefit expense: **₹217 crore**

Social and relationship capital
Application engineers: **3**
Customer service teams: **10**
CSR Spent: **₹7.73 cro re**
Vendors: **1,500 including 762 MSME vendors**
Employee time spent in volunteering (in hours): **7,239**

Natural capital
Energy intensity: **6.88 Giga Cal/T**
Total water consumption: **8.48 million m³**
Key raw materials: **Iron ore, Coal, Limestone, Dolomite, Quartzite and Pyroxinite**
Saplings planted: **4,748**

Read more Risks on Page 38

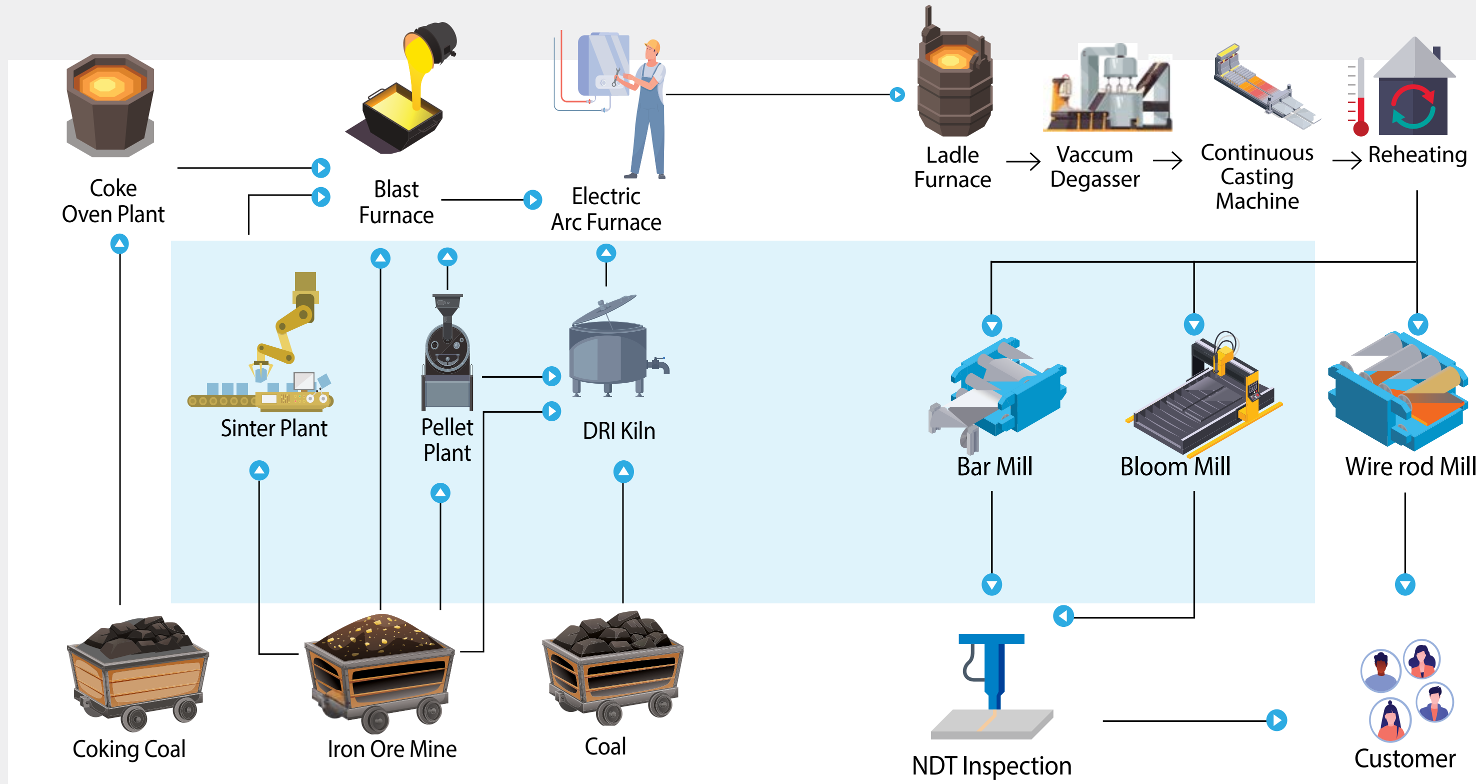
Value creation approach

Vision
Be a benchmark in the Indian Long Product Industry for value creation and corporate citizenship.

Mission
Tata Steel Long Products strives to attain sustainable growth by actively pursuing quality products, services and setting best-in-class practices to emerge as the partner of choice for all our stakeholders.

Values
Integrity | Excellence | Unity
Responsibility | Pioneering

Manufacturing process of Gamharia Plant



Read more about our Strategy on Page 30

Output

737 kT
Direct Reduced Iron (DRI)

910 kT
Crude steel

841 kT
Rolled products

Outcome

Financial capital
Revenues: **₹7,464 crore**
EBITDA: **₹160 crore**
Loss: **₹1,085 crore**
Return on Equity (RoE): **(41)%**
Market capitalisation: **₹2,584 crore**

Manufactured capital
EBITDA per tonne: **₹2,445/tcs**
Crude steel capacity utilisation: **89%**

Intellectual capital
New products developed: **59**
Cost savings from Shikhar: **₹441 crore**

Human capital
Fatalities: **0**
Health index: **11.7 out of 16**
Employee productivity: **722 TCS/Emp/Year of Steel and DRI**
LTIFR: **0.95**

Social and relationship capital
Enriched/Value added products sale: **2%**
Customers: **230**
Repeat customers: **95%**
Lives touched through CSR initiatives: **54,275**
Lives touched through employee volunteering: **23,101**
Vendor localisation: **7 local vendors in Joda**

Natural capital
CO_2 emissions (Net): **4.02 TCO_2/tcs**
Dust emission intensity: **1.3 kg/tcs**
Total water recycled: **2.46 million m³**
Consumption met through water recycling: **29%**
Total waste co-processed: **9,67,004 tonnes**
Alternate fuel consumed: **82,568 tonnes**

Read more Opportunity Landscape on Page 26

Strategic Planning & Progress

Moving Ahead with a Well-defined Roadmap

Anchored by our insightful strategic framework, we are consistently able to deliver excellence through our high-quality products and the value that we bring to our stakeholders.

Our mature strategies are guided by our seasoned leadership, and this helps us to navigate the dynamic operating landscape, mitigate risk, augment capacities, optimise day-to-day operations and build a culture of innovation, agility and collaboration.

Integrated framework used for strategy development and deployment at TSLP

Co-creation of vision and mission

- Parent Company's guidance
- Leadership direction
- Employees input
- Focused workshop

Mission

Vision

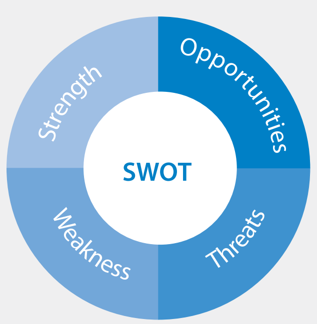
Values

TSLP follows the core values of TATA Group

- Integrity
- Excellence
- Unity
- Responsibility
- Pioneering

Internal context

- Assessment of existing capacity, Infrastructure, and market position



External context

- General environment analysis-Megatrend, Geopolitics
- Industry analysis
- Competitive landscape
- Customer expectations
- Raw Material outlook
- Regulatory outlook

Strategy development

- Development of strategic objectives and enablers
- Deciding long-term strategy

Strategy development

Long-term plan

Apex Business Objectives and Strategies (BO&S)

Monthly Business Plan (BPR)

Business direction

Enterprise Risk Management (ERM)

Stakeholder expectations

It is our ambition to become the undisputed leader of the long product category by 2030. To realise this, we are driving our actions across multiple levers. Our acquisition of NINL has been swiftly followed by the resumption of operations and successful reignition of the blast furnace. We have been able to quickly ramp up capacity within just 3 months of the handover despite the facility having been closed over the last 3 years. All the major facilities (except the Coke Oven) have already achieved stabilisation, and material supply is consistent from the Koira iron ore mines. The NINL plant closed the financial year with a cumulative 1 MnTPA of crude steel and pig iron production. Its contribution of 202 kT of crude steel enabled TSLP to expand its product portfolio and sell under the Tata Tiscon retail brand, which is a prelude for many similar synergies in the future.

In addition to our ambition regarding longs, we also nurture similar dreams about our presence in the specialty steel category. The PLI scheme has opened up windows of opportunity and scope for significant technical upgradation and innovation. A significant milestone was achieved in this direction with the groundbreaking ceremony for the state-of-the-art combi mill facility that will come up at Jamshedpur. This facility will be producing speciality steel that is engineered to deliver to benchmarked quality parameters in terms of dimension tolerance, decarb level and surface defects. These variants of specialty steel have been selected and approved by the Ministry of Steel and will be used for building automotive power trains and bearing steel as a part of our PLI scheme-led commitments for speciality steel. The products will speed up indigenous procurement and manufacture for both the passenger vehicle and two-wheeler segments. The project is of 0.5 MnTPA capacity and is likely to be completed on schedule.

Simultaneously, we are also making moves to strengthen our presence, adopt the latest technology and enhance stakeholders' expectations. Sustainability remains at the core of all our decisions and operations and we are continuously adopting and accelerating eco-friendly processes to reduce our carbon footprint. Our strategic enablers help us to achieve our long-term strategic objectives (SOs).

Strategic objectives

SO1 Become the most preferred supplier in chosen segments

Aim
- No. 1 in Customer Satisfaction/ Experience Index
- Dominant position in chosen market/product segments

SO2 Achieve profitable growth

Aim
- Revenue growth through capacity addition and mix enrichment – 5x increase over FY 2020-21
- EBITDA > 25%
- Gross Debt to EBITDA < 3

SO3 Acting as a responsible corporate citizen

Aim
- Safety leadership with 'zero harm'
- Achieve benchmark level for material issues of sustainability
- CSR leadership through participative and sustainable interventions within communities, in and around our operating locations

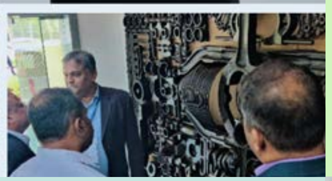
SO4 Become an employer of choice

Aim
- Rank within the 25 best manufacturing companies to work for in India

Strategic Planning & Progress

SO1 Become the most preferred supplier in chosen segments

Progress



Maintaining growth in core segments

To achieve this objective, we are targeting a larger addressable market in the segments where we operate. We continue to maintain our consistent leadership in the commercial vehicles segment with a 41% market share. Our volumes sold in the commercial vehicle segment saw a Y-o-Y increase of 21% in FY 23 on a low base. We also enriched our product mix during the fiscal, and higher product volumes were sold in alloy wire rods, which helped to increase our two-wheeler market share. We are also focusing on the tractor segment, as robust agricultural growth rates have created strong growth potential.

41%

Market share in Commercial Vehicle (CV) segment

Diversifying market presence

We continue leveraging our competitive strengths in the automotive sector and work with our customers to fulfil their needs. This year too we have received approvals from the passenger vehicle and two-wheeler sectors, and global OEMs. We are focusing on component exports to balance our demand spread and de-risk future growth prospects.

59

New products developed

Increased customer engagement

Maintaining strong customer relationships and developing a culture of customer obsession is our constant focus. We have deployed 12 Customer Service Team (CSTs) to enhance customer connect.

3 value connect sessions under VAVE (Value Analysis and Value Engineering) to ensure value transfer.

Our Customer Complaint Management (CCM) portal was launched in FY22, and takes a eight-pronged approach to problem-solving, within the CCM process. Root causes are identified followed by containment actions and later by corrective actions, to prevent recurrence. This has led to +97% complaint resolution.

Our senior management regularly connects with our key customers and industry leaders to assess emerging market scenarios.

We continuously strive for new product development, which led to 48% higher number of new product developments in FY 23 compared to previous year.

48%

Increase in New Product Developments (NPDs) compared to previous year

SO2 Achieve profitable growth

Progress

Driving consistent profitability

To achieve profitable growth and fulfil our long-term aspirations, we are focusing on driving consistent profitability and financial stability. Over the past two years, we have significantly expanded our capacity, improved our efficiencies to strengthen our fundamentals and drive robust financial performance over the long term. We have been exercising financial prudence, strengthening our balance sheet and reducing leverage.

₹8,992 crore

Revenues (including NINL)

Strategic Planning & Progress

SO3 Acting as a responsible corporate citizen

Progress

Safety and sustainability at the core

Our approach to safety is centred on 'zero harm' and we have been successfully achieving this. Human-machine interfaces are being reduced and a model workplace in each department has been planned. History of past fatalities and recommendations from Tata Steel are horizontally deployed to build safety leadership.

On the sustainability front, the focus is on transitioning to green energy. Initiatives towards this are the partial closure of a coal-based captive power plant at Gamharia, and the use of a mix of waste heat recoveries and hybrid fuel options as a replacement. Such measures, along with increased throughput have resulted in ~9% YoY reduction in CO2.

ZERO
Fatalities

Contributing towards a brighter future

Our efforts to create societal value involve access to quality education, good healthcare, livelihoods, health and sanitation, and youth engagement, along with providing necessities to marginalised communities. We also run signature projects like 'Super 30 girls' and 'mushroom cultivation' in selected areas to showcase significant impact and serve as an exemplar.

To encourage collaborative volunteering that taps into the combined force of TSLP employees and their family members, we are leveraging a Tata Group-level volunteering platform called Tata Engage.

54,275
Lives impacted

7,239 hours
Volunteerism by employees

SO4 Become an employer of choice

Progress

Digital initiatives

As part of digital initiatives, we had introduced a lot of facilities like Canteen Meal booking App at Joda, Face recognition System for all, implementation of S4HANA, QR based new Visitor Management System, Geo-tagging for employees etc.

Diversity & inclusion

Major infrastructure upgradation like "Steel Moms" Lounge for maternity support, gender-neutral washrooms, etc., have been undertaken. Conscious diversity hirings have been done with 47% female hirings from campus and transgender hiring in FY 23. Other supportive measures like the Women Interactive Engagement Programme (WIN) to support professional growth; Rahat leave for menstrual reasons, revamped Work from Home policy and providing career opportunities through the RISE policy for those returning to work after personal breaks have been taken.

Growth and performance

TSLP has targeted the growth projects in FY 23 which includes the commissioning of Combi Mill. To equip the upcoming combi mill project with the right kind of Talent, the hiring has been done in phases with a focus on increasing diversity.

Talent initiatives like Managerial Development Programme and Supervisory Development Program were launched. We are taking measures to maintain our wage cost and have successfully done so for the last 3 years. New Wage Series was introduced in Joda, with a 7-year settlement term.

People development

Multiple initiatives taken for capacity building and succession planning across levels, like Skill Up for shift in-charges. The LEAD programme targets ready succession cover and the ratio for FY 23 was 1:0.9. We also introduced need-based training programs based on individual training needs. The training effectiveness score for FY 23 was 4.56 on a scale of 5.

Caring and nurturing workplace

To show how much we value our employees, we run both monthly and annual Rewards & Recognitions (R&R) programmes along with celebrating Appreciation Week, with a total of 28.5% employees participating in the Reward & Recognition in the FY 23.

Additionally, infrastructure upgrades are constantly done like renovation of an administrative block at Joda, the opening of a community centre at Gamharia etc.

At TSLP, wellness has taken a big leap in FY 23 with improved participation and 100+ employees getting impacted by the Targeted Programs that include Diabetes Reversal Program (Restore) and BMI Reduction Program (Reset'23).

Our effort has been recognised and TSLP received the SHRM award in the category of Excellence in Health and Wellness Initiatives in FY23.

722 TCS/Emp/Yr
Increase in productivity, compared to 665 TCS/Emp/year in FY 2021-22

4.24/5
Contractual employee satisfaction score

*Tonnes Crude Steel

Strategic Planning & Progress

Strategic enablers

SE1 Digital and technology leadership

Aim

- Rank among top five digital and technology players

Progress

A secure digital journey

As a growth-focused organisation, we try to get the most out of our digital assets through consistent optimisation, adoption and upgrades of advanced technologies and by adhering to procedures that ensure security. We have developed a long-term digital roadmap to strengthen our IT infrastructure. As a part of this process, we have migrated to S4 Hana across all three operating locations to enable an enterprise-wide single ERP system.

Increasing efficiency

To increase the efficiency of operating units, the process automation of Iron Making and Steel was upgraded to Level-2.

Digital process adoption

The digital twin technology implemented in DRI operations has started giving benefits of enhanced productivity and continuous improvement based on real-time performance tracking. This year too we witnessed the adoption of innovative technologies like Robotic Process Automation in Finance and Tableau for better business process visualisation.

Our IT system is independently assessed by PWC and E&Y across areas like SAP, cloud security, cyber security, internal applications etc. These assessments help us to ensure consistent effectiveness and guide us on necessary upgrades.

SE2 Industry leading cultures

Aim

- Fostering a data-driven culture of agility, innovation and collaboration to become future-ready, leading to reimagined processes/ business models and product innovation

Progress

Building an agile culture to achieve excellence

At TSLP we promote a culture of agility and innovation aligned with our mission, objectives and values. For the culture of an organisation builds cohesion, identity and image, for both the company and its employees.

During the year, we adopted and implemented e-learning modules on safety, covering 13 safety standards and electrical safety. AI/ML training on Siemens Systems was also completed for the Shared Services team across locations.

In addition to the TBEM assessment, we also participated in several other assessments over FY2022-23 to evaluate the effectiveness of our policies. These included the CII Quality Assessment, CII Productivity Assessment, CII TPM Assessment, and Tata Affirmative Action Assessment. among others. Qualified external assessors provided feedback on the outcomes.

Risk Management

Stronger Defences for Stable Growth

Pragmatic risk management makes up the foundation of a strong enterprise. Evolving uncertainties like input price volatility, supply chain disruptions, tightening compliances, community-led concerns or IT security vulnerabilities have to be proactively managed to ensure business continuity and long-term growth and profitability. Our enterprise risk management mechanisms constantly monitor and address both external and internal risks.

We have successfully fostered a risk-intelligent culture within the organisation to support our decision-making processes and improve our performance. We keep a close watch on the emerging threat horizon, proactively assessing trends to get a better understanding of the nature and evolution of risks. This helps us to fortify our enterprise and prepare our people to tackle changing situations confidently and without retarding our growth and profitability potential.

Financial risks

Strategy employed

SO2

Capital impacted

Financial, Manufacturing

Risk description

The financial markets are transitioning from a low inflation rate environment to a relatively persistent high inflation and high-interest rate environment. Major central banks worldwide have shown a commitment to raising benchmark rates to combat inflation, despite geopolitical tensions, energy price volatility, and tight supply chains.

As TSLP is on a growth path and we have large capital requirements, our cost of financing may be adversely affected by the rising interest rates. Our exposure to currency volatility is another financial risk, primarily due to the dependence on imports of raw materials and project equipment. Fluctuations in exchange rates can impact the company's financial performance and overall stability.

Mitigation strategy

TSLP is taking steps to de-risk our balance sheet and prioritise cash flow generation and deleveraging. We aim to strike a balance between pursuing growth opportunities and providing returns to shareholders.

The capital allocation strategy has been re-prioritised based on the company's objectives. These strategies may include investments in strategic projects, optimisation of operational efficiencies, and allocation of resources to areas with growth potential. During the year, the acquisition of Neelachal Ispat Nigam Limited ('NINL') was completed and operations were restarted within 100 days of the acquisition, with volume ramped up to rated capacity by March 23. The Shikhar programme has been launched in NINL to unlock value through operational efficiency and to build on various synergies across the Tata Steel ecosystem.

Regulatory risks

Strategy employed

SO1, SO2, SO3, SO4

Capital impacted

Financial, Social and relationship, Manufacturing, Natural

Risk description

The regulatory landscape in the metals and mining industry is becoming stringent owing to factors like geopolitical conditions, changing trade patterns, and enhanced focus on Environment Social Governance (ESG) aspects. Non-adherence to the stringent regulatory ecosystem may impact business operations and reputation.

Mitigation strategy

The Company is establishing strong internal controls, policies, and compliance programmes to create awareness and ensure strict adherence to relevant regulations. Active engagement with government agencies, industry associations, and stakeholders is maintained to stay updated, influence regulatory decisions and also advocate more favourable policies.

Our focus remains on prioritising sustainable practices, ensuring workforce compliance, and diligently monitoring compliance requirements.

Risk Management

Macro and market risks

Strategy employed

SO1, SO2

Capital impacted

Financial, Manufacturing, Social and relationship

Risk description

Rising inflation, unprecedented volatility in commodity prices, demand-supply imbalance due to export duty imposition and several geopolitical factors poses a threat of variability in steel spreads and demand thereby impacting the consistent profitability of the business.

Mitigation strategy

Continuous improvement programmes like Shikhar have helped us continuously improve our operating metrics to mitigate the adverse impact of price spread contractions. Cash flow optimisation and prioritisation of capital investments remain key priorities. Secondly, the company has strategically redistributed and enriched its sales mix at the geography and segment levels to balance demand and supply requirements. Finally, there is a strong focus on mix enrichment to drive better value extraction. These measures collectively aim at mitigating the potential risks associated with macroeconomic fluctuations and changing market dynamics, thereby promoting sustained growth and competitiveness for TSLP in the steel industry.

Operational risks

Strategy employed

SO1, SO2

Capital impacted

Financial, Manufacturing, Natural

Risk description

Rising uncertainty in extreme weather conditions, ageing assets, equipment failures etc., create disruptions in manufacturing processes. These may have the potential to impact the company's operations, safety and customer service levels.

Mitigation strategy

TSLP focuses on standard operating procedures to minimise equipment failures and ensure operational continuity. Capital expenditure is prioritised for high-risk assets nearing the end of their operational life, ensuring timely replacement or refurbishment.

Safety risks

Strategy employed

SO3, SO4

Capital impacted

Manufacturing, Human

Risk description

The steel industry is inherently prone to hazards affecting workmen's health and safety. Inconsistent adherence to process and workforce safety requirements, safety laws and regulations, may have an adverse impact on business continuity, operations, and the company's reputation.

Mitigation strategy

TSLP follows six strategic steps to manage safety risks associated with processes, contractors, road/rail, and occupational health, while simultaneously developing safety leadership capabilities. These measures ensure a proactive approach to safety, promoting a safe working environment and mitigating potential risks. Moreover, the adoption of robotic and technical solutions reduces the man-machine interface, minimising potential hazards. Safety trainings are regularly conducted to build risk awareness and prompt perception and to improve overall safety awareness among the workforce.

Community risks

Strategy employed

SO3, SO4

Capital impacted

Manufacturing, Social and relationship

Risk description

There are growing concerns and pressure from communities proximate to our operating locations around emissions from our facilities at Gamharia and mines. Inability to address such expectations may lead to loss of reputation, penalty and withdrawal of the license to operate leading to disruptions in business continuity.

Mitigation strategy

TSLP has established multiple structured forums for dialogue with communities, facilitating a better understanding of their expectations and concerns. Through ongoing CSR initiatives and outreach programmes, conducted around the year, we also actively contribute to the growth and development of these communities.

For addressing immediate community needs, the company employs a five-pronged approach that focuses on sustainable interventions in areas like education, essential services, livelihood, health and sanitation, and youth engagement. These measures enable us to make a real difference in the living conditions, quality of life and future prospects of these communities. In this way, we contribute to their long-term well-being and development.

Risk Management

Supply chain and Commodity risks

Strategy employed

SO3, SO2

Capital impacted

Financial Manufacturing

Risk description

TSLP is exposed to fluctuations in raw material availability, pricing volatility, geopolitical factors, and changes in customer preferences. Fluctuations in the market prices of key inputs like iron ore, coal, and other raw materials can impact production costs and profitability. Geopolitical events, trade disputes, and policy changes can disrupt supply chains, leading to disruptions in the availability of critical inputs.

Mitigation strategy

To mitigate supply chain and commodity risks, TSLP engages with suppliers and logistics partners through long-term contracts that safeguard us against price fluctuations. By implementing appropriate procurement strategies, enforcing stringent vendor management and procuring from multiple vendors we combat price volatility. Diversified coal sourcing ensures supply reliability and mitigates geographical concentration risk. Simultaneously, expanding the vendor base across different geographies helps us better manage supply chain disruptions. Additionally, utilising captive or domestic sources of iron ore provides stability and guards against volatility as such sources offer relatively stable cost/pricing.

Environment/ climate change risk

Strategy employed

SO3

Capital impacted

Financial Social and relationship Manufacturing Natural

Risk description

Given the growing emphasis on carbon neutrality and transparent operations, our inability to comply with strict environmental regulations may pose operational disruptions, as well as, cause reputational damage.

Mitigation strategy

TSLP drives its sustainability efforts across seven key pillars. Comprehensive action plans, covering both short-term and long-term goals, have been developed and implemented across multiple areas including CO2 emissions, water consumption, stack emissions, waste management, biodiversity, product sustainability, and responsible supply chain. Transparency and disclosures are increased by adhering to various standards and reporting requirements.

Furthermore, TSLP has participated in the CII-ITC Sustainability Assessment to gain from the holistic perspective of external experts. Out of 285 parameters assessed, TSLP is excelling in ~65% of the parameters. The opportunity exists to improve in the remaining areas, and action plans have already been deployed for this.

Information technology/ cyber security risk

Strategy employed

SE1, SE2

Capital impacted

Financial Intellectual

Risk description

The Company's operations heavily depend on IT and digital infrastructure, making us susceptible to potential risks that can compromise the confidentiality, integrity, and availability of sensitive data. Data breaches and cyberattacks pose significant threats and can disrupt business operations. Moreover, non-compliance with IT legislations and regulations may lead to the imposition of penalties and adversely impact the Company's reputation.

Mitigation strategy

TSLP conducted an external assessment of its cybersecurity system to evaluate its health. Subsequently, we have developed a comprehensive action plan, identifying areas that need to be strengthened like end user and network security, secure access, and continuous monitoring. Through successful implementation of these identified measures, the company has enhanced its cybersecurity system to meet benchmark levels. Additionally, regular cybersecurity posture assessments and security audits are conducted to identify and address potential vulnerabilities.

Stakeholder Engagement

Understanding Perspectives, Deepening Value

Businesses flourish on multifaceted relationships. To achieve these successful relationships it is extremely important to understand our stakeholders – for they participate, influence, regulate or determine the circumstances of our business. It is thus very important to understand and accommodate their interests and we do this through meaningful engagements. on a periodic basis. We nurture long-term relations with our stakeholders, learning from what they have to say and involving them in the strategies we take and the decisions we make, to create lasting value for all.

Stakeholder groups	Strategic importance	Engagement platform	Highlights of FY2022-23	Outcomes of FY2022-23	Capitals impacted
Investors 	• Providers of financial resources essential to fund growth • Expects high standards of corporate governance, transparency and disclosures	• Annual General Meeting/Extraordinary General Meeting • Investor grievance redressal mechanism • One-on-one conference calls/virtual conference • Other investor meetings • Press release • Analyst/investor presentation and circulation of half-yearly results • Website dissemination of important information	• Continuous enrichment in business disclosures to bring more transparency • Significant increase in engagement with the investor and analyst fraternity • Shareholder satisfaction survey hosted on the website • Embarking on growth journey through successful acquisition and ramp up of NINL • Combi Mill project execution underway leading to future growth in speciality steel capacity	• Doubled the crude steel capacity through the NINL acquisition • Top line growth of 10% • Increased investor satisfaction on various parameters • Resolution of 100% complaints received • Better disclosures, transparency and credibility of financials • Focus on strong operating and financial performance	Financial Manufactured Intellectual Human Social and relationship Natural
Customers 	• The reason why the organisation exists • Drives product/solutions/ process/business model innovation	• Dedicated customer account manager • Product application engineer • Customer meets • Customer service teams/ cross-functional team engagement • Customer engagement and satisfaction survey • Senior management visits and virtual meets	• Focused action plan for greater customer satisfaction and engagement involving quality, new product development, service and timely deliveries • Providing value through new products and product mix enrichment • Making improvements to existing products basis customer discussions via CSTs and VAVE	• Improved customer satisfaction and engagement scores • 59 new products developed • 10 new customers acquired	Financial Manufactured Intellectual Human Social and relationship Natural

Stakeholder Engagement

Stakeholder groups	Strategic importance	Engagement platform	Highlights of FY2022-23	Outcomes of FY2022-23	Capitals impacted
Employees 	• Central to organisational success; their knowledge, skill sets, and dedication help us deliver strategies for sustained business growth • Brand ambassadors for the Company	• Employee engagement surveys • Joint committees • MD connect • Senior leadership communication meeting • Performance appraisal discussion • Union meetings/discussions • Focused group discussions • Wellness programme • Monthly & Annual Reward and Recognition Program	• New employee-friendly policies launched. Revisions made to several policies like Diversity & Inclusion, Foreign and Non-officers travel policy, social security cover to medically unfit employees • Institutionalising a culture of wellness to make the organisation's lifestyle disease-free by FY 25 • Career growth through skill assessments, job rotations and promotion opportunities across the Tata Steel group. Leadership and managerial development through various programmes. • Introduction of various awards/ forums for recognition	• Capability building of ~1000 employees covered by various training and skill development programmes • 28.5% of total employees covered under the Rewards & Recognition programme • Employee productivity improved from 665 to 722 TCS/Emp/Yr • TSLP was adjudged as Winner in the category Excellence in Health & Wellness initiative by SHRM (Society for Human Resource Management)	Human Social and relationship
Suppliers 	Partner for resource supplies for optimising value chain	• Vendor satisfaction survey • Vendor meets/meetings • Supplier Day • Supplier relationship management platform	• First-ever vendor partners meet organised • Upliftment of AA Vendor partners • Developing local supplier base and enhancing their capabilities • Building a sustainable supply chain • De-prop and de-risking of proprietary buy	• Building strategic partnerships • Capability building of vendor partners and joint value creation • Enhancing coverage of the Responsible Supply Chain initiative, with deployment across 34 vendors	Manufactured Social and relationship Natural

Stakeholder Engagement

Stakeholder groups	Strategic importance	Engagement platform	Highlights of FY2022-23	Outcomes of FY2022-23	Capitals impacted
Community 	• Provides social license to operate • Helps in building and maintaining a strong corporate brand • Provider of human resource	• District authorities and gram panchayats • Village coordinator meetings • Rural satisfaction surveys • Need assessment surveys • Employee volunteering opportunities aligned with interest areas and need gaps	• Leveraging collaborations within Tata Group and external experts for making a visible impact in the community • Scale up of signature programmes to create employability and generate livelihoods • Supporting education, across locations, through remedial classes • Skill training for youth for enhanced employability	• Improved scores of rural satisfaction • Strengthening in company's brand image • Successful practice of a culture of volunteering • Upliftment through Affirmative Action (AA) (particularly for marginalised communities)	Social and relationship
Government 	• Setting best standards in corporate governance • Enables ease of doing business	• Formal meeting with government officials • Working with the government directly and indirectly to develop various policies, regulations and legislation	• Continuous interactions at various levels • Partnering to deploy various government initiatives • Structured approach towards biodiversity and execution of environment-related projects	• Partnering for economic growth and nation building • MOU signed for PLI, providing incentive for business expansion • Risk mitigation for a larger group through proactive collaboration	Manufactured Social and relationship Natural

Materiality

Prioritising Key Issues for Greater Value Creation

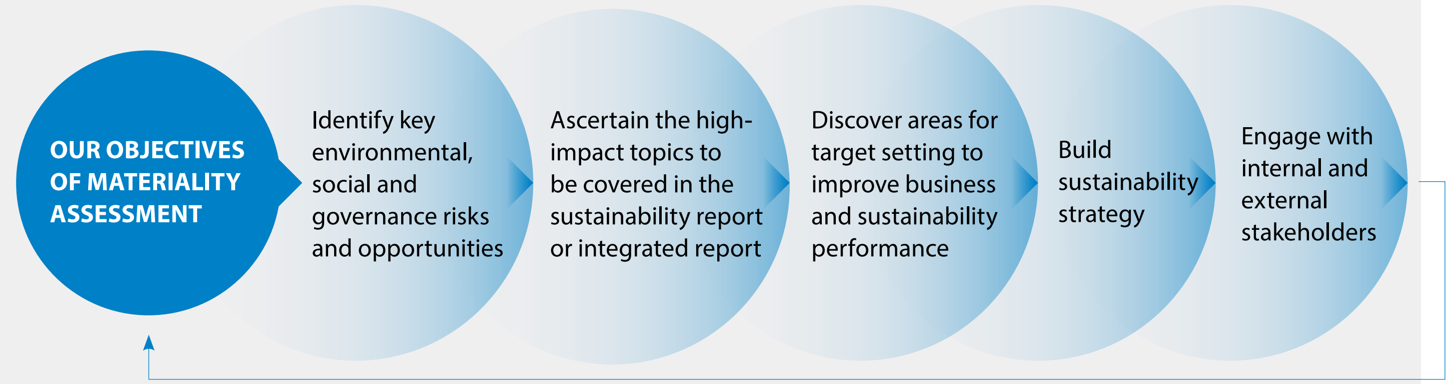
Servicing the needs of our customers and the nation through the manufacture of high-quality products is the reason for our existence. Our business activities simultaneously affect the environments where we operate, the communities that we interact with and the stakeholder universe that is invested in us. For this reason, it is imperative to periodically assess the issues that are material to our business and to our stakeholders so that we can adopt sustainable practices, transparently carry on our business and keep creating value.

TSLP carried out a large and detailed Stakeholder Engagement and Materiality Assessment exercise in FY2020-21. This exercise mapped the material issues for the company, with a greater focus on ESG issues. By engaging with our stakeholders and considering their perspectives, we gained valuable insights into their expectations and concerns.

In FY2022-23, we revisited the core material issues identified through the FY2020-21 exercise, to ensure that we stayed relevant and future-proofed. Additionally, we also incorporated feedback received from various external assessments to ensure the accuracy of our materiality assessment.

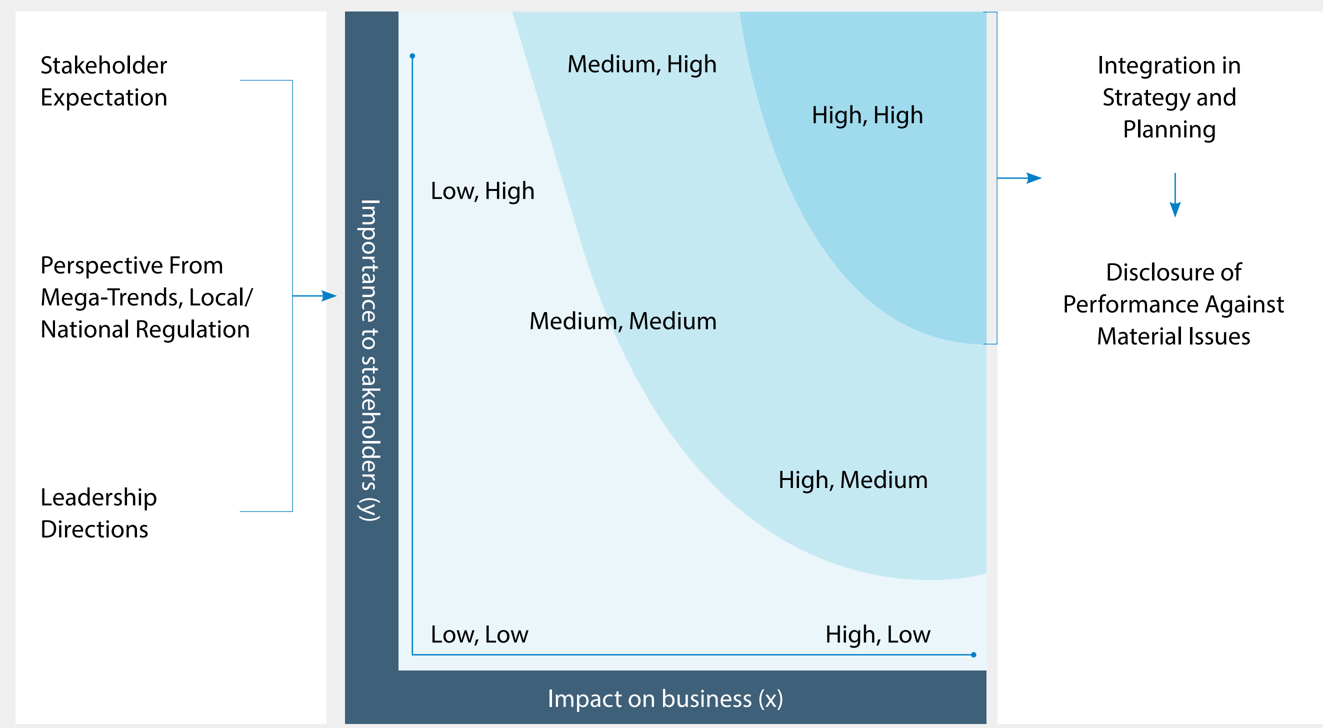
After assessing the societal and financial impact of the identified material topics, we have prioritised and structured them into a materiality matrix that is reflective of the external environment that we currently function in and expect to in the future. This selection is done through an iterative process involving many internal functions and this helps us stay alert to the changing dynamics of our operating environment. We can, therefore, align our focus with issues that are most significant for our stakeholders and which aid the sustainable development of our business. By consistently evaluating and addressing our material topics, we strive to optimise our performance, manage risks, and capitalise on opportunities to create long-term, sustained value.

Approach to materiality assessment



Our material topics are further classified as high-impact, medium-priority and low-priority issues, based on their significance for our business operations and future growth and we respond to them accordingly.

Materiality assessment process



Materiality

Based on internal analysis, the following material issues have been prioritised as high impact areas

Environmental	Operational	Social	Governance
Greenhouse Gas emissions (CO_2 emissions intensity per ton of crude steel/DRI) ESG Factsheet	**Occupational Health & Safety** (Lost Time Injuries, fatalities) ESG Factsheet	**Employee wellbeing and development** (Employee strength, employee productivity, employee training) ESG Factsheet	**Corporate Governance** (Board/committee governance, Disclosures & Reporting, Ethics & Compliance, Risk management)
Energy Management (Specific energy consumption) ESG Factsheet	**Sustainable mining** (Mines performance parameters)	**Diversity & Inclusion** (Employee gender ratio, employee diversity mix, employee inclusion mix) ESG Factsheet	**Business ethics, integrity and transparency** (Whistle-blower cases closed, Sexual harassment cases closed, Implementation of Anti-bribery and Anti-corruption policy) ESG Factsheet
Air Pollution/ Air Quality Management (Stack dust emissions, Ambient Air Quality-PM 10) ESG Factsheet	**Technology & Innovation** (New product development, Number of Innovista projects, Projects related to technology)	**Quality of life and development of proximate communities** (Lives reached through CSR, CSR spend and initiatives, number of volunteering hours)	**Stakeholder engagement & Collaboration** (Stakeholder grievance management forums, stakeholder grievances addressed during the year)

Environmental	Operational	Social	Governance
Water consumption (Total freshwater consumption per ton) ESG Factsheet	**Supply Chain sustainability** (supplier assessments, supplier awareness and training)	**Development of AA vendors and community** (Affirmative Action suppliers – number and volume)	**Risk Management** (Identification, monitoring measurement, and mitigation plans for key risks)
Waste Management (Total solid waste utilised %) ESG Factsheet			**Information and Cyber security** (Number of projects related to IT infrastructure strengthening)
Biodiversity (Development of Biodiversity Management Plans for all sites) ESG Factsheet			

All text mentioned in brackets are related Key Performance Indicators for individual issues.

Financial Capital

Building a Solid Foundation

Our last financial year as an independent entity was a challenging one, with high input price volatility and overall inflationary trends. We weathered those difficulties well, with strong topline growth and by staying steadfast to our long-term priorities. As we prepare for our amalgamation with Tata Steel, we are working at becoming fully debt free, as it will enable us to better leverage the emerging synergies from the union.

Stakeholders affected

Employees	Customers
Suppliers	Government
Community	Shareholders
Lenders	

Material issues addressed

- Business growth
- Long-term profitability
- Deleverage

Risks addressed

- Macro-economic and market risk
- Financial risk
- Operational risk
- Supply chain and commodity risk
- Information technology/ cyber security risk
- Environment/climate change risk
- Regulatory risks

Strategy objective

SO1 | SO2
SO3 | SO4

Strategic enablers

SE2

SDGs impacted

8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
17 PARTNERSHIPS FOR THE GOALS

Financial Capital

The core objective of our business is to provide optimum returns to those who provide us with financial capital, and our organisational goals, strategies and processes are primed for maximising returns. Our business activities are aligned to maximise surplus from both business operations and relevant monetisation of assets and investments.

Higher realisation

During the past year, despite facing challenges such as inflation, high-interest rates, and commodity price volatility, we demonstrated a resilient financial performance. The revenue stood at ₹ 7,464 crores and EBITDA at ₹ 160 crores. Continued demand and high steel prices across the globe led to robust growth in the top line. Our revenue grew by 10% Y-O-Y, steel sale quantities increased by 0.5% Y-O-Y and realisations moved up by 10% Y-O-Y.

Well-managed cash flows

Although we had a negative cash flow from operating activities to the tune of ₹ 234 crores against ₹ 1,887 crores in FY22 we were able to meet the business cash requirements without any short-term borrowings.

Continued focus on EBITDA improvement initiatives

Shikhar, our operational improvement programme has earned benefits to the business to the tune of ₹ 441 crores.

Future expansions

During the year, we completed the acquisition of Neelachal Ispat Nigam Limited ('NINL') for total consideration of ₹ 12,100 crore and restarted operations within three months of its acquisition. To fund the acquisition and initial working capital requirement we have raised 0.01% non-convertible redeemable preference shares (NCPRS) of ₹ 12,700 crore redeemable at the end of 20 years with yield to maturity of 10.02%. To ramp up Gamharia crude steel capacity to 1 MnTPA, a capital project of 0.5 MnTPA combi mill project is being set up through The Indian Steel & Wires Products Limited.

Revenue from operations

(₹ in crore)

FY2022-23	**7,464**
FY2021-22	6,802
FY2020-21	4,750
FY2019-20	3,490
FY2018-19	992

EBITDA

(₹ in crore)

FY2022-23	**160**
FY2021-22	1,289
FY2020-21	1,154
FY2019-20	184
FY2018-19	145

EBITDA per tonne

(in ₹)

FY2022-23	**2,445**
FY2021-22	19,767
FY2020-21	18,057
FY2019-20	3,597
FY2018-19	3,309

Profit after tax

(₹ in crore)

FY2022-23	**(1,085)**
FY2021-22	630
FY2020-21	572
FY2019-20	(516)
FY2018-19	124

Net worth

(₹ in crore)

FY2022-23	**2,059**
FY2021-22	3,200
FY2020-21	2,594
FY2019-20	2,017
FY2018-19	1,084

Gross block

(₹ in crore)

FY2022-23	**4,919**
FY2021-22	4,794
FY2020-21	4,751
FY2019-20	4,703
FY2018-19	260

Net debt

(₹ in crore)

FY2022-23	**14,088**
FY2021-22	842
FY2020-21	1,140
FY2019-20	2,591
FY2018-19	NA

Net debt to equity

(₹ in crore)

FY2022-23	**5.36**
FY2021-22	0.29
FY2020-21	0.49
FY2019-20	1.67
FY2018-19	NA

Way forward

We intend to pay off the remaining external borrowings of ₹689 crore to become debt-free excluding NCPRS.

The amalgamation into Tata Steel Limited is underway, it is expected to create operational efficiencies, reduce costs, and generate financial synergy in the coming years.

Looking ahead to the current financial year, we plan to accelerate capital expenditures to complete the construction of the 0.5 MnTPA Combi Mill project.

Manufactured Capital

Embarking on an Exciting Journey

As we enter a new phase of our growth journey through our amalgamation with our parent company Tata Steel, we are well poised to meet the multiple priorities that will see us solidify our leadership position. With a large installed base for capacity expansion, dedicated access to virgin raw material reserves, well-entrenched processes for continuous quality improvement and a large and diverse customer base, we are confident of a great future.

Stakeholders affected

- Employees
- Customers
- Suppliers
- Government
- Community

Material issues addressed

- Business growth
- Long-term profitability
- Technology, product and process innovation
- Supply chain sustainability

Risks addressed

- Macro-economic and market risk
- Operational risk
- Safety risk
- Community risk
- Supply chain and commodity risk
- Environment/climate change risk
- Regulatory risks

Strategy objective

SO1 | SO2

Strategic enablers

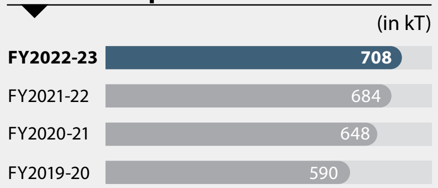
SE2

SDGs impacted

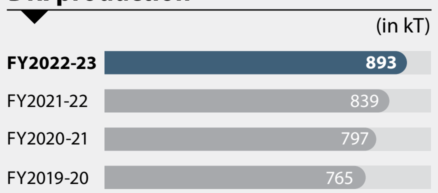
7 Affordable and clean energy, 8 Decent work and economic growth, 9 Industry, innovation and infrastructure, 12 Responsible consumption and production, 17 Partnerships for the goals

Manufactured Capital

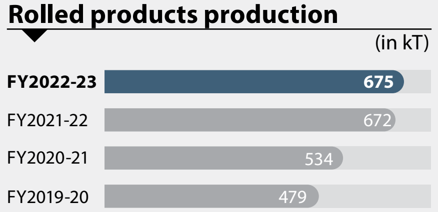
Crude steel production



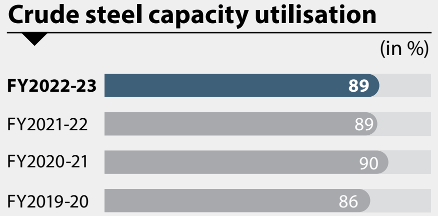
DRI production



Rolled products production



Crude steel capacity utilisation



Ramping up capacity

The acquisition of 1.1 MnTPA capacity Neelachal Ispat Nigam Ltd (NINL) was completed this year, following which operations began within three months, and production has been steadily ramped up over the last two quarters. Presently, the run rate of crude steel plus pig iron is around ~1 MnT on an annualised basis. This has brought our total crude steel-producing capacity to 1 MnTPA.

Our capacity ramp up for NINL will be spread over two phases, with the first phase targeting 3.7 MnTPA and another and 5.4 MnTPA in Phase 2. The plant's close proximity to the Kalinganagar infrastructure is already creating several favourable synergies.

Aligned with TSLP's long-term growth roadmap, this year a 0.5 MTPA Combination Mill for the production of 0.3 MnTPA of Special Bar Quality (SBQ) and 0.2 MnTPA Wire Rod has been set up at Jamshedpur Engineering & Machine Manufacturing Company (JEMCO), Jamshedpur. Major technological contracts have also been awarded. As a cumulative impact of these measures, there will be a sharp jump in our production levels, which will help us better tap into growing market demand.

Raw materials security

NINL comes with 100 MnT of iron ore reserves and 2,500 acres of land, significantly augmenting our raw materials security. The captive iron ore block at Koira, Odisha is spread over 874 hectares, with 50 years lease up to 2067, and can help assure a dedicated and low-cost source of materials that will help us maintain our position as a low-cost producer.

Our dedicated access to raw materials has been our strength and we have strategically built our capabilities around our input needs, as we scale up to meet the country's needs for steel and steel derivatives.

Several of our major raw materials are sourced via long-term contracts, as per the grades required, helping us maintain a de-risked supply chain, and control our costs. Our coal procurement is done at the Tata Group level, through common buying processes, with raw material procurement being handled by the central buying team. The first two quarters of the year saw significant volatility in international coal prices for various categories.

We also share synergies with Tata Steel for buying major bulk ferroalloys and fluxes and have syndication for refractory, industrial gases, consumables and graphite electrodes. Stringent quality control measures have been put in place. All raw material grades bought by us are syndicated and undergo rigorous quality checks and standardisation is done to ensure regular supply.

Planning plays a key role in securing a constant supply of raw materials and in maintaining price equilibrium. We follow a three-month advance planning schedule, with volumes committed for three months on a rolling basis, with a revision scope of two months and buffer management at ports and plants. To mitigate port and inland logistics risk and optimise logistics costs, we keep materials in three different ports to overcome any port congestion and rail logistics constraints.

As our Vijaya-II mine has a capacity of supplying an average of 60 kT/ month of 10x22 mm iron ore, which fulfils the requirement of three kilns at full capacity. Raw materials for the remaining two kilns were procured from Joda East iron ore mines.
There are certain advantages to this arrangement:

- Operation at full capacity – enough ore for all five kilns to operate at full capacity
- An increase in production of ~50 MnT/kiln/day due to consistent and better Fe (T) composition of Joda ore
- There is a low risk of accretion formation in the kilns when we use Joda East iron ore, hence increasing ore availability
- Low Sp. power consumption as overall productivity increases with the feed mix of using Joda East iron ore
- With Joda East iron ore, we achieved 80% Fe(M) in DRI fines, leading to improved sales value DRI fines at DRI lumps rate

Optimising raw material mix

- Introduce Polymer to reduce PHCC consumption.
- Optimised VIU-based consumption blend with available coal grades.
- Eliminated weak coal use in blend due to high price and operated with three coal blends.
- New coal trial was done in OHCC and PCI category.
- RB2 optioned explored and used in DRI when the price gap between RB1 and RB 2 is more than $ 50

Manufactured Capital

Focusing on low-cost production

It is our constant attempt to keep our cost of production low as this gives us leverage on several counts, helping us protect bottom line health in situations of price volatility. We achieve our goal of being a low-cost producer by constantly undertaking initiatives to reduce the cost of production while maintaining high standards of quality. During the year, we have taken several steps to reduce our coal consumption rate. These include introducing a new coal trial plan for the captive power plant. For FY 24, we have developed a coal blend composition incorporating coking coal and DRI thermal coal, which should further optimise our costs and performance. These reduction measures deployed during the year were particularly beneficial as various categories of coal saw sharp price increases due to spikes in international commodity prices in H1 FY 23. Given below are further details of the measures taken to reduce coke consumption at our plants.

- Increasing prepared burden/ agglomerate %.
- Enhancing PCI rate by 10 kg/THM.
- Reduction of direct charging of raw flux (limestone and dolomite) by maximising sinter basicity.
- Reduction of bigger size coke (+70 mm) charging in a furnace by introducing 70 mm screen at coke oven.
- Reduction of heat losses by furnace shot creating in MSD.
- Optimisation of gas utilisation by burden distribution with support of online gas analyser and furnace top IR camera (LTP).
- Reduction of slag rate by 20 kg/THM by usages of high grade of IOF in sinter and CLO in a furnace.
- Increasing HBT by replacement of stove checker bricks (one stove out of three) during MSD.
- Optimisation of gas cleanliness for stove efficiency improvement by quick detection of damaged bag filter of Dry GCP with support of probe (dust detection of individual vessel) (LTP- MCRC -scheme).

Further, to build supply chain stability, distribute our supply sources and further our low-cost procurement goals, we are working on developing a localised network of vendors. Seven vendors have been developed through this initiative with local Joda vendors established even for those items that are based on proprietary designs. Orders worth ₹ 1.8 crore have been placed resulting in savings of ₹ 60.92 lakh. Similar efforts are underway for the development of local vendors for quartzite, which is a flux, and used in the blast furnace.

Initiatives taken to optimise overall logistics cost

- Reduction of road transport for Iron ore from 9.7% in FY 22 to 0% in FY 23 (Gamharia)
- Reduction in plot rent at Haldia by MGT scheme
- Increase of road transport for Iron ore from 32 kT in FY 22 to 40 kT in FY23 in Joda from Khondbond
- Cost reduction by handling more rakes in Gamharia siding

Initiatives taken to improve quality of finished products

- For Guide marks (in the Garret route) physical inspection of 100% coils started offline in daytime
- For Central looseness check in File Steel Grade, Visual standards have been implemented with OK and NOT OK micrographs
- For Surface defect, 100% coils' surfaces are physically inspected after shot blasting in daytime
- Manual UT for all four faces and audit done by level-2 persons for RCS material where no scope of auto-UT for critical customers
- Zig-zag and strip grinding is being done in full-length of rolled bars to inspect if a crack appears
- Apart from strapping, started binding 5.5 mm wire rod in two places of each bundle to avoid looseness in the bundles
- To avoid mix up, started pasting stickers in each bar at one end and colour code at the other end

Manufactured Capital

Key highlights FY 23

New product development

59

52	40
Target FY 23	FY 22

FY2023	59
FY2022	40
FY2021	50
FY2020	30

NPD (Sales)

9%

of the total sales

5%	5.41%
Target FY 23	FY 22

FY2023	9
FY2022	5.41
FY2021	3.4

Internal rejection

0.88%

0.70%	0.68%
Target FY 23	FY 22

FY2023	0.88
FY2022	0.68
FY2021	0.76
FY2020	1.54

Customer claims

120 PPM

100 PPM	178 PPM
Target FY 23	FY 22

FY2023	120
FY2022	178
FY2021	243
FY2020	866

Coke rate

(kg/thm)

FY2022-23	503
FY2021-22	501
FY2020-21	474
FY2019-20	486
FY2018-19	541

PCI rate

(kg/thm)

FY2022-23	114
FY2021-22	116
FY2020-21	128
FY2019-20	111
FY2018-19	91

Power consumption

(in Kvah/tcs)

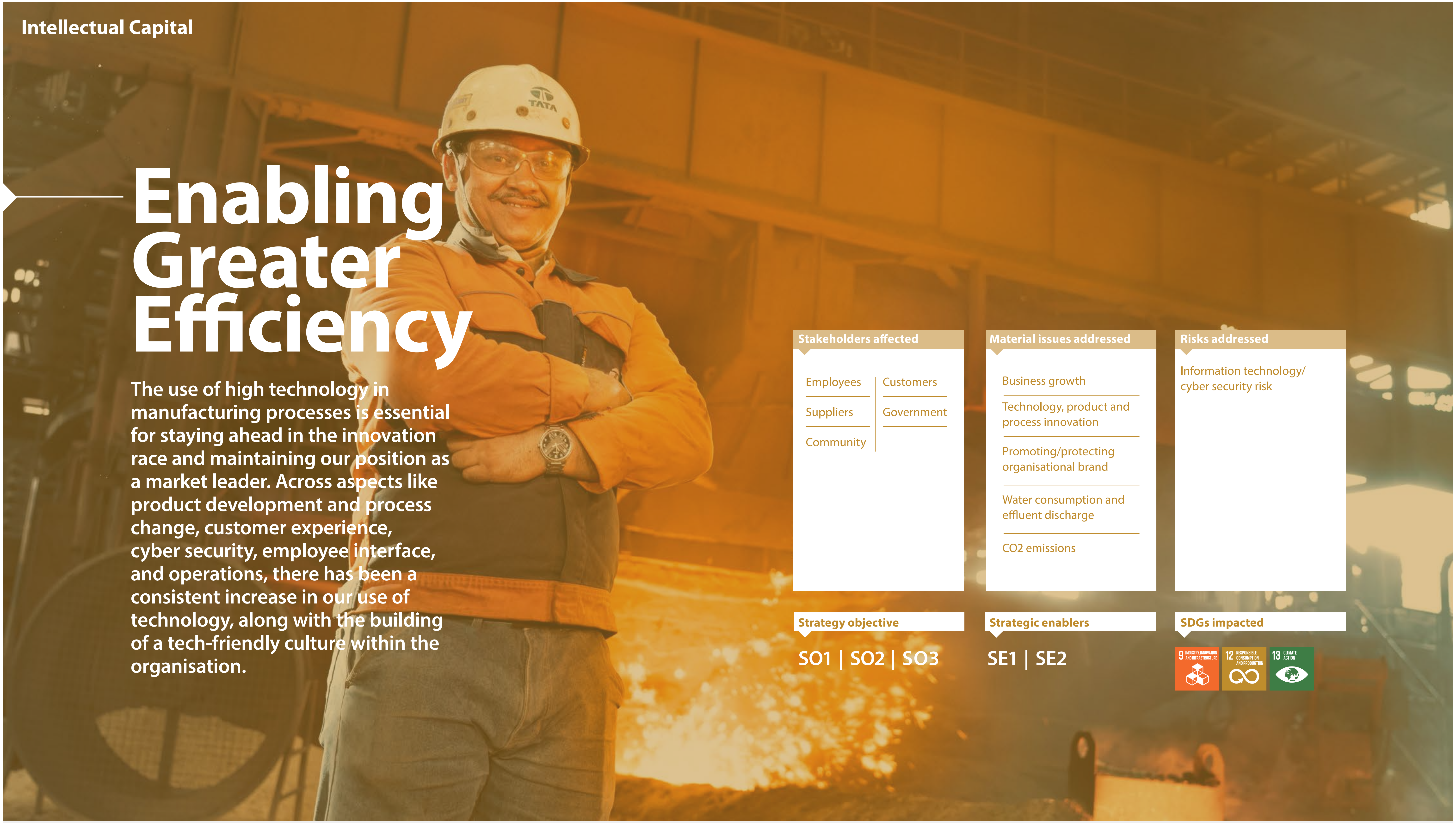
FY2022-23	610
FY2021-22	394
FY2020-21	295
FY2019-20	287
FY2018-19	303

Way forward

We will continue to strengthen our manufacturing capital going forward. We hope to further improve our productivity levels with the NINL plant now fully functional and to also find alternative sources of Indian coal. These two measures should significantly reduce costs.

Other key focus areas for continuous improvement are:

- Changing the technology of DRI-G kiln from OSIL to LURGI
- Process optimisation to improve quality, production and coal consumption through digital initiatives
- Ramp up of pellet production to 1.2 MnTPA
- Reduction in PHCC through blend optimisation and new grade coal sourcing
- Sinter plant ESP overhauling & production ramp-up after EC approval
- Usage of Pellet in BF 2 burden up to 20%
- DE system commissioning at SMS-2&3
- CCM#4 AMLC SERT Panel drive and SRM upgradation
- Upgradation of SMS#3 - Additional 70T LF, 02 lance and Launder
- CCM # 4 Revamping
- Restoration of DRI 4&5
- Automation upgradation from L-0 to L-1
- 40 TPH boiler conversion from coal-based to BF gas fired boilers + Installation of Back Pressure Turbine Generation and PRDS
- Commissioning of automatic band saw
- For better safety of our premises, we also have plans for centralised CCTV installation and commissioning of centralised fire detection and alarm systems.



Intellectual Capital

Enabling Greater Efficiency

The use of high technology in manufacturing processes is essential for staying ahead in the innovation race and maintaining our position as a market leader. Across aspects like product development and process change, customer experience, cyber security, employee interface, and operations, there has been a consistent increase in our use of technology, along with the building of a tech-friendly culture within the organisation.

Stakeholders affected

- Employees
- Customers
- Suppliers
- Government
- Community

Material issues addressed

- Business growth
- Technology, product and process innovation
- Promoting/protecting organisational brand
- Water consumption and effluent discharge
- CO_2 emissions

Risks addressed

- Information technology/ cyber security risk

Strategy objective

SO1 | SO2 | SO3

Strategic enablers

SE1 | SE2

SDGs impacted

9 | 12 | 13

Intellectual Capital

Accelerating our leadership journey

As a market leader in the long products category, digitalisation and automation are essential enablers for advancement and innovation. As we roll out more and more initiatives, the cross-functional advantages of utilising technology and digitalisation are emerging. Through our digital transformation, we are well on the road to building long-term organisational competitiveness.

We have always had the advantage of utilizing the Tata Group's strong and well-entrenched R&D facilities to take our innovation agenda ahead. As digitalisation and Industry 4.0 becomes more extensive within the organisation, it is also sharpening our innovation focus. For the first time in India, we have successfully developed G4Si1 as an import substitute for general applications and supplied it to ESAB.

59

New products developed, **19** in Wire Rod and **40** in Straight Lengths

Maruti, RE, TVS, SKF, FAG for PV/2W/Bearings

Clients we are focusing on for our new applications

Key digitisation initiatives

- Suggestion Box Portal: The creation of an online IT-based platform allowing each and every employee to make suggestions, as well as policies to control the submission, approval, and implementation of suggestions, as well as the reward and recognition of employees who contributed to the same, have been developed.
- RCFA Portal: Digitised system, developed to improve the reliability of equipment by systematic analysis and de-bottlenecking of constraints in critical equipment and process with the implementation of counter measures.
- IMS and IATF Portal: -Implementing the web-based IMS & IATF audit portal allows for efficient organisation and tracking of internal audits, resulting in time and cost savings, improved productivity, and enhanced competitiveness for the company. A paperless, centralised system for convenient access, streamlined data tracing, analysis of improvement opportunities, and improved internal and external audit processes.
- Digital TC: Successfully deployed in S4 HANA. All test certificates of the products can be digitally accessed through the SAP system.
- Transmission from the lab's analytical equipment to different substations BF1&2, Sinter, pellet, SMS 1&2, SMS 3(Control Room):- For every heat sample received from all stations is being analysed at SMS & XRF laboratory and reports are being shared digitally shared directly from Lab to EAF/LRF/VD & FINAL/BF/SINTER/PELLET lift sample and manual interruption gets eliminated.

Application areas for these initiatives

- Suggestion Box Portal: Total Quality Management
- RCFA Portal: Total Quality Management
- IMS and IATF Portal: Total Quality Management
- Digital TC: Successfully deployed in S4 HANA:- for Customer experience

These initiatives have shown a significant improvement in the efficiency of the process by digitalising different fronts of our work. Firstly, the formation of IMS and IATF portals has made the process of audit easier for auditors by developing paperless audits. Other than that transmission from the lab's analytical equipment to different substations BF1&2, Sinter, pellet, SMS 1&2, and SMS 3(Control Room) has led to mistake proofing and an increase in the process efficiency.

Leveraging strengths, pushing ahead with innovation

We have always had the advantage of utilizing the Tata Group's strong and well-entrenched R&D facilities to take our innovation agenda ahead. As digitalisation and Industry 4.0 becomes more extensive within the organisation, it is also sharpening our innovation focus. For the first time in India, we have successfully developed G4Si1 as an import substitute for general applications and supplied it to ESAB.

G4Si1 grade completely indigenously developed and supplied to ESAB

Other initiatives that are helping us create an ecosystem for innovation

- Building a database of competitor samples and results/analysis for benchmarking our products against the best in the country and across the globe.
- Strengthened in-house testing capabilities by introducing K4 methodology for inclusion analysis as per DIN 50602.

Process & Product Development through Innovative approach

- Manufacturing of high hardenability of hot rolled alloy steel Grade SAE4124 Mod.
- EB2R grade for M/s Lincoln (New grade and first time in India)
- Evading martensite and grain boundary cementite in PC300K by laying head temperature adjustment
- Development of stress-free uniform microstructure by adjusting the cooling rate during annealing (Requirement of TIMKEN)
- Determination of calcium in Ca-Fe Cored Wire (raw material of ferroalloys)
- Determination OF "Mo" in Ferro Molybdenum by wet chemical method (raw material of ferroalloys).

Intellectual Capital

Shikhar continues to deliver significant value

The SHIKHAR program, is a multi-dimensional & cross functional initiative, focused on EBIDTA improvement program to bring key structural changes across the value chain. A governance structure comprising cross-functional teams called 'IMPACT Centres' are put in place across TSLP to achieve the overall objectives of SHIKHAR. At present, there are 10 IMPACT Centres functioning across the value chain wherein different techniques are deployed for improving operational efficiency, process improvements, product mix optimisation, waste reduction and recycling, energy efficiency and revenue maximisation.

The process includes comparing operating KPIs with internal and external benchmarks and identifying enablers to achieve best in class Yield, Energy, Throughput & Quality, etc. Unique tools are deployed like zero-based budgeting, optimisers, value-in-use lens, reliability improvement promoting a culture of rigorous improvement and encourage the pursuit of value creating opportunities.

Our Shikhar programme is geared towards bottom-line improvement, by creating efficiencies across multiple levers. It has helped to streamline several aspects of operations, with a view to sustenance and creation of a culture of continuous improvement. Consequently, it has generated wholesome cost savings across departments, by cutting down on raw materials, optimising the product mix and simplifying processes, creating energy efficiencies, and generating value from waste through its nine impact centres across three different locations. The programme focuses on the immediate execution of identified ideas, along with harder-to-attain goals, enabling EBITDA improvement.

Unique methodologies and tools have been adopted like Best Demonstrated Performance (BDP), peer benchmarking, zero-based budgeting, optimisers, value-in-use lens, reliability improvement, cross-functional collaborations that promote a culture of rigorous improvement and encourage the pursuit of value-creation opportunities.

Cost savings due to Shikhar

(₹ in crore)

FY2022-23	441
FY2021-22	503
FY2020-21	505

Here we list out the various Shikhar initiatives that are helping us build competitive strength along the operational value levers of costs, throughput, raw material usage and logistics leading to better profitability.

Cost reduction

- Reduction in specific coal consumption at DRI Gamharia from 993 Kg/T DRI in FY 22 to 943 Kg/T DRI in FY 23 through reduction of undersised input to kiln
- Fuel usage in bloom mill optimized through effective reuse of BF gas
- Reduction in specific power consumption at Sinter, DRI Gamharia, SMS, WRM, SBM and Bloom Mill through Automatic Power Factor Control installation and elimination of idle run of equipment

Throughput improvement

- At DRI Gamharia from 389 kT in FY 22 to 463 kT in FY 23 through reliability improvement
- Increase in hot metal volume by ~ 6% over FY'22 through stable furnace operation, optimisation of process parameter, optimisation of burden distribution, etc.
- - Increase in crude steel volume by ~ 3% over FY'22 through improvement in process time, reliability improvement of critical equipments, crane and caster up-gradation etc.
- - Increase in down-stream capacity at Bloom Mill by ~ 14.8% over FY'22 through optimisation of retention time in re-heating furnace, optimisation of bloom to bloom gap, reliability improvement, etc.

Lowering raw material consumption

- Improvement in wet yield improvement at coke plant from 66.39% in FY 22 to 66.57% in FY 23 through optimisation of coal VM, reduction in burning losses, etc.
- Reduction in blend cost at CPP through char maximisation from ~ 3% in FY 22 to ~ 18% in FY 23
- Yield improvement at SMS through streamlined operations and sharp focus on input wastage minimisation
- Change in type of coal used in DRI to leverage cost advantages

Logistics cost reduction

- Reduction in road transport cost for Iron ore from 9.7% in FY 22 to nil in FY 23 for Gamharia
- Reduction in plot rent at Haldia by MGT scheme
- Cost reduction by handling more rakes in Gamharia siding

EBITDA improvement

- Increase in power generation at the coke-oven based WHRB
- Fully optimised working capital management at DRI Joda operations through the conversion route
- Improvement in product-mix at WRM through maximisation of alloy wire rod
- Value enhancement of by-products

Area of impact and initiatives

Financial impact

Intellectual Capital

₹441 crore

Total cost savings from Shikhar initiatives

Innovative processes show the way to quality enhancement

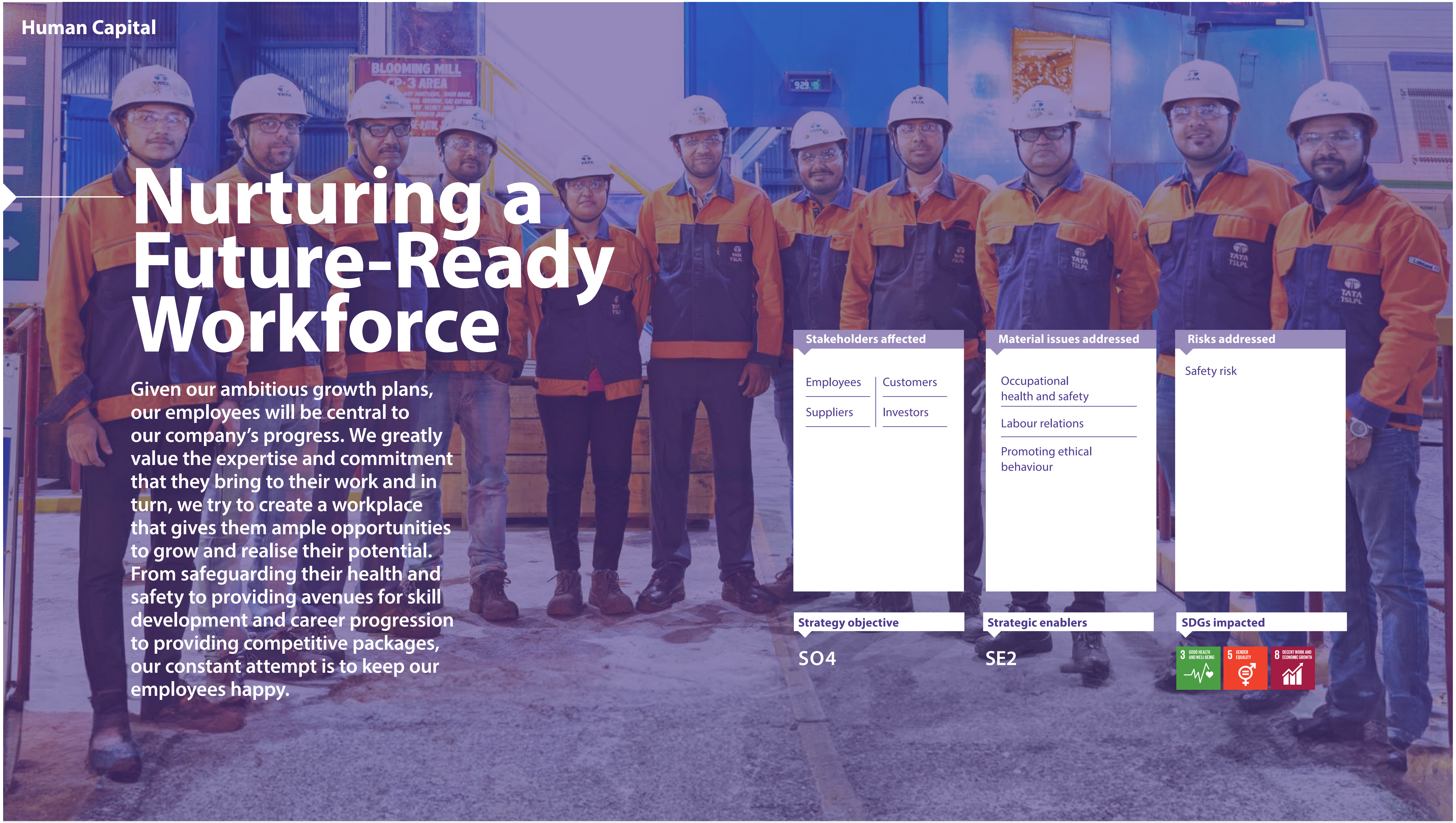
Harder steel, that complies with Jominy requirements J8/16 & J12/16 have typically been made by using scrap routed steel, which inevitably carries tramp elements like Ni, Cu and Sn. The presence of tramp elements affects the formability of steel and can cause surface defects. We have developed an innovative way of forming steel that is hard enough and meets the Jominy requirements, yet it is via the virgin route and has no tramp elements, and also uses the existing process route.

One trial has been taken with a modification in the chemical composition, and the Jominy observed is J12/16, which is a much better reading than the scrap routed steel. The remaining properties like microstructure, banding, surface and internal soundness were satisfactory. This product has been successfully supplied to the end customer and has adapted well to the application.

Another key process improvement that has been achieved is the development of bearing steels with the help of 300x360 Bloom.

Way forward

With a lot of positive impact already created through our innovation and technology transformation initiatives, for the coming year, we have identified a set of priorities. These include furthering our digital initiatives; relentlessly working at improving the process technology for iron making; keeping a sharp focus on maintaining safety standards and continuously enhancing customer centricity. In terms of our capacity enhancements, the areas that need to be addressed are already chalked out and these will be suitably addressed. The projects which have been prioritised will have a critical impact on our growth and product portfolio extension plans. Preparations for the COMBI mill, moving forward and building capabilities for PV and bearing steel, and sustenance of BOS targets will be our operational focus areas, while projects with the TSL technology team will be prioritised to drive organisation-wide benefits.



Human Capital

Nurturing a Future-Ready Workforce

Given our ambitious growth plans, our employees will be central to our company's progress. We greatly value the expertise and commitment that they bring to their work and in turn, we try to create a workplace that gives them ample opportunities to grow and realise their potential. From safeguarding their health and safety to providing avenues for skill development and career progression to providing competitive packages, our constant attempt is to keep our employees happy.

Stakeholders affected

- Employees
- Customers
- Suppliers
- Investors

Material issues addressed

- Occupational health and safety
- Labour relations
- Promoting ethical behaviour

Risks addressed

- Safety risk

Strategy objective

SO4

Strategic enablers

SE2

SDGs impacted

3 Good Health and Well-Being
5 Gender Equality
8 Decent Work and Economic Growth

Human Capital

9,356
Total workforce

2,287
Total employees

7,069
Total contractual workforce

Employee retention rate

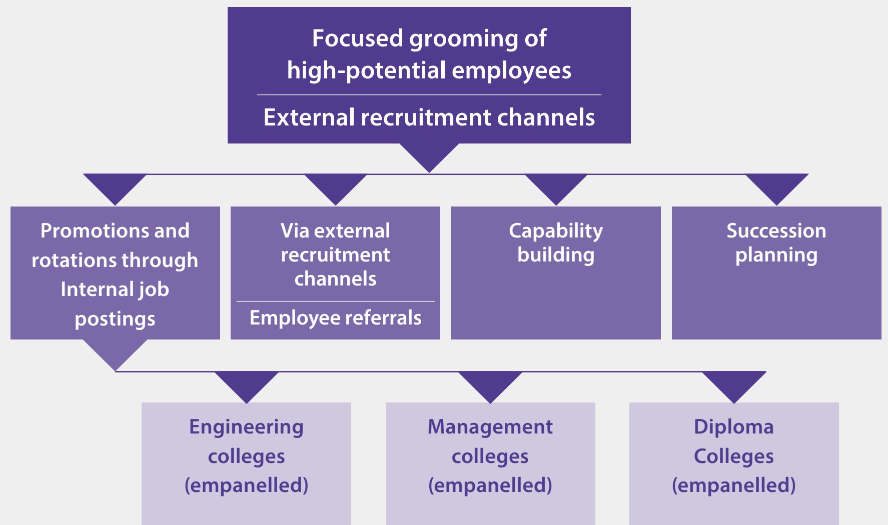
Strong talent pipeline rejuvenates organisational capabilities

Talent acquisition

As an organisation that has ambitious goals and significant growth prospects, the right kind of talent is crucial for us to realise our strategy.

There is a focus on growing talent internally and with the acquisition of Usha Martin, more importance is being given to this route. Simultaneously, we are also building our talent pool through external hiring. In FY 23, 5.5% of manpower was inducted through campus hiring and this will help us to fill vacancies created by movements and to also and meet the manpower needs of the Combi Mill. Smooth onboarding, cultural assimilation and technical and managerial training are provided to make new employees ready for their roles soon after joining.

The talent pipeline is managed in several ways as shown in the diagram below:



■ Senior management ■ Middle management

■ Technical and management trainees (MT/ GET/ DET)

For those who take up roles at the middle and senior levels, grooming is done through LEAD and other development programs that help to chisel their leadership skills. Strong and competent leaders are critical for the organisation, and internal talent who are identified as having the right potential, are encouraged to take up newer and challenging roles through our career progression policy. In FY 23, career progression opportunities were provided to more than 5% officers across levels, with high performers being put on the fast track. Thirty officers were promoted to IC1 and above levels (middle leadership) in FY 23 through internal job postings.

Employee referrals have been the most productive route of talent acquisition for us. However, the hunt for senior leaders is often closed through external recruitment. The external recruits on joining are given a walk-through of the organisation, its vision, mission, goals, values and policies through a structured induction and onboarding programme.

Performance and talent management

The Performance Management System (PMS) enables objective assessment and review of employee's contributions and efforts and provides a platform for career progression. It also helps in the gathering of developmental inputs for the individual. The process begins with goal setting for an individual and is followed by the evaluation process. TSLP follows a focused approach in goal cascading and ensures alignment with organisational goals. We have several initiatives underway that address the differing talent development needs of different categories of employees.

- **Managerial development programme** is one of the key initiatives taken to develop potential managers
- **Skill-Up** for shifts-in-charge to enable their holistic development
- **Daily management interventions** taken to enable the Heads to effectively track the KPIs across different levels
- **Need-based training programmes** are designed based on individual and departmental training need
- **Fast track career progression** has been introduced to elevate High Performing Officers
- **LEAD Programme** Leadership Development & Succession Planning framework focused on developing talent and succession cover for E1, E2 & M1 level Officers

Employee retention

To improve employee retention, we have implemented the following initiatives:

Focused Learning & Development drive	Specialised Skill Up programme for our shift officers, providing them with the necessary training and resources to enhance their skills. **Outcome: 116 shift champions covered.**
Career movements	Prioritising career advancement and progression **Outcome: 40 officers rotated**
Skill assessments	Regular assessments help in identifying employees' strengths and areas for improvement, enabling targeted development plans that align with organisational goals. **Outcome: 852 workers covered**
Improved workplace amenities	Continuous enhancement of our workplace amenities to create a comfortable and stimulating environment that contributes to employee satisfaction and retention.
Focused Rewards & Recognition drive	Our R&R programme appreciates exceptional performance across all employee categories. **Target: 28.5% of our total employees covered.**
Employee feedback platforms	Regular employee surveys are conducted and leadership connect platforms are held so that employees have a voice and their concerns and suggestions can be addressed.
Interaction with Managing Director	Facilitate interactions between different workforce categories and our Managing Director to promote inclusivity and foster trust. **Outcome: In FY 23, 25+ Senior Leadership Team connects have been conducted.**
Open and transparent communication	Organisational updates, goals, and policy changes are regularly shared to foster trust and engagement. **Currently, we have 8 such employee platforms.**

Our last employee engagement survey was done in FY 21 and revealed the major areas of employee concern as Reward & Recognition, career development, job satisfaction and pay and benefits. Basis these findings, the Reward & Recognition policy and system was introduced in June 2022.

Our newly launched Rewards & Recognition policy focuses on rewarding employees who have created business value, delivered on customer expectations, contributed towards safety, worked collaboratively to achieve critical outcomes and helped in team building.

There is a strong focus on rewarding consistent high performers. A benchmarking exercise was done to understand the compensation levels in the market and higher increments were given to employees to bring parity with market standards.

₹217 crore

Expenses for providing employee benefits

₹3,072/TCS

Average employee cost (₹/tonne)

Health and Safety

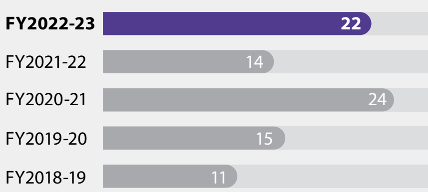
As a Tata Group company, we follow the highest standards of health and safety within our organisation, recognising it as an integral part of our operations. We have a well-established Safety, Health and Environment (SHE) Management System that is shared and practised by each employee and contractor. We comply with and endeavour to exceed applicable regulatory safety and health requirements and provide appropriate training to our employees to help them work safely. We also assess risks and provide controls for safety and health hazards in our operations and activities and use audits to check compliance. All safety incidents are promptly reported, with root causes analysed and preventive action instituted. We work with our contractors to enhance their Safety and Health standards too. We also set safety and health metrics as indicators of excellence and monitor progress and continually improve performance. Our senior leadership has always played a major role in reinforcing a strong safety culture.

Apex SHE Committee

- Safety Leadership
- Rail Road Safety
- Process Safety
- Competency and Capability
- Contractor Safety
- Occupational Health

This framework includes activities like training, providing guidance on preparing various safety standards and periodical reviews of programmes under implementation, including the functioning of various sub-committees. We manifest our safety purpose through our guiding principle 'Injury and Illness free Workplace'. The results are reflected in our improving metrics.

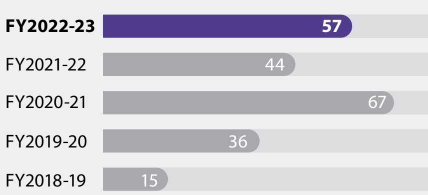
Lost time injury frequency*



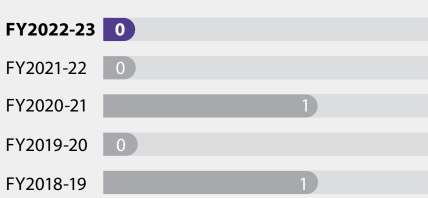
*Up to FY 20 calculations were as per Usha Martin Limited norms. From FY 21 as per international standard norms i.e. Injured Person did not join duty next shift.

Reduction in on-site injuries

(in %)



Fatalities



Managing contractor safety for business excellence

The Tata Group is committed to maintaining the highest standards of safety and health across all of its operations. To this end, the Group's Safety and Health department recently conducted ARRE 3 (Accelerated Reduction in Repeat Events) Online Training Sessions on Contractor Safety Management. The training sessions aim at educating employees across various units about best practices and strategies for managing contractor safety. A total of 487 employees from different units participated in the online training sessions, which covered topics like risk assessment, hazard identification, emergency preparedness etc.

Starting out early in building a safety culture

To build a positive safety culture a three-day safety induction was organised for our new batch of diploma trainees. As part of the programme the trainees visited our state-of-the-art Safety Leadership Development Centre for a digital induction covering safety measures, risks of working in a steel plant and standard operating procedures. They also underwent modules on process safety management, incident classification and risk matrix.

Diversity & Inclusion

In the manufacturing sector, implementing diversity in terms of real numbers is an uphill task. But at TSLP, we have always taken this as a challenge to try harder and with greater focus. We have set a goal of 10% diversity (covering women, PwDs and transgender) by 2025. This goal is being addressed through a host of accommodative policies that aim at making the workplace more conducive for potential employees who are outside the mainstream.

10%

Diversity by 2025

Specific steps that are directed towards promoting greater diversity within the organisation include:

- Inclusive policies: Women Interactive Engagement Programme (WIN) to help develop, retain, engage and create a competent talent pool of women employees, improve leadership competency of women employees and create a platform for representation of women in leadership positions.
- Revamping work-from-home policy
- RISE policy for providing career opportunities to women on a career break, people with disabilities (PwDs) and transgenders.
- Jyotismati: An initiative to build capabilities for mobility and employability in women. Interested women can volunteer to undergo this programme, and are given training to work as store assistants, auto samplers, safety marshals, despatch coordinators and first aiders – thus helping to ease them into roles that are conventionally not filled by women. The programme also fulfils a social need, of mainstreaming women from marginalised homes, who due to poverty or lack of education, may find it difficult to find jobs.
- Creation of Mom's Lounge: To provide inclusive work infrastructure that specifically supports maternity and post-maternity needs. Also the creation of gender-neutral washrooms.
- Company-sponsored driving classes for women employees.
- Adherence to a D&I Calendar through which we celebrate and educate on occasions like International Women's Day, Pride Month, Menstrual Hygiene Day, and Breast Cancer Awareness Month.

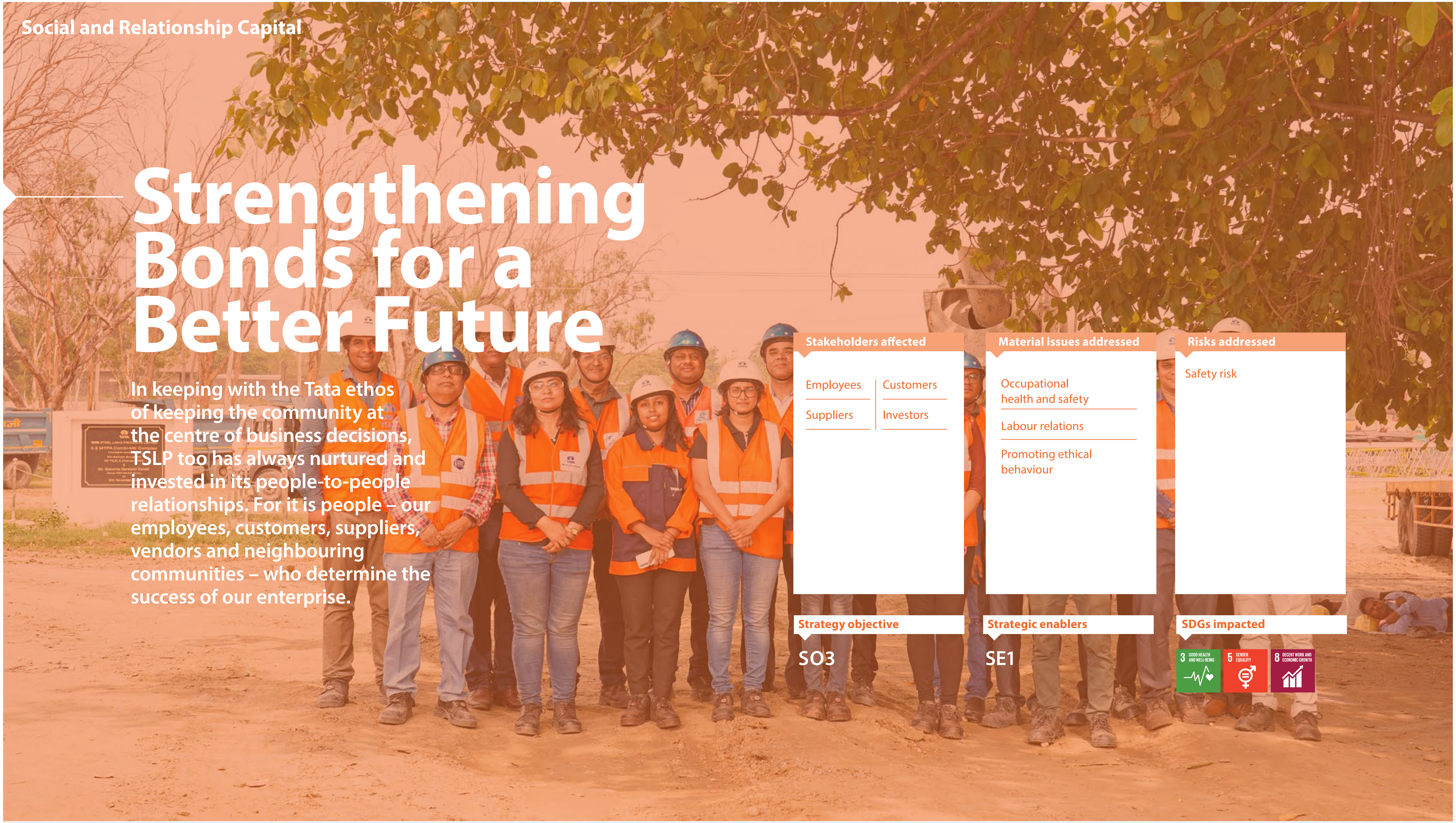
Way forward

Our business priorities for FY 24 revolve around building a 360-degree preparedness for the Combi Mill commissioning. This will require strong HR focus, as the mill will require adequate manpower that is fully trained and culturally aligned. We are simultaneously working on the goal of making the mill an entirely women-run plant.

Another area of critical focus for the human resources function is effecting a seamless integration with Tata Steel. Tata Steel's amalgamation plans involve seven companies, of which TSLP is the largest. This lends great complexity to the transition and assimilation process. We are actively engaging with employees to address their change-related concerns through ABP Meets, MD Connects and so on.

Leadership development and succession planning will continue to be key areas of focus for building strong and agile leadership. Building managerial capabilities and conducting focussed development interventions for all our employees will be the other priority areas. It is our constant endeavour to maintain strong relations with all our workers and the union-management relationship has remained positive and strong on a foundation of collaboration and shared progress. From this year, we will be implementing our long-term settlement for our Gamharia unit employees.

We firmly believe that a diverse and healthy workforce will enable the organisation to achieve its business objectives with ease and dynamism. We have deployed appropriate strategies so that our goals for FY 24 maybe smoothly achieved.



Social and Relationship Capital

Strengthening Bonds for a Better Future

In keeping with the Tata ethos of keeping the community at the centre of business decisions, TSLP too has always nurtured and invested in its people-to-people relationships. For it is people – our employees, customers, suppliers, vendors and neighbouring communities – who determine the success of our enterprise.

Stakeholders affected

- Employees
- Customers
- Suppliers
- Investors

Material issues addressed

- Occupational health and safety
- Labour relations
- Promoting ethical behaviour

Risks addressed

- Safety risk

Strategy objective

SO3

Strategic enablers

SE1

SDGs impacted

3 Good health and well-being, 5 Gender equality, 8 Decent work and economic growth

Social and Relationship Capital

Customers

We regularly engage with our customers to understand their needs and challenges, and this helps to keep our product portfolio up-to-date and dynamic, and our service performance on-point. We have drawn up a customer excellence work plan. There are four parameters along which we are driving our change initiatives, and these are:

- Quality
- Service
- New Product Development (NPD)
- Delivery

For each of these parameters, areas have been identified that represent the targets and the second-level functional goals that need to be achieved for success. The targets set for the quality and service parameters have already been implemented during the year, while those under NPD and delivery management are underway, with new aspects getting added.

Customer Satisfaction and Engagement Survey - Action Plan

Area	Core issue	Action	Timeline	Status
Quality	Quality Consistency in WR Steel Cleanliness 100% TDC compliance	Process Parameters Revised in SMS Control in Lime Quality Double testing for hardenability Parameters	Q1FY 23	Implemented
Service	Account Reconciliation Packaging in Bars Transit Damage of Wire Rod	Quarterly Regional Review for Reconciliation Sign-Off Addition of Binding wire at 2 places Improved Coil Packaging & truck stuffing practice with Plastic Sheets & Recyclable Matts	Q1FY 23	Implemented
NPD	Cycle time for NPD Loop Closure at Customer end Product Size Range	Digital Platform for NPD logging To be integrated with CRM (SFDC) roll out Combi Mill to support	Q4FY 23 H2FY 23 Q1FY 25	To design the system in CCMS under testing Under Progress Under Progress
Delivery	Delivery Tracking and Dispatch Intimation	Platform augmentation for Live Tracking & Invoice thru e-mails	Q3FY 23	Under Development Smart Logistics 2.0

TDC – Technical Delivery Condition; NPD – New Product Development; SFDC – Sales Force Dot Com

Social and Relationship Capital

Vendors

Our vendors are an integral part of our competitive strength and we collaborate and guide them for meeting our shared strategic objectives. We have designed several action plans for our vendors so that we can match the variety of relationships that we share, and also tap into their skills and competencies to fulfil long-term priorities. These include localisation and indigenisation; meeting our social equity goals through affirmative action (AA); building a responsible supply chain; creating alternative sourcing points for de-risking and cost optimisation and so on. More specifically, the current focus areas are:

- Partial Indigenisation process for DRI coal for easy availability
- Indigenous vendor development for ladle brick and MRO spares
- Increase Vendor Managed inventory (VMI) coverage for lime, refractory, bearings etc
- Revision of ferroalloys specification to improve recovery
- Vendor-focused action plans for FY 23

Core thrust area	Strategic priorities addressed	Implementation status
Upliftment of Affirmative Action vendor partners	Developing policy for introduction and incentivisation of AA vendor partners Identifying the vendor base in AA category Capability development of 4 vendors	Roll Out of AA Policy for every segment in procurement
Sourcing through indigenisation and localisation	Identifying the categories for indigenisation Developing new vendors in local vicinity	First phase, 5 vendors registered; ₹0.5 crore of business given to new vendors with savings of ₹6 lakh Second phase: Two potential vendors identified for casting items.
Responsible Supply chain	Implementation of Responsible Supply Chain management Assessment of 10 vendors and development of training plan	Vendors categorised into basic, improving, established, mature and leading 106 vendors assessment under Responsible supply Chain
De-prop and de-risking of Proprietary buy	Identifying categories for alternate sourcing Establishing categories through trials and savings calculation	104 items have been de-propped out of 447 identified items 26 new trials were successful with accrued savings of ₹4.5 crore in YTD FY 23
Stakeholder connect Programme	Identify issues related to delivery, RFQ, material rejection and quality Supplier days for identified categories to explore cost saving ideas. Roll out of satisfaction survey covering 500 vendors	Delivery compliance has increased from 25% (baseline-FY 22) to 70% (YTD FY 23). 7 Supplier Days held; ₹2.5 crore worth of ideas under implementation in FY 23
Vendor Managed inventory (VMI)	Identify new areas	Fasteners concluded with annual savings potential of ₹ 0.7 crore PP sheet concluded with savings potential of ₹0.06 crore Temp tips is under progress with a savings potential of ₹0.3 crore

As demonstrated here, well-thought-out and strategically directed vendor management, with ample room for ideation, innovation and collaboration, has the potential for generating great efficiencies and savings. We will keep working with our vendor base for long-term competitive advantage and mutual growth.

Social and Relationship Capital

Communities

Strategy objective	Strategic enablers	SDGs impacted
SO1, SO2, SO3	SE2	

Stakeholders affected	Material issues addressed	Risks addressed
Suppliers, Customers, Community, Investors, Employees	Business growth, Long-term profitability, Community development, Labour relations, Occupational health and safety	Macro-economic and market risk, Community risk, Environment/ climate change risk, Regulatory risks

Our CSR policy takes a project and programme-based approach and the key focus areas are:

Health and sanitation

Essential Services

Education

Livelihood programmes

Signature projects

The two signature projects that we have undertaken to support local communities are:

01 Promoting mushroom cultivation to supplement income;

02 The Super-30 programme, which empowers economically disadvantaged but talented girls to pursue their desired careers

54,275
Total number of lives touched

₹773.38 lakh
Total CSR spend

1,478
Employee volunteers

7,239 hours
Hours volunteered

Increasing number of lives touched

FY2022-23	54,275
FY2021-22	51,473
FY2020-21	51,023

Stepping up on the change momentum through greater spends

(in ₹ lakh)

FY2022-23	773.38
FY2021-22	299.1
FY2020-21	55.78

Number of children supported with supplementary education

FY2022-23	2,631
FY2021-22	1,501
FY2020-21	1,131

In accordance with the objectives outlined in our CSR Policy, we are implementing our CSR activities through project and programme-based approaches. The company's CSR strategy emphasises the importance of collaboration, involving village groups, beneficiaries, and, wherever relevant, the local government, to achieve our programme objectives.

The Tata Affirmative Action Programme (TAAP) which enshrines the Tata Group's social equity goals recommends positive discrimination towards the Affirmative Action (AA) community, encompassing SC/STs, economically disadvantaged women, and people with disabilities. The AA framework prioritises five essential drivers: Employment, employability, entrepreneurship, education, and essential amenities. We demonstrate our unwavering commitment by striving to maximise the positive impact of our efforts on the marginalised members of the AA community.

Our CSR programmes are designed and continuously improved on the basis of need assessment studies, dipstick studies, rural satisfaction surveys and impact assessment surveys to measure and benchmark impact and course corrections as relevant so that programmes stay aligned with objectives. The programmes are run through initiatives deployed across all plant locations.

Social and Relationship Capital

A snapshot of the several CSR programmes underway at our plants is given below:

Focus area

Focus area	Programmes
Education	• Prarambh • Vidyarthi
Health and sanitation	• Upachar • Jaldhara • Swabhiman
Livelihoods	• Sakshyam • Protsahan
Youth engagement	• Krida • Ama Sanskriti
Essential services	• Rural Development
Signature projects	• Super-30 • Mushroom Cultivation

Educational initiatives

The educational initiatives that we run aim at bridging gaps, integrating students with the mainstream, and creating new opportunities that help them to realise their potential. Some of the key educational programmes and their objectives include:

Prarambh and Vidyarthi: These programs aim at addressing the primary and secondary educational needs of the students, creating a nurturing environment where they can pursue their interests in education and excel in their examinations. Currently, this initiative benefits over 2,600 students across three locations, with the dedicated support of 47 local teachers. Our goal is to ensure that every child has access to quality education and the resources they need to succeed. These students belong to financially disadvantaged families and lack the resources to afford private tuition. Many of the schools they attend lack qualified teachers in core subjects such as Mathematics, Science, and English. To address this gap, we arrange for supplementary tutors from nearby villages who not only teach these subjects but also look at the student's overall needs for growth.

Residential Bridge Course (RBC) Centre: We identify orphaned and destitute boys within our community in Joda who have discontinued their education due to various distressing personal circumstances. Our primary focus is to reintegrate them into mainstream society by providing them with age-appropriate education. These boys are offered all conveniences like accommodation, food, education, medical support, and other requirements. To date, we have successfully mainstreamed over 100 students into the education system, while currently nurturing and supporting an additional 54 students at our RBC centre in Joda.

197 out of 205 successful

Matric exam results in Odisha & Jharkhand Board

47%

Students received District Administration's merit scholarship

88

Girls who passed the State Boards

>1,200

Students covered through 2 computer centres and 2 Mini Science Centres at Joda and Gamharia with 80 interactive Science and Math working models

324 students and 23 parents

Benefitted from 2 workshops on Education, Sustainability & Design organised by CoRDaTE (TISS) for Students, Teachers and Parents

Illuminating minds, igniting hopes

Pre-Matriculation coaching is a programme that TSLP runs at its different locations to help marginalised students access competent coaching on core subjects like English, Mathematics, and Science. The interventions have led to an increase in the number of students in schools and improved academic performance. In the fiscal year 2023, four coaching centres in Joda benefited 685 students. Out of 197 class X students who appeared for the board examination, 188 students passed successfully, with 39 securing first division. The girls outnumbered the boys in terms of pass outs and grades. In Gamharia, all nine supported students cleared their Matriculation examination, with six securing first division.

The 39 students who achieved first division from the hinterlands in Joda are eligible to receive merit scholarships from District Mineral Foundation in Keonjhar district, with amounts ranging from ₹10,000 to ₹30,000, based on their performance. This achievement reflects TSLP's commitment to improving the quality of education.

Social and Relationship Capital

Health and Sanitation

Project Jaldhara: In order to provide accessible water sources, TSLP has undertaken the task of digging borewells and tube wells in the areas surrounding its locations. In Joda, where we have been present for more than 30 years, we have successfully established adequate number of water sources thereby benefiting approximately 5,000 families residing in the surrounding five Gram Panchayats. Additionally, a comprehensive water management programme has been implemented in Bilaipada village, which has benefitted 232 households. In other locations like Gamharia and Vijay II, the company has made extensive arrangements to ensure a continuous supply of safe drinking water for both domestic and agricultural purposes. Moreover, we also shoulder the responsibility of repairing and maintaining these water sources.

Swabhiman: Under this programme, the construction, repair and maintenance of toilets and bathrooms are taken by us. This has helped to counter and eliminate the problem of open defecation.

185 Total water sources	**60** Toilets repaired at Joda
11 Borewells dug, 10 with solar system arrangements to provide continuous portable water at Vijay II and Gamharia	**12** Water sources repaired, including the water management system at Bilaipada, benefiting ~350 families

Upachar: Several camps have been organised for different medical requirements, for the benefit of villagers. These include eye camp, skin camp, heart camp, dental camp, etc. In the Vijay II mines area, a medical team visits nearby villages on a periodic basis, for free diagnosis and distribution of medicines.

Lives touched

2,282
People impacted through 67 mobile medical camps at Vijay-II

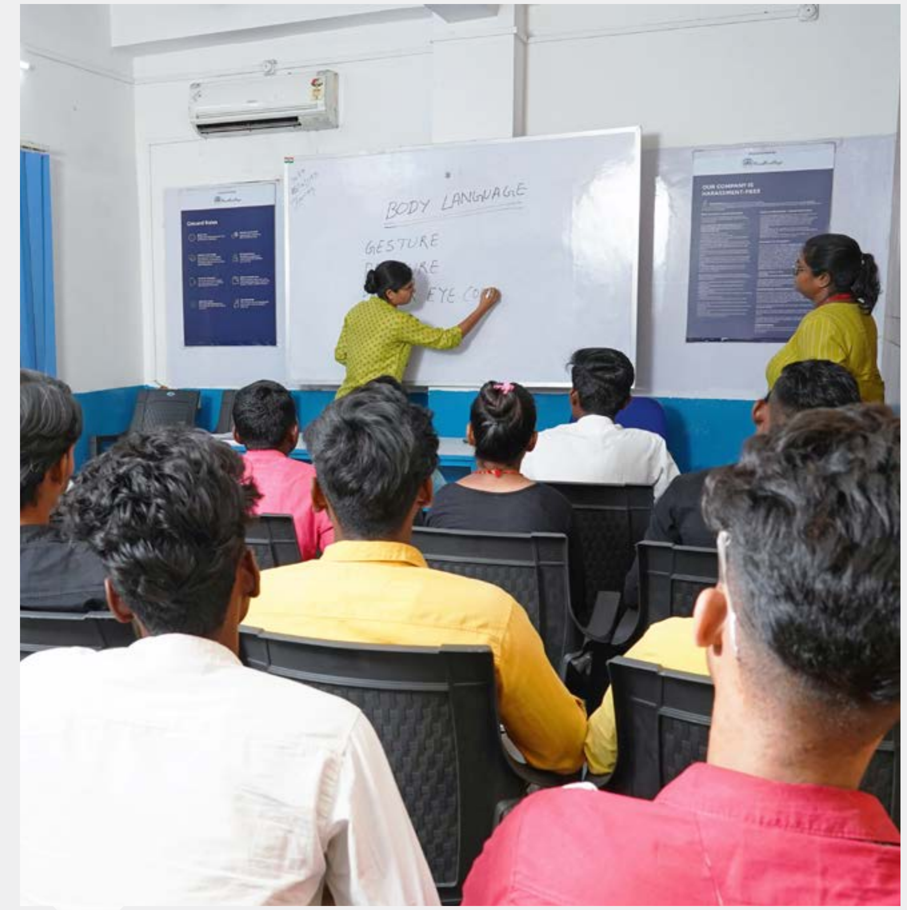
712
People screened at 5 cataract screening camps held across all 3 locations, and operations organised for 129 patients.

28
Persons with Disabilities (PwDs) provided sustainable livelihood assistance like setting up goat farming, ration shop, vegetable vending

80
PwDs assisted for availing government pension registration in Joda (₹3000/- per month)

66
Anganwadi workers (AWWs)
From 5 gram panchayats in Joda trained on supplementary nutrition, health education and immunisation

157
Youths received alternate sources of livelihood through various skill building programs



Livelihood programmes

Communities that live deeper in the hinterland remain marginalised due to lack of adequate employment opportunities, often leading to urban migration and associated problems of urban congestion and ageing populations getting left behind in rural belts. This, in turn, impacts agriculture and allied farm activities. To nip this problem in the bud, we have taken multiple initiatives that help villagers living in and around our plants, start their own small businesses and get trained in job-oriented skills.

Sakshyam: This programme facilitates better opportunities for village youth, self-help groups, farmers and others to generate primary or supplementary income through capability building, marketing and others.

Protsahan: Under this programme, meritorious students from economically weaker sections are selected and they are provided with scholarships so that they can pursue technical job skill development and enhance their capabilities.

Support provided to youth

31

Youths from around Gamharia & Vijay-II mines provided job-oriented scaffolding training at JNTVTI, Jamshedpur

30

Youths trained in hospitality, out of which 27 have been successfully placed

19

Candidates (18 girls & 1 transgender) underwent beautician training with VLCC; 9 have already been placed

Support to Women

461

Women supported under various income generation programmes, through training and other facilitations

Youth engagement

In addition to education, it is crucial to channelise the energies of the youth towards positive endeavours to promote their physical well-being, foster the development of extracurricular skills, and encourage overall personal growth. Our youth development program recognises the significance of engaging young individuals in various activities, including sports, cultural preservation, and leadership development, particularly in rural areas.

Krida: Under this programme, we organise sports competitions to encourage healthy competition and sportsman spirit.

We also donate sports kits to clubs and local schools to promote sports.

4

Football tournaments held across locations

All-girls football tournaments

At Gamharia

Cricket & volleyball tournament

At Joda

Ama Sanskriti: This programme focuses on promoting local cultural events, competitions, arts and crafts in our focus areas.

Youth Leadership Programme: Provides youth with the opportunity to showcase their leadership skills.

49

Participated in our 'Outdoor Youth Leadership' camp at Gamharia

Essential services

In addition to the programmes mentioned earlier, TSLP is committed to addressing the various primary needs that are essential for a happy and settled life in rural areas. Over the years, we have striven to fulfil these needs through our ongoing initiatives. Some of the notable ones are:

- Construction of a multi-purpose community centre at Gamharia
- We construct boundary walls in schools for the safety and protection of students.
- We illuminate the streets of the villages through solar lights.

103

Solar lights fitted in Joda and Vijay II

4

Four-armed solar tower lights fitted in Joda

Social and Relationship Capital

Signature projects

We are running two concept-based programmes that aim to go a little beyond the objectives addressed by our other programmes by piloting ventures that can serve as a role model for other social development and equity-oriented long-term efforts. The objective is to create a marked difference in the lives of beneficiaries, with the benefit being sustained. By doing so, these programmes also create a lasting impact among beneficiaries, while strengthening relationships with the community and encouraging others to come forward.

Super-30: Under this programme, meritorious girls, from the vicinities of our plants, who have strong academic abilities, skills in sports or other activities are identified and suitable help and support are provided to them so that they can fully realise their potential and achieve their dreams.

6

Meritorious girls provided admission into various academic & professional courses

Mushroom Cultivation: The programme aims at creating a large-scale livelihood opportunity that can become a consistent source of income, bridging market demand and also leveraging the farming community's inherent skills. The objective is to make our operating locations a net exporter of high-quality mushrooms in the years ahead.

As we embark on a new journey together with Tata Steel, we will be aligning and integrating our CSR activities through the Tata Steel Foundation. While doing so, we will ensure that the impact created by us now, through our diverse CSR projects, is sustained and continues to benefit individuals and village groups alike.

3,500 kgs

Mushroom produced and sold in different locations by 15 SHGs & 10 individuals fully supported by TSLP

Imbibing Greener Ways of Steelmaking

Steelmakers have long been called on to play a central role in climate change mitigation. At TSLP, we have been committedly working on reducing our energy consumption and carbon footprint by increasing our energy efficiency, enhancing raw material usage efficiencies, lowering emissions and proactively greening our neighbouring areas.

Stakeholders affected

Community | Investors

Government and regulatory bodies

Material issues addressed

Supply chain sustainability

Air pollution

CO2 emission

Water consumption and effluent discharge

Waste management

Risks addressed

Safety risk

Strategy objective

SO1 | SO2 | SO3

Strategic enablers

SE2

SDGs impacted

Natural Capital

With every progressive year, we are taking conscious steps to decarbonise our operations. We are deploying advanced technologies for optimal operations and material use and working to reduce carbon dioxide (CO_2) emissions at all our manufacturing locations. Likewise, processes that work at reducing, reusing and recycling water and waste are ongoing, with significant improvements being made via regular technology updates. We also map and mitigate our dust and air emissions to ensure the well-being of our neighbouring communities and our employees.

Expenses on natural capital

(₹ in crore)

FY2022-23	**28.96**
FY2021-22	15.41
FY2020-21	14.28

Energy consumption and emissions

The energy consumption load of our systems and processes are periodically assessed and every opportunity for improvement is optimised through a host of measures like the use of energy-efficient devices. Greater use of renewable sources, better capture and reuse of ambient energy sources like waste heat recovery are ongoing efforts. Further, we are constantly rebalancing raw material usage to address both emissions reduction and cost control needs through reduction in coal consumption at DRI, increase of scrap percentage in raw mix of Steel Melting Shop etc.

Reducing CO2 emissions consistently lies at the centre of controlling our carbon footprint and forms a part of our annual targets. The methods deployed are reduction in specific coal consumption at DRI, reduction in fuel rate at blast furnace, maximisation of char usage in power plant as fuel substituting coal, increase scrap recycling and so on. The performance is reviewed at regular basis at the apex level and course correction, if any is done to achieve best results.

Total energy consumed

(in million units)

FY2022-23	**561.17**
FY2021-22	577.98
FY2020-21	504.93

Green energy consumed

(in million units)

FY2022-23	**398.04**
FY2021-22	311.06
FY2020-21	331.44

15%

Reduction in energy intensity

Reduction in energy intensity

Gcal/tcs

FY2022-23	**6.88**
FY2021-22	8.13

Reduction in energy consumption and better resource use

- Waste heat recovery initiatives have led to ~18% YoY increase in DRI-based Waste Heat Recovery Boilers (WHRB) through the use of economiser modules failure reduction, jet water flushing and maintaining feed water temperature at 45 degrees centigrade.
- Replacement of economiser module design to SS Module, ID Fan and its duct restoration for stabilised ID FAN operations has improved coke oven production stability.
- Steam traps and insulation restoration has led to greater boiler efficiency.
- Waste heat recovery initiatives have led to a ~37% YoY increase in power generation in coke-oven-based WHRB.
- Further improvements due to sonic horn installation and elbow duct cleaning, maintenance of pressure parts economiser tubes, arresting of steam leakages and insulation restoration.
- Reducing use of Light Diesel oil
  - ~46% YoY at Blooming Mill
  - ~14% YoY at Wire Rod Mill
  - ~11% YoY at Straight bar Mill
- ~6% drop in coal consumption at DRI

Electrical power saving across TSLP

- Power saving of 3581 KVAH/day at Blooming through installation and commissioning of 0.44 KV,700 KVAR rated Capacitor bank.
- Power saving of 1100 KVAH/day at Captive power plant (15 MW, WHRB 4 and 5 & 30 MW Pump house) by installation and commissioning of 0.44 KV, total of 2600 KVAR rated Capacitor bank.
- Power saving of 2238 KVAH/ day at Steel melting shop, after reconditioning of 0.44 KV,400 KVAR rated Capacitor bank.
- Power saving of 10,293 KVAH/ day at Sinter by Installation and commissioning of 6.6 KV medium voltage drive in sinter tail ID fan and by installation and commissioning of 0.44 KV, total of 300 KVAR rated Capacitor bank.
- Power saving of 5934 KVAH/ day at DRI by Installation and commissioning of 13 Nos (160-90 KW) VVFD drive in DRI DE ID fan and ABC fan.

Increasing proportion of green energy

Total 311 MU of green power generated from the DRI and Coke oven exit flue gas which corresponds to savings of 477 kT of coal.

Controlling emissions during the year

- Reduction in specific coal consumption for DRI from 994 kg/ t DRI to 943 kg/ t DRI
- Restricting operations of one coal-based power plant
- Maximising green power generation from 311 MU to 398 MU
- Maximising char utilisation from 6% to 17%
- Substantial drop in particulate matter (PM), SOx emissions at Joda. Addition of ESP in Kiln 2 has helped to reduce emissions.

Net CO_2 emissions intensity

(in tCO2 /tcs)

FY2022-23	**4.02**
FY2021-22	4.39
FY2020-21	4.29

Scope-wise emission Scope-1

(in T)

FY2022-23	**31,34,776.0**
FY2021-22	32,47,748.0
FY2020-21	31,45,501.0

Scope-wise emission Scope-2

(in T)

FY2022-23	**28,059**
FY2021-22	21,939.0
FY2020-21	1,362.0

Scope-wise emission Scope-3

(in T)

FY2022-23	**(3,19,642)**
FY2021-22	(2,67,621.0)
FY2020-21	(3,66,761.0)

Natural Capital

Emissions-Gamharia

CO_2 emission Intensity (tCo2/tcs)

FY2022-23	4.02
FY2021-22	4.39
FY2020-21	4.29
FY2019-20	4.52

PM emission (kg/tcs)

FY2022-23	1.3
FY2021-22	1.50
FY2020-21	1.81
FY2019-20	2.86

SOX emission (kg/tcs)

FY2022-23	9.09
FY2021-22	8.79
FY2020-21	7.53
FY2019-20	8.77

NOX emission (kg/tcs)

FY2022-23	1.72
FY2021-22	1.77
FY2020-21	1.67
FY2019-20	1.64

Emissions-Joda

CO_2 emission Intensity (kg/t DRI)

FY2022-23	1.74
FY2021-22	1.75
FY2020-21	1.77
FY2019-20	1.78

PM emission (kg/t DRI)

FY2022-23	0.196
FY2021-22	0.239
FY2020-21	0.306
FY2019-20	0.329

SOX emission (kg/t DRI)

FY2022-23	1.52
FY2021-22	1.47
FY2020-21	1.89
FY2019-20	1.96

Water management

Steelmaking requires substantial quantities of water for functions like cooling, de-scaling, dust scrubbing and other processes, and much of this is drawn from fresh water sources. Daily, 3.62 MGD (16500 KLD) of fresh-water is drawn from river Subarnarekha and is supplied, after pre-treatment, to the plants for use. Fully mindful of the shared and scarce resource that water is, we are constantly working on reducing the environmental impact of our water use and are also working at building long-term water security for our operations and the communities adjoining our plants.

Overhauling of Electrostatic precipitators (ESP), which collect dust in and flue gases produced by boilers and disciplined operational controls led to 13% YoY drop in particulate matter (PM) emissions at Gamharia plant. ₹ 42.78 crore allocated for improving ambient air quality at Gamharia, with 11 projects underway.

7% YoY

Reduction in specific water consumption

100%

Utilisation of treated effluent water from ETP

250 KLD

Treated sewage water used from STP

25,000 M³/ annum

Installed capacity for rainwater harvesting

Reducing freshwater needs through reuse

Through our various water management measures like effluent treatment plant (ETP), sewage treatment plant (STP), rainwater harvesting and optimal water use in processes, we have reduced our specific water consumption by 7% YoY in FY 23.

We are using treated water from the ETP for 'Mist Beam' operations at RMHS Yard, saving 100 m3/ day. Another 250 m3/day is saved by replacing the use of fresh water for slag cooling at MBF and SMS. Through the use of treated water at the Batching plant 60 m3/day is conserved; for gardening purposes 10 m3/day is saved and use in the fire hydrant at Joda saves 60 m3/day.

We are reusing 100% of the treated effluent originating from ETP and STP in our DRI operations, pellet plant, coke oven, operation of dry fog and mist cannon and dust suppression activities, apart from those mentioned earlier.

Total treated water (in kl)

FY2022-23	2464150
FY2021-22	2453378
FY2020-21	1855921

Total water consumption (in million m³)

FY2022-23	8.48
FY2021-22	9.44
FY2020-21	8.64

Water recycled (in million m³)

FY2022-23	2.46
FY2021-22	2.45
FY2020-21	1.86

Sp. water consumption (Joda) (m3/t DRI)

FY2022-23	1.99
FY2021-22	2.02
FY2020-21	1.97
FY2019-20	1.97

Fresh water consumption (in million m³)

FY2022-23	6.02
FY2021-22	6.99
FY2020-21	6.78

Requirement met through recycled and reused water (in %)

FY2022-23	29%
FY2021-22	26%
FY2020-21	22%

Water consumption (Gamharia) (m3/tcs)

FY2022-23	5.81
FY2021-22	6.23
FY2020-21	7.53
FY2019-20	7.71

Natural Capital

Waste management

Steel production generates various kinds of waste materials like slag, dust and sludges. These waste materials can be used as raw materials for various applications, such as construction materials, fertilisers, and soil amendments. Additionally, steel plant waste also contains valuable metals like iron, zinc, and manganese that can be extracted and recycled. Through in-house R&D efforts, the bulk of such 'waste' is being recycled and reused within the plant or supplied to downstream manufacturers for making other products. Overall, 93% of the solid waste generated at Gamharia and around 92% of waste generated at Joda is being reused.

Waste as a resource

Granulated Slag	Used as raw material for Cement Plant
Metallic Slag	Valuable metallic recovery is done, and non-metallic slag is sold for various uses like making hard stands, bricks, roads etc.
DRI Char	Used as fuels in power plant, as an adsorbent for removal of Cd(II) and Cr(VI) ions from aqueous solutions.
DE Dust	Used in carbon filters, additives in the chemical industry
DSC Dust	Used in domestic fuels
Ash (Fly Ash, Bed Ash, WHRB Ash)	Used for brick making, pavement making

During the year, reuse of manufacturing waste as intermediate inputs for other processes had extensive impact.

Waste-led resource savings

100%
Utilisation of granulated blast furnace slag in cement making

100%
Utilisation of slag generated from Steel Melting Shop

90%
Utilisation of fly ash generated from thermal power plant in fly ash brick making

314.3 tonnes
Legacy plastic used for recycling

100%
Utilisation/sale of char generated from sponge iron plant

Such reuse is environment-friendly, reduces costs, serves as a revenue source and makes circularity an essential part of manufacturing. Our Industrial By-products Management Division (IBMD) has been working on this aspect of waste reuse and significant potential exists in this area. We have just begun to monetise this resource stream.

Commercialisation of fly ash - Revenue potential of

₹3.7 Cr

Commercialisation of non-metallic slag - revenue potential with savings of

₹4.9 Cr

Liquidation of lazy capitals in FY 23

₹27.8 Cr

Total waste generated

(in tonnes)

FY2022-23	**1137887**
FY2021-22	1023385

Total waste co-processed

(in tonnes)

FY2022-23	**967004**
FY2021-22	7,97,489

Natural Capital

Biodiversity

The fight to protect biodiversity is critical for arresting climate change, yet the challenges continue due to deforestation, habitat loss, overexploitation of natural resources, the presence of invasive species, pollution and changing climactic conditions. The preservation and restoration of biodiversity are critical for maintaining a balanced ecosystem and inclusive sustainable development.

During the year, we have taken multiple initiatives for preserving and enhancing the biodiversity of the areas where we have our plants. These include setting up and maintaining butterfly gardens, bird houses for bird nesting, planting medicinal trees and shrubs, development of local species through seedlings and cuttings and running a vermicompost plant for the production of bio-manure.

Building up green strength

Year	Name of plant	No of plants	Landscape area in (sq. mtr)	Plantation area (in sq. mtr)	Total Area (sq mtr)
2019-2020	Mahogany, Gulmohar, Kadam, Peltophourm	1,911	54	17,199	17,253
2020-2021	Kadam, Mahogany, Alestonia	2,421	554	15,131	15,685
2021-2022	Mahogany, Gulmohar, Kadam, Peltophourm	3,259	934	20,369	21,303
2022-2023	Mahogany, Gulmohar, Kadam, Peltophourm, Ashoka	4,748	3,251	9,862.5	4,237.5

2,000 sq. m.
Miyawaki plantation with 8 local species of tree and shrubs

340
Bird nests installed

4,874
Local sapling development at in-house nursery

100 sq. m.
Development of medicinal garden having 10 varieties of plants

8 TPA
Bio-manure production capacity at vermicompost plant

Way forward

We will be taking ahead several priorities in the coming year and these focus on curbing emissions, improving our external environment and aggressively promoting biodiversity. We will be working on getting the scope of the environment clearances received by our plants, amended. Our most important area of work continues to be reducing emissions and we target bringing down CO2 emission intensity below 3.7 tCO2/tcs. Improving ambient air quality in the plant periphery and adjoining villages is another important priority as mitigating the perceived impact of steel as a polluting industry is critical both for our long-term business continuity and for a cleaner environment and harmonious social relations.

Other aspects that we will focus on include implementing projects identified in the Biodiversity Management Plan; eliminating leakages and spillages to improve plant housekeeping and increasing employee participation in trainings on environmental aspects (as recommended by the CII-ITC Sustainability Assessment Feedback Report).

Governance

Maintaining a Value-focused Foundation

A strong governance framework that safeguards the interests of each of our stakeholders forms the backbone of our business. Implementing our ethics and compliance policies and procedures helps to ensure probity and integrity in our actions and enhances our brand standing and public image.

Governance structure

The governance structure is fine-tuned and upheld through the oversight of the Board and various committees. The Chief Ethics Counsellor has the overall responsibility of driving MBE initiatives and reports to the Managing Director, who is also responsible for Safety, Health and Environment and Sustainability.

Leadership engagement on topics such as sustainability, corporate social responsibility, corporate governance and membership in different industry bodies, has helped the organisation augment its reputation at local, zonal and national levels.

Compliance

We practice a ZERO tolerance policy for violation of laws, codes of conduct or internal guidelines, policies and regulations. We have an in-house compliance management framework, which is headed by the Company Secretary and Compliance Officer, who is primarily responsible for overseeing and managing regulatory compliances. Adherence to compliance obligations is among the subjects covered in audits by the Internal Audit function. Observations from such audits are placed before the Audit Committee of the Board and the Board of Directors.

Corporate ethics

We believe that operating in a fair and ethical manner in our sphere of operations is essential to increasing the trust of our stakeholders. When the demand of the stakeholders is for corporate accountability, high levels of trust enhance our engagement with them. This creates value for our business, generates growth and attracts investors. At TSLP, we are fully committed to embedding and enhancing the trust in all our operations, as we apply the highest ethical standards across all levels by offering secured solutions to our stakeholders to benefit from the increased level of trust.

We comply with all regulatory laws and corporate governance guidelines and adopt global best practices. Guided by the Tata Code of Conduct (TCoC), we have deployed the Management of Business Ethics (MBE) framework that reflects our commitment to shared values and principles.

Pillars of MBE framework

- Leadership Engagement
- Compliance Structure
- Communication and Training
- Measurement of Effectiveness

Awards & Recognition

At the beginning of each year, objectives and strategies related to the MBE are set at the corporate level, which is then cascaded to divisions and departments, ensuring alignment across the organisation. An appropriate tone is set at the top with the leaders as role models and effectively designed policies and robust processes playing a pivotal role in instilling 'Values' in our employees.
We have established the standards of ethical conduct required for our stakeholders through TCoC procedures and other applicable guidelines and policies, such as the Whistle-blower Policy for Directors and Employees, Gifts and Hospitality, Conflict of Interest Policy for Employees and Prevention of Sexual Harassment Policy, covering all employees. Taking a step forward, ethics is being deeply enrooted across the organisation (including vendor partners) to create a safe and healthy workplace, free from any prejudices and biases. The company has zero tolerance for Ethics and POSH-related issues.

	Received	Closed
Cases under POSH	1	0*
Whistle-blower cases	46	44

(in Nos.)

*Adequate action has been taken during Q1FY24 and the case has been resolved

Awards and Recognition

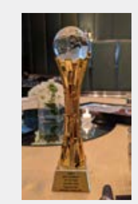
1 CII Encon Award 2022

2 Kalinga State Safety Excellence Award

3 L&D Excellence Award

4 CII Award for Strong Commitment for TPM

5 AIMA Project Excellence Award



6 Asia's Best Company of the Year 2022

7 BIS Certification – Wire Mill

8 Sustainability leader award for effective management of fly ash and E-waste

Instituted by

1. Confederation of Indian Industries
2. Institute of Quality & Environment Management Services
3. USB Forums, Adobe & Tesseract
4. Confederation of Indian Industries
5. All India Management Association
6. Berkshire Media USA
7. Board of Indian Standards
8. Sustainability leader award for effective management of fly ash and E-waste

ENVIRONMENTAL SOCIAL GOVERNANCE (ESG) FACTSHEET FY2022-23

This Factsheet represents Tata Steel Long Product Limited (TSLP) ESG performance

	UOM	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Basic information						
Crude Steel Production	Million tonnes	-	0.59	0.65	0.68	0.71
Environmental						
CO2 emissions - steel plants (based on worldsteel user guide V9.5)						
Absolute emissions - Scope 1	Million tonnes	-	3.0	3.1	3.2	3.1
Absolute emissions - Scope 2	Million tonnes	-	0.0	0.0	0.0	0.0
Absolute emissions - Scope 3	Million tonnes	-	-0.3	-0.4	-0.3	-0.3
Total absolute emissions (Scope 1 +2 + 3)	Million tonnes	-	2.7	2.8	3.0	2.8
CO2 emissions intensity	tCO2/tcs	-	4.52	4.29	4.39	4.02
CO2 emissions (based on GHG protocol)						
Absolute emissions - Scope 1	Million tonnes	-	-	3.9	4.1	3.9
Absolute emissions - Scope 2	Million tonnes	-	-	0.0	0.0	0.04
Absolute emissions - Scope 3	Million tonnes	-	-	0.6	0.6	0.3
Total absolute emissions (Scope 1 +2 + 3)	Million tonnes	-	-	4.50	4.70	4.29
Air emissions						
For crude steel making sites (A)						
Stack dust emissions	Tonnes	-	1688	1173	1026	919.2
Stack Dust emission intensity	kg/tcs	-	2.86	1.81	1.5	1.3
Stack SOx emissions	Tonnes	-	5110	4882	6014	6437.79
SOx emission intensity	kg/tcs	-	8.66	7.53	8.79	9.09
Stack NOx emissions	Tonnes	-	968	1082	1212	1217.99
NOx emission intensity	kg/tcs	-	1.64	1.67	1.77	1.72
For non crude steel making sites (B)						
Stack dust emissions	Tonnes	-	-	-	-	84.11
Stack SOx emissions	Tonnes	-	-	-	-	652.06
Stack NOx emissions	Tonnes	-	-	-	-	NA
Tata Steel Long Products Limited: Total (A+B)						
Stack dust emissions	Tonnes	-	1688	1173	1026	1003
Stack SOx emissions	Tonnes	-	5110	4882	6014	7090
Stack NOx emissions	Tonnes	-	968	1082	1212	1218
Specific Water Consumption & Discharge Intensity						
Fresh water consumption - only for steel making sites	Million m3	-	6.79	6.78	6.99	6.02
Specific fresh water consumption - only for steel making sites	m3/tcs	-	7.71	7.53	6.23	5.81
Fresh water consumption - only for non steel making sites	Million m3					1.30
Fresh water consumption - TOTAL for all sites	Million m3					7.33
Fresh water consumption per unit revenue- TOTAL for all sites	Million m3/INR					
Effluent discharge volume - only for steel making sites	Million m3	-		Zero process water discharge		Nil
Effluent discharge intensity - only for steel making sites	m3/tcs	-				Nil

	UOM	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Effluent discharge volume- only for non steel making sites	Million m3					Nil
Effluent discharge volume - TOTAL for all sites	Million m3					Nil
Effluent discharge volume per unit revenue- TOTAL for all sites	Million m3/INR					Nil
Waste						
Solid waste generated	Thousand tonnes	-	-	947.2	1,023.4	1137.9
Solid waste utilised	Thousand tonnes	-	-	1057.1	851.2	1049.6
Solid waste utilisation	%	-	-	100	83	92%
Energy Intensity						
Energy consumption (Steel making sites only)	GJ	-	29.16	29.25	28.79	34481012.00
Specific energy consumption (Steel making sites only)	GJ/tcs					28.79
Energy consumption (All locations)	GJ					43858779.00
Renewable Energy Consumtion (All locations)	GJ					489.00
Energy consumption per unit revenue (All locations)	GJ/ INR					
Biodiversity						
Total sites covered under Biodiversity Management Plans (BMPs)	Nos.	-	-	-	Initiated at 3 sites	3
Total area covered under Biodiversity Management Plans (BMPs)	Hectares					438.531
Management						
Workforce (permanent+contract) working in EMS (ISO 14001) certified steel production facilities	%	-	100	100	100	100
Scrap recycling						
Steel scrap recycled (internal & external)	Thousand tonnes	-	21.9	20.4	29.7	39.15
Steel scrap recycled (internal & external)	%	-	3.7	3.2	4.3	5.53
Spend on Climate Change and Environment						
Spend on Social, Climate Change and Environment (Capex)	INR Crore	-	-	7.9	8.7	28.96
Social						
Safety						
Fatalities	Nos.	-	0	1	0	0
Lost-time Injury (LTI) - employee	Nos.	-	-	3	7	5
Lost-time Injury (LTI) – contractor	Nos.	-	-	21	7	17
Lost-time Injury (LTI) – Total	Nos.	-	15	24	14	22
Lost-time Injury Frequency Rate (LTIFR) - employee	Index	-	1.07	1.38	0.66	1.04
Lost-timeInjury Frequency Rate (LTIFR) – contractor	Index	-	-	-	-	0.92
Lost-time Injury Frequency Rate (LTIFR) – Total	Index	-	-	-	-	0.95
Sites with Safety Management System (ISO 45001/OHSAS 18001)	%	-	100	100	100	100
Human Resource Management						
Nos. of employees	Nos.	-	2496	2395	2357	2287
New employee hires	Nos.	-	51	19	106	103
Employee productivity (steel volume)	tcs/employee/year	-	456	548	665	722
Female employees in workforce	%	-	2.2	2.4	2.8	3.7
Female employees in management positions in workforce	%	-	0.6	0.7	1.2	1.6

	UOM	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Age break-up of the workforce (<30 years)	%	-	9.9	8	6.6	7.3
Age break-up of the workforce (30 - 50 years)	%	-	67.7	69.6	70.7	70.4
Age break-up of the workforce (>50 years)	%	-	22.5	22.5	22.7	22.2
Employee turnover rate (Superannuation)	%	-	3.5	3.9	4.6	6.8
Employee turnover rate (Excluding superannuation)	%	-	1.2	1.2	2.5	3.8
Workforce covered through formal trade unions	%	-	-	-	100	100
Employee training	thousand person-days	-	10.2	30.46	43.04	9.98
Employee training	person-days/ employee/year	-	4.09	12.72	18.26	4.36
Economic & Governance						
Ethics						
Whistle-blower cases*- Received	Nos.	5	19	31	34	46
Whistle-blower cases* - Closed	Nos.	5	19	31	30	44
Whistle-blower cases* - Open	Nos.	0	0	0	4	2
Sexual harassment cases - Received	Nos.	0	2	1	0	1
Sexual harassment cases - Closed	Nos.	0	1	2	0	0
Sexual harassment cases - Open[1]	Nos.	0	1	0	0	1
Training on Tata Code of Conduct - officers	person-hours	-	1209	1142	541	698
Training on Tata Code of Conduct - frontline employees	person-hours	-	1060	636	828	1293
Training on Tata Code of Conduct - contract employees	person-hours	-	896	454	9092	4290
Business associates** trained on Tata Code of Conduct	Nos.	-	-	35	235	250

*exclusive of sexual harassment cases

**Business Associate means suppliers, customers, vendors, dealers, distributors, franchisees, lessors, lessees or such other persons with whom Tata Steel has any business or transactional dealings including the Business Associate's employees, agents and other representatives.

Note:

1. Adequate action has been taken during Q1FY24 and the case has been resolved

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sl.	Particulars	Company Details
1.	Corporate Identity Number (CIN) of the Listed Entity	L27102OR1982PLC001091
2.	Name of the Listed Entity	Tata Steel Long Products Limited ("TSLP")
3.	Year of incorporation	1982
4.	Registered office address	P.O. Joda, Dist. Keonjhar, Orissa 758 034, INDIA
5.	Corporate address	Tata Centre, 14th Floor 43, Chowringhee Road, Kolkata – 700071
6.	E-mail	investorcell@tatasteellp.com
7.	Telephone	06767 – 278159
8.	Website	www.tatasteellp.com
9.	Financial year for which reporting is being done	From April 01, 2022 to March 31, 2023
10.	Name of the Stock Exchange(s) where shares are listed:	**a. BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. Tel.: +91 22 2272 1233; Fax: +91 22 2272 1919 Website: www.bseindia.com **b. National Stock Exchange of India Limited** Exchange Plaza, Plot No. C/1, G Block; Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051. Tel.: +91 22 2659 8100; Fax: +91 22 2659 8120 Website: www.nseindia.com
11.	Paid-up Capital	₹ 12,745.10 crore
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:	Sankar Bhattacharya, Company Secretary and Compliance Officer Tata Centre, 14th Floor, 43, Chowringhee Road, Kolkata – 700 071 Tel.: +91 33 22883714 E-mail: sankar.bhattacharya@tatasteellp.com

13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form part of its consolidated financial statements, taken together).

    The disclosures under this report are made on standalone basis for TSLP.

II. Products/services

14. Details of business activities *(accounting for 90% of the turnover):*

Sl. No	Main Activity group code	Description of Main Activity group	Business Activity Code	Description of Business Activity	% of turnover of the company
1	C	Manufacturing	C7	Metal & metal products	99%

Note: The details of business activities as given in MGT- 7 for TSLP.

15. Products/Services sold by the entity *(accounting for 90% of the entity's Turnover):*

Sl. No	Name of Product	NIC	Turnover (₹ cr.)		% of revenue in total revenue	
			2022-23	2021-22	2022-23	2021-22
1.	Sale of Steel Products	2,410	5,768	4,917	77%	72%
2.	Direct reduction of iron (sponge iron)		1,696	1,885	23%	28%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	No. of Plants	No. of Offices	Total
National	2	8	10

TSLP is part of Tata Steel Group and is one of the largest specialty steel plants in India with an annual capacity of 1 million tonne per annum. From being a Direct Reduced Iron manufacturer, the Company has become one of the leading players in the field of Long Products with commercial presence across India. A brief summary of TSLP's key operating locations are provided in page 09 of the Integrated Report.

17. Markets served by the entity:

a) Number of locations

Locations	Number
National (No. of States)	28 States and 8 union territories
International (No. of Countries)	11 countries*

*based on last 2 year

TSLP caters to its diverse customer base either directly or through different tier distribution system. The large customers are primarily served directly by the Company. The Company uses single tier distribution system with an exhaustive team of channel partners to serve the Micro, Small & Medium Enterprise segment.

b) What is the contribution of exports as a percentage of the total turnover of the entity?

TSLP serves its international customers with the help of various Tata Steel group companies situated in the relevant geographies. Accordingly, Tata Steel is reporting the split of its sales between India and outside India, which appropriately reflects its international sales. In addition, Tata Steel is also disclosing exports made directly by Tata Steel Limited from India to rest of the world.

	Amt in ₹ Crs	Amt in ₹ Crs
Particulars	2022-23	2021-22
Exports Revenue	401.05	513.32
Total Revenue	7464.07	6801.63
% of exports in total revenue	5.00%	7.55 %

c) A brief on types of customers

TSLP is a premium steel manufacturing company selling high value products to diverse market segments across key geographies. It's market segments have been identified & prioritized based on the broad consuming segments and is in line with long term strategic objectives of the Company.

Key segments that we primarily serve in domestic markets are Automotive (Commercial Vehicle, Passenger vehicle, two/ three-wheeler), Construction, Agriculture, Railway, Defence, General Engineering, Lifting and Excavation & Industrial Products. TSLP's long term strategic objective is to achieve leadership position in the chosen segments – Automotive (Commercial Vehicle, Passenger vehicle, two/ three-wheeler, Component exports), Construction and Agriculture. TSLP's product segment and sub-segment are customised to best serve the needs of its various customers.

TSLP largely serves the B2B customer directly.

IV. Employees

18. Details as at the end of Financial Year:

a) Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	2276	2195	96.44%	81	3.56%
2.	Other than Permanent (E)	11	8	72.73%	3	27.27%
3.	Total employees (D + E)	2287	2203	96.33%	84	3.67%
WORKERS						
4.	Permanent (F)	1015	998	98.33%	17	1.67%
5.	Other than Permanent (G)	7069	6626	93.73%	443	6.27%
6.	Total workers (F + G)	8084	7624	94.31%	460	5.69%

Note 1 - Details as on 31st March 2023, Total Employees and Workers includes Male, Female and Transgender Personnel.

Note 2 - Employees includes Workers. Permanent employees includes all personnel on rolls of the Company excluding those on fixed term contract, who are covered under Other than Permanent Employee. Permanent workers are on rolls of the Company but do not perform managerial or administrative role. 'Other than permanent workers' are third party contractor.

TSLP is dedicated to fostering a workplace that embraces diversity and inclusiveness, regardless of factors such as race, gender, age, nationality, religious or political beliefs, disability, or sexual orientation. The company values the unique experiences and perspectives of its employees and celebrates the diversity that each individual brings. It is committed to treating every employee fairly and respectfully, while maintaining a zero-tolerance policy towards discrimination, bullying, or harassment based on differences in background or thought.

To ensure the promotion of diversity and inclusion, TSLP has established its Diversity & Inclusion policy, known as COLOURS. This policy aims to create an inclusive environment with no tolerance for discrimination, and to cultivate a culture that acknowledges, respects, collaborates, and promotes diversity and inclusion. The Diversity and Inclusion Strategy within the company aligns with the current and emerging needs of its workforce plan, including areas such as Gender Diversity, People with Disabilities (PwD), Affirmative Action for Scheduled Castes and Scheduled Tribes, and LGBTQIA+ inclusion.

Gender diversity is a key focus of TSLP's overall diversity strategy. The company strives to improve gender representation at senior leadership levels and is actively working towards increasing the presence of women across all levels and segments of the organization.

TSLP is dedicated to creating an environment where both LGBTQIA+ and non-LGBTQIA+ employees feel comfortable openly demonstrating their support for LGBTQIA+ inclusion. The company emphasizes the commitment of its senior leaders to LGBTQIA+ inclusion and recognizes the business case for fostering such an inclusive culture.

TSLP believes in social equity and is committed to improving the lives of marginalized communities, particularly the socially and economically disadvantaged Scheduled Caste and Scheduled Tribe communities. The company is working towards providing equal opportunities to these communities in its operational areas and proximate communities, and is focused on promoting access to quality education, technical skills, and entrepreneurship abilities for members of these communities.

In line with its commitment to diversity, TSLP has implemented a special recruitment drive to hire transgender talent and has successfully recruited members from this community for various job roles across its locations. The company plans to continue hiring more transgender individuals based on role requirements.

As part of its efforts to become a preferred organization for women workers, TSLP has set a long-term target to increase Female, PWD, Transgender representation to 10% by FY 2024-25. To achieve this, the company has undertaken several initiatives, including the Women Interactive Engagement Programme (WIN), to enable female employees to seek professional direction, realize new opportunities, to develop, retain, engage and create competent talent pool of women employees, improve leadership competency of women employees and set platform for representation of women in leadership positions, and the RISE policy, which offers career opportunities for women looking to resume their professional careers after personal breaks. Additionally, TSLP has introduced the Jyotismati program, an initiative of company's intent to build capabilities for mobility and employability, aimed at upgrading the skills of women employees and providing training in various job roles such as Store Assistant, Auto Sampler, Safety Marshal, Despatch Coordinator, and First Aider.

TSLP is committed to equal opportunity and inclusive growth for all members of society in terms of employment and advancement. The company's "Affirmative Action Policy" is a step towards achieving this goal.

b) Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	9	9	100%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total differently abled employees (D + E)	9	9	100%	0	0%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	4	4	100%	0	0%
5.	Other than permanent (G)	0	0	0%	0	0%
6.	Total differently abled workers (F + G)	4	4	100%	0	0%

TSLP is committed to providing a fair, equitable and accessible workplace to people with disabilities by eliminating all forms of unlawful discrimination, bullying and harassment of people with disabilities. TSLP actively encourages candidates with different disabilities in employment, career progression, training or any other benefits being solely based on merit. This commitment is outlined in the Company's TSLP's "**Equal Opportunity Policy for Persons with Disabilities (PwD)**".

To take a step forward we have introduced a Policy that is committed to provide a fair, equitable and accessible workplace to people with disabilities by eliminating all forms of unlawful discrimination, bullying and harassment of people with disabilities. We strive to ensure that all our facilities, technologies, information, and other provisions are accessible to people with disabilities. We encourage candidates with different disabilities in employment, career progression, training or any other benefits being solely based on merit.

We will follow an inclusive approach by ensuring that a person with disability is provided with any suitable flexibility and infrastructure that may be required so that the person may be treated fairly.

a. Accessibility to workplace, common places, washrooms, online resources;

b. Support individual requirements towards equality;

c. Behaviour and acceptance by colleagues without any discrimination;

TSLP's "**Equal Opportunity Policy For Persons with Disabilities (PwD)**" is a steps towards this direction.

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	2	20%
Key Management Personnel[1]	3	0	0%
Senior leadership team[2]	10	1	10%

[1]Key Management Personnel includes Managing Director, Chief Financial Officer and Company Secretary and Compliance Officer.
[2]Senior leadership team includes Key Management Personnel.

20. Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	6.59%	14.57%	6.85%	4.89%	4.80%	4.88%	3.64%	5.22%	3.68%
Permanent Workers	5.55%	11.11%	5.64%	4.00%	5.00%	4.02%	4.16%	13.33%	4.35%

Note: Turnover includes Resignation (attrition) + Separation due to Retirement.

The corresponding data for separation by resignations is provided below:

	FY 2022-23	FY 2021-22	FY 2020-21
Permanent Employees	3.8%	2.5%	1.2%
Permanent Workers	0.8%	0.04%	0.00%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Tata Steel Limited	Holding Company	74.91%	No
2.	Neelachal Ispat Nigam Limited	Subsidiary Company	92.68%	No

The Company does not have any Associate Company (including Joint Ventures).

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **Yes**

(ii) Turnover – ₹ 7,464.07 crore

(iii) Net worth – ₹ 2,059.40 crore

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

<table>
<tr><th>Stakeholder group from whom complaint is received</th><th colspan="4">Grievance Redressal Mechanism in Place (Yes/No)</th></tr>
<tr><td rowspan="4">Communities</td><td colspan="4">Yes, To ensure a robust grievance redressal process, the company has implemented a multi- tiered approach that minimizes the possibility of oversight or delay. If an issue requires the attention of higher authorities, it is promptly escalated to the Head of Department (HoD) level or discussed in the weekly CSR review forum.
In order to strengthen this process, the company consistently undertakes a comprehensive array of assessments through external agencies. These assessments include need assessment survey, dip stick survey, impact assessment survey, and rural satisfaction survey. By undertaking these evaluations, the company establishes a solid foundation of essential requirements and expectations, identifies grievances related to ongoing activities, and highlights any areas of inadequacy.
In addition, to foster transparency and open communication, the contact details of the entire CSR team, including the Head and Locational In charges, have been shared with the Panchayat members. This proactive measure encourages Panchayat members to share their valuable observations, complaints, or feedback at any time, creating a continuous feedback loop that further reinforces the company's commitment to social responsibility.</td></tr>
<tr><td colspan="2">FY 2022-23</td><td colspan="2">FY 2021-22</td></tr>
<tr><td>No. of complaints filed during the year</td><td>No. of complaints pending resolution at close of the year</td><td>No. of complaints filed during the year</td><td>No. of complaints pending resolution at close of the year</td></tr>
<tr><td>0</td><td>0</td><td>1</td><td>0</td></tr>
</table>

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)
Investors & Shareholders	Yes, The Company has a Board-level Stakeholders' Relationship Committee (SRC) to review and redress the investors' complaints. The Committee generally meets every quarter prior to the Board Meeting and the Chairman of the SRC apprises in every quarterly Board Meeting about the status of engagement of the Company with various stakeholders. TSLP has appointed TSR Consultants Private Limited (TSR) as the Registrar and Transfer Agents. TSR acts as the single point of contact for all shareholder related queries of the company and closely works with the Company Secretary and Compliance Officer to actively address and resolve all investor and shareholder related issues. TSLP also shares its Quarterly Financial Reports, Annual Integrated Report etc. on its website: www.tatasteellp.com TSLP receives the feedback through Shareholders Satisfaction Survey, available on the website of the Company (www.tatasteellp.com) to assess the level of satisfaction on periodical interval and to know the areas that needs to be improved further. In addition to this, TSLP has a dedicated investors relationship team to address investor queries. The Company Secretary addresses the queries of the retail investors.

FY 2022-23		FY 2021-22	
No. of complaints filed during the year	No. of complaints pending resolution at close of the year	No. of complaints filed during the year	No. of complaints pending resolution at close of the year
5	1	9	0

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)
Employees and workers	Yes, TSLP has a grievance redressal mechanisms for addressing complaints and grievances of employees and workers, as below: • TSLP has rolled out a one-stop solution for all employee issues across all locations called the 'MD Connect' platform that happens every month. This platform helps all employees and workers to put forward their issues and other matters, if any, directly to the Managing Director in the presence of the senior leadership team. This platform helps in speedy redressal of issues, if any of the employees and workers. • TSLP also has a Whistle-Blower Policy and associated mechanisms to redress grievances of all stakeholders, including employees. The link to the Policy is available on TSLP's website and accessible to everybody at https://www.tatasteellp.com/corporate-policies/ • TSLP also has a policy for Prevention of Sexual Harassment (POSH) at workplace to enable the employees to work without fear of prejudice, gender bias, sexual harassment and all forms of intimidation or exploitation. • Grievance Redressal Committee (GRC) has been constituted at each operating location which investigates the grievances of employees of TSLP across all locations. • Workers and union can take up their grievances through Reach-out and Vartalaap and officers can take up their individual grievances to management through their managers and BUHRs. • Further, there is an HR helpdesk for employees to receive and resolve HR queries and concerns in the shortest possible time and enhance employee experience.

FY 2022-23		FY 2021-22	
No. of complaints filed during the year	No. of complaints pending resolution at close of the year	No. of complaints filed during the year	No. of complaints pending resolution at close of the year
0	0	2	0

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)
Customers	Yes, TSLP has formed customer service teams and conducted value connect session under VAVE (Value Analysis and Value Engineering) for key customers, to enhance engagement and provide quick resolution of their issues. The ACE Portal (Customer Complaint and Feedback Management system) launched in FY 2020-21, continues to reap results with increased customer satisfaction. The Company carries out Customer satisfaction and experience survey by an external agency on a periodical interval to understand customer pain points and satisfaction levels across various parameters. Based on the survey outcome of 2022, significant improvement has been observed in CSI scores, from 79.4 in 2020 to 85.4 level for specialty steel business.

FY 2022-23		FY 2021-22	
No. of complaints filed during the year	No. of complaints pending resolution at close of the year	No. of complaints filed during the year	No. of complaints pending resolution at close of the year
120	0	178	0

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)
Value Chain Partners	Yes, TSLP has Vendor grievance redressal mechanisms in place across all its locations. Some key Vendor grievance redressal mechanisms are listed below. A) Ethics related grievances are addressed through a dedicated platform operated by 3rd party vendor. The process provides for a time bound resolution by properly constituted committee. Further, the contact details of the chief ethics counsellor is also shared. B) Business & Transaction related grievances are addressed through the Vendor feedback, Vendor Partner Connect Programs and vendor meetings. C) The Company carries out periodical vendor satisfaction survey through an external agency for its vendor partners. D) Web Link: www.in.kpmg.com/ethicshelpline/tslindia

FY 2022-23		FY 2021-22	
No. of complaints filed during the year	No. of complaints pending resolution at close of the year	No. of complaints filed during the year	No. of complaints pending resolution at close of the year
24	0	14	0

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Materiality assessment has been instrumental in ensuring the Company to retain focus on aspects which enable it to create long-term sustained value. A Stakeholder Engagement and Materiality Assessment exercise was undertaken in FY 2020-21 to map the Materiality of the company on economic and environment, social and governance (EESG) issues. The materiality comprises issues which have been voiced by specific stakeholder groups and have been assessed and prioritized by the Senior Leadership team of the Company.

In the FY 2022-23, the Company revisited the core material issues identified, taking into account the evolving external and internal landscape of the business.

Based on the outcome the following material issues pertaining to environmental and social matters have been identified covering both risks and opportunities.

The last Materiality study was conducted in 2020-21.

S. No.	Material issue identified	SDG linkage	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, an approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Environment						
1	Greenhouse Gas emissions (CO2 emissions intensity per ton of crude steel/ DRI)	7,9, 12, 13, 17	R&O	Climate change and changing regulations - Tata Steel Long Products (TSLP) operating route for Steel making is thru Blast Furnace, which an emission intensive process along with DRI units, hence contributes to global warming. If TSLP fails to meet up to the expectations, there is a potential risk in loss for market share and reputation aswell.	TSLP's approach in mitigation is aligned with TSL Net Zero emissions target and the company had take various initiates like maximizing green power generation, reducing the coal and fuel consumption through several initiatives, exploring new technologies on Carbon Capture & Usage to reduce its carbon footprint. TSLP has detailed out long term decarbonization plan through various capex and opex intensive initiatives and deploying the same in a time bound manner.	Negative
2	Energy Management (Specific energy consumption)	7, 8, 9, 11, 13	O	Production of steel is a highly energy intensive process and TSLP consumes a large quantity of energy across multiple sources: coal,electricity and other fossil fuel. Energy efficiency and management initiatives helps TSLP to manage and optimise energy consumption across its operations, resulting in lower operational costs (through lower consumption of energy), greater resilience in the event of energy disruptions, and greater ability to respond to regulatory obligations.	The process waste heat recovered from Coke Oven and DRI units has been further utilized for Green power generation to the tune of 65MW. The Blast Furnace coke rate reduced thru the injection of PCI coal. TSLP is also working with the Bureau of Energy Efficiency in India to identify and implement energy efficiency projects. TSLP has initiated the usage of Bio-Char in overall fuel charge in coal-based power units enabling the reduction of thermal coal usage.	Positive
3	Air Pollution/ Air Quality Management (Stack dust emissions, Ambient Air Quality-PM 10)	3, 11, 12, 13	R	Ambient air pollution issues raised by community - Non-compliance related to regulatory requirements with respect to air pollution at any of the TSLP sites may lead to adverse impact on the health and safety of employees / workers / community, environmental compensation by regulatory authorities, financial loss due to stoppage of operation, withdrawal of license to operate and can lead to loss of reputation	1. We are investing in various environment improvement projects such as the upgradation of pollution control equipment & ESPs, and the installation of new dust extraction and dust suppression systems to reduce stack dust and fugitive dust emissions. 2. Company is also ensuring the health and connectivity of the installed online continuous Stack Emission and Ambient Air quality analyzers further connected to the State and Central Pollution Control Board. 3. TSLP also closely monitors the Ambient Air Quality	Negative
4	Water consumption (Total freshwater consumption per ton)	6, 9, 12, 13	R	TSLP utilises a good amount of water in its processes and draws this water from near by river. TSLP higher water usage may lead to environmental compensation by regulatory authorities, financial loss due to stoppage of operation and withdrawal of license to operate. Additionally, as a result of climate change, access to fresh water is expected to reduce in certain locations, making water a scarce resource. TSLP will need to minimise water requirement and maximise water recycling to be cost efficient.	1. Addressing water scarcity through 4R framework of Reduce, Reuse, Recycle and Recover and using best available technologies. 2. Minimising withdrawal of fresh water from river by maximising the recycling of treated waste effluents within the plant by operating with Zero Effluent discharge from Works premises. 3. Arresting all the water leakages to reduce the fresh water consumption	Negative

S. No.	Material issue identified	SDG linkage	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, an approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Waste management	3, 6, 12, 13, 14	O	Recycling and reusing generate additional revenues - Steel as a material lends itself handsomely to circularity and is recyclable as ferrous scrap to produce new steel. TSLP produces inhouse generated steel scrap and process by-products which can either be reused into its own process (and reduce operating costs) or be sold to external parties (e.g. sale coal ash generated, BF slag to the cement industry, DRI waste material), creating additional revenue for the Company.	(a) TSLP aims to maximise the amount of scrap charged into its existing EAF based steelmaking operations. (b) TSLP has set up its Industrial By-Products Management Division (IBMD) which operates on the 3R principle - Recover, Re-use and Re-cycle, and generates revenue from sale of By-Products which are not useful for TSLP but can act as a raw material for other industries. The ByProducts include sale of Coal tar, Various types of Scrap, Granulated and Ground granulated blast furnace slag, Iron oxide, lazy goods & miscellaneous items, Pooled iron etc. (c) TSLP has several initiatives to improve the energy efficiency of the operating units across all locations and already recovers a large part of its process by-product generated in Iron making & Steel making and processed thru the Sinter plant.	Positive
6	Biodiversity (Development of Biodiversity Management Plans for all sites)	6, 11, 13, 15	R	Regulatory risks and increased spend due to requirements of forest diversion and other compliances and restoration of biodiversity loss	TSLP has conducted site specific biodiversity study for all the three location. Location specific detailed plan is being developed based on the study findings.	Negative
Operational						
7	Occupational Health and Safety (OHS) (Lost Time Injuries, fatalities)	3, 8, 16	R	TSLP has a good number of employees and contract workers working across all sites. In addition, many of the group company's steel plants are situated in close proximity to the wider community (e.g., Jamshedpur, Joda, Kalinganagar). Therefore, ensuring the safety of its employees, contract workers and communities is critical for continued regulatory and social license to operate, especially considering process-related hazard in steelwork. In case safety-related processes or the performance of the Company is deemed inadequate, or in case of a significant safety incident, a prohibition order from the government may also lead to the partial closure of the plant. Each safety incident also has a negative impact on the health, well-being, and morale of employees along with a negative reputational impact on the Company. They may also result in operational and financial loss to the Company, including potential partial closure of the plant.	TSLP safety and health responsibilities are driven by our commitment to zero harm to the people we work with, and the community at large. We endeavor to achieve this objective through a robust safety management system framework and a sound safety governance structure.	Negative

S. No.	Material issue identified	SDG linkage	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, an approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8	Sustainable mining (Mines performance parameters)	12	R	Huge accumulation of Low grade Iron ore inventory at mine head might create safety and environmental issues.	TSLP has take several steps to mitigate the issue, like creation of additonal storage space in mining pit & also explore other places for ore movement. Various safety and Environmental drives have been taken for sustainable mining such as installation of coir mats at mines waste dump, Tarpaulin cover at fines stack, development of check dam and retaining wall etc	Negative
9	Technology & Innovation (New product development, Number of Innovista projects, Projects related to technology)	8, 9, 13, 17	O	TSLP is focused on the production of high-value-added or differentiated steel, which enables us to align with the vision of the company. Our continuous focus on New Product Development, new technologies, and innovation in products and processes is critical for leadership in chosen segments, and access new markets. Research & Development and Innovation are also critical for TSLP for cost competitiveness through continuous improvement in process efficiency and resource utilization.	TSLP aspires to be a benchmark in the Indian Long Product Industry for value creating and corporate citizenship and are consistently using technology and innovation to build a rich portfolio of future ready high value-added products. We continuously focus our research efforts to be a leadership position in a chosen segment like CV, PV, 2W etc. We also collaborate with the academia and others to identify the best ideas and technologies.	Positive
10	Supply Chain sustainability (supplier assessments, supplier awareness and training)	8, 12, 13, 17	R	TSLP has a long-integrated value chain that extends from mining to finished steel products, with an interconnected network of suppliers, mines, ports, manufacturing locations, stockyards, warehouses, processing facilities, and customers, handling over 700 KT of Steel and 650 KT of DRI material in a year. The production, transportation, storage, and handling of materials like iron ore, coal, limestone, refractory, ferro alloys, fluxes, etc. have a negative impact on the environment. These materials also have an adverse impact on the environment during their use in iron and steelmaking. By implementing environmentally and socially responsible supply chain practices, companies can protect the long-term viability of their business and secure a social license to operate. Better scope 3 performance will also have a positive reputational impact and help achieve the group cpmpnay net Zero target	TSLP also aims to align Tata Steel Scope 3 emissions for all modes of transportation, giving it an equal focus as Scope 1 & 2 emissions. TSLP also launched Responsible Supply Chain Policy, which covers issues related to ethics, human rights, health & safety, and environmental sustainability. These policies are incorporated in the vendor qualification process and all vendors are made aware of and are required to adhere to these policies. Implementation of a Responsible Supply Chain Policy will also help in de-risking the Company's supply chain.	Positive

S. No.	Material issue identified	SDG linkage	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, an approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Social						
11	Employee wellbeing and development (Employee strength, employee productivity, employee training)	3, 4, 5, 8, 10	R, O	Risk: TSLP plant locations have a relatively lesser availability of urban infrastructure compared to large cities, making access to skilled manpower a risk for both the expansion phase and the operations phase at these sites. Opportunity: TSLP believes that Employee Well-being and Development create a healthy company culture, better employee satisfaction, and higher employee engagement and therefore, help attract and retain talent. The Company's ability to attract and retain talent provides the Company with a competent and experienced workforce and reduces recruitment costs for the Company. A high-quality and motivated workforce is critical for TSLP to achieve its vision of 'Be a benchmark in the Indian Long Product Industry for value-creating and corporate citizenship'.	TSLP also believes that people are our greatest asset, and we adopt best practices to ensure healthy employee relations, employee growth, and development as well as work satisfaction. Our agile working model has further strengthened the trust and outcome-based working culture while offering remote working flexibility to employees. We also provide industry-leading social security benefits to employees and their families. TSLP introduced several policies and practices for employee welfare and well-being and we continue to invest in our people, processes, and supporting ecosystem.	Positive
12	Diversity & Inclusion (Employee gender ratio, employee diversity mix, employee inclusion mix)	5, 8, 10, 16, 17	R & O	The potential risks associated with the lack of diversity and inclusivity within an organization. The risks arise if compnay fails to embrace diversity in terms of race, gender, ethnicity, age, sexual orientation, disability, and other characteristics, as well as when they do not foster an inclusive culture that values and respects differences. Failing to prioritize D&I can lead to reputational damage, legal and regulatory consequences, diminished innovation and creativity, and negative impacts on employee engagement and productivity.	TSLP adopted proactive strategies and initiatives, such as implementing diversity and inclusion programs, establishing diverse hiring practices, promoting inclusive leadership, and fostering a culture of respect and inclusion. The Company prioritize diversity and inclusion as one of the focus area and integrated it into their policies, practices, and decision-making processes	Positive
13	Quality of life and development of proximate communities (Lives reached through CSR, CSR spend and initiatives, number of volunteering hours)	1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 12, 13, 17	R & O	TSLPs located in close proximity to the wider community. A mutually beneficial, two way relationship with the community, anchored by transparency and trust, is critical for TSLP to continue to retain its social license to operate. A deep engagement with the community fosters goodwill and helps maintain the public consent to operate. It also brings in a number of long-term benefits in terms of community support, loyalty, source of future employees and capital and the fostering of goodwill, which in turn helps raise awareness of the Company's products and/or services.	TSLP engages with community stakeholders, such as residents, local organizations, and community leaders, to understand their concerns, expectations, and needs. Actively seek their input and involve them in decision-making processes that may affect the community. Addressing immediate community needs, the company employs a five-pronged approach that focuses on sustainable interventions in areas such as education, essential services, livelihood, health and sanitation, and youth engagement	Positive

S. No.	Material issue identified	SDG linkage	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, an approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
14	Development of AA vendors and community (Affirmative Action suppliers – number and volume)	1, 2, 3, 4, 8, 10, 11, 16, 17	O	To address reduce socioeconomic disparities, vendors and supporting the local community is an important aspect of corporate social responsibility and diversity and inclusion efforts. It addresses the specific needs and challenges faced by AA entrepreneurs and contributes to economic empowerment and social progress.	TSLP focuses on the development of AA vendors and supporting the local community, company also closely works with MSMEs to maximize the domestic supply sourcing for spares consumables and developed local vendors in to work along in building stronger communities, promoting entrepreneurship and innovations, enhancing their reputation, and meeting stakeholder expectations.	Positive
Goverance						
15	Corporate Governance (Board/ committee governance, Disclosures & Reporting, Ethics & Compliance, Risk management)	8, 9	R	Corporate governance risk refers to the potential risks associated with the way a company is governed and how it operates at the board and management level. These risks can arise from various factors, including the structure and composition of the board of directors, the effectiveness of internal controls and risk management processes, and the ethical standards and behavior of company executives.	The company has established robust internal control systems to ensure compliance with laws, regulations, and internal policies. Regularly assess and update compliance practices to stay abreast of changes in laws, regulations, and industry standards. TSLP maintains open lines of communication with shareholders, providing timely and accurate information about the company's performance, strategy, and governance practices.	Negative
16	Business ethics, integrity and transparency (Whistle-blower cases closed, Sexual harassment cases closed, Implementation of Anti-bribery and Anti-corruption policy)	8, 9	R	The potential risks associated with ethical lapses or misconduct within an organization which encompasses actions or decisions that violate ethical principles, laws, regulations, or industry standards. Failing to uphold high ethical standards can lead to reputational damage, legal and financial consequences, loss of stakeholder trust	TSLP established the standards of ethical conduct required for our stakeholders through TCoC procedures and other applicable guidelines and policies, such as Whistleblower Policy for Directors and Employees, Gifts and Hospitality Policy, Conflict of Interest Policy for Employees and Prevention of Sexual Harassment Policy, covering all employees. Taking a step forward, ethics is being deeply enrooted across the organisation (including vendor partners) to create a safe and healthy workplace, free from any prejudices and biases. The Company has zero tolerance to Ethics and POSH related matters.	Negative
17	Stakeholder engagement & Collaboration (Stakeholder grievance management forums, stakeholder grievances addressed during the year)	1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 17	R & O	The potential risks associated with the way a company interacts and engages with its stakeholders, including employees, customers, suppliers, investors, communities, and regulatory bodies. These risks arise from various factors, such as inadequate communication, insufficient consideration of stakeholder concerns, and a lack of transparency or responsiveness. Failing to effectively engage stakeholders can result in reputational damage, loss of trust, regulatory issues, and hindered long-term success.	TSLP has adopted proactive strategies to engage stakeholders effectively and address their concerns. Some key mitigation measures include Robust Communication Channels, Stakeholder Mapping, and Analysis, Regularly Monitoring and Reporting, and educating stakeholders about the company's operations, challenges, and goals to foster understanding and alignment.	Negative

S. No.	Material issue identified	SDG linkage	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, an approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
18	Risk Management (Identification, monitoring measurement, and mitigation plans for key risks)	3, 8	O	Proactive risk management helps maintain public trust and confidence in the company's operations and ethical practices. Identifying these risks allows companies to take proactive measures to protect the interests of these stakeholders and prevent potential harm.	TSLP deployed the Enterprise Risk Management process based on international standards like the Committee of Sponsoring Organisation of the Treadway Commission ('COSO') and ISO 31000. Over the period, the company is building a risk-intelligent culture within the organization to support our decision-making process and improve our performance. We effectively evaluate the risk-reward ratio and dynamically assess their impact on our value-creation abilities. The company proactively identifies potential areas of vulnerability, based on the overall score, all risks have been classified into Class A, B, and C categories, in terms of their priority. Board committee regularly reviews and provide necessary guidance to improve	Positive
19	Information and Cyber security (Number of projects related to IT infrastructure strengthening)	8,9, 17	R & O	The company's operations heavily depend on IT and digital infrastructure, making it susceptible to potential risks that can compromise the confidentiality, integrity, and availability of sensitive data. Data breaches and cyberattacks pose significant threats that can disrupt business operations. Moreover, non-compliance to IT legislations and regulations may lead to imposition of penalties and adverse impact on Company's reputation.	The company conducted an external assessment of its cybersecurity system to evaluate its health, resulting in the development of a comprehensive action plan. The plan focused on strengthening areas such as end user and network security, secure access, and continuous monitoring. Through successful implementation of the identified measures, the company has enhanced its cybersecurity system to meet benchmark levels. Additionally, regular cybersecurity posture assessments and security audits are conducted to identify and address potential vulnerabilities.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

TSLP's Policies	NGRBC Principles								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Affirmative Action Policy	√		√	√	√			√	
Alcohol and Drugs Policy			√						
Anti-Bribery and Anti-Corruption Policy	√						√		
Anti-Money Laundering Policy	√								
Climate Change Policy for Tata Companies		√				√			
Code of Corporate Disclosure Policy	√			√			√		
Corporate Social Responsibility Policy				√				√	
Consequence Management Policy			√						
Data Privacy Policy									√
Dividend Distribution Policy				√					
Document Retention and Archival Policy	√								
Diversity and Inclusion Policy			√						
Energy Policy									
Environmental Policy		√				√			
Equal Opportunity Policy			√		√				
HIV Policy			√						
Information Security Policy									√
Prevention of Sexual Harassment Policy (POSH)			√		√				
Policy for determining 'Material' subsidiaries	√			√					
Policy on dealing with Related Party Transactions	√								
Policy on determination of Materiality for Disclosures	√			√					
Policy for receipt of Gift and Hospitality									
Quality Policy		√							√
Remuneration Policy of Directors, Key Management Personnel and other Employees	√								
Responsible Supply Chain Policy and Guidelines		√	√	√	√	√			√
Risk Management Policy		√							
Safety & Health Policy		√	√						
Tata Code of Conduct (TCoC)	√	√	√	√	√	√	√	√	√
Whistle Blower Policy for Directors and Employees	√		√	√			√		√
Whistle Blower Policy for Business	√		√	√			√		√

P1 : Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable

P2: Businesses should provide goods and service in a manner that is sustainable and safe

P3: Businesses should respect and promote the well-being of all employees, including those in their value chains

P4: Businesses should respect the interests of and be responsive to all its stakeholders

P5: Businesses should respect and promote human rights

P6: Businesses should respect and make efforts to protect and restore the environment

P7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

P8: Businesses should promote inclusive growth and equitable development

P9: Businesses should engage with and provide value to their consumers in a responsible manner

<table>
<tr><th colspan="2">Disclosure Questions</th><th>P1</th><th>P2</th><th>P3</th><th>P4</th><th>P5</th><th>P6</th><th>P7</th><th>P8</th><th>P9</th></tr>
<tr><td colspan="11">Policy and management processes</td></tr>
<tr><td>b.</td><td>Has the policy been approved by the Board? (Yes/No)</td><td colspan="9">Yes, TSLP's Governance provides for approval of key policies by the Board or a Committee of the Board or the Managing Director of the Company, based on the nature of the policy and the associated regulatory
requirements (if any). Accordingly, all policies of TSLP are approved by one of the three above-mentioned authorities.
Key policies approved by Board and/or various Board committees are listed below:
1. Anti-Bribery and Anti-Corruption Policy
2. Anti-Money Laundering Policy
3. Dividend Distribution Policy
4. Document Retention and Archival Policy
3. Prevention of Sexual Harassment at Workplace Policy
4. Corporate Social Responsibility Policy
5. Policy on determination of Materiality for Disclosures
6. Policy on Related Party Transactions
7. Policy on Appointment and Remuneration of Directors and KMPs
8. Tata Code of Conduct
9. Policy on determination of material subsidiaries
The remaining policies of TSLP are approved by the Managing Director of the Company.</td></tr>
<tr><td>c.</td><td>Web Link of the Policies, if available</td><td colspan="9">The Policies covering these principles are available on the Company's corporate website under 'Corporate Policies' section. Link - https://www.tatasteellp.com/corporate-policies/</td></tr>
<tr><td>2.</td><td>Whether the entity has translated the policy into procedures. (Yes / No)</td><td colspan="9">Yes, all the policies stated above have been translated into procedures by the various internal committees of the Company.</td></tr>
<tr><td>3.</td><td>Do the enlisted policies extend to your value chain partners? (Yes/No)</td><td colspan="9">Yes, TCOC and the Responsible Supply Chain Policy are the stage-gate for registration of all vendors for TSLP. In case any vendor either does not accept TCOC or is in its breach, the relationship is terminated- following due procedure.</td></tr>
<tr><td>4.</td><td>Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.</td><td colspan="9">TSLP supports, adopts, and complies with multiple domestic and international standards, as relevant. Some key certifications are listed below:
1. Key sites of TSLP are Certified under
• ISO 9001:2015(Quality Management System Standard)
• ISO 14001:2015 (compliance to environmental management system)
• ISO 45001:2018 (Occupational Health & Safety Management)
• ISO 50001:2018 (Energy Management System)
2. TSLP Labs are certified under ISO/IEC 17025:2017 (General requirements of competence of testing and calibration laboratories)
3. Gamharia site is certified under IATF 16949:2016(Quality Management System Standard)
4. TSLP has a basket of Bureau of Indian Standards approved products.</td></tr>
</table>

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	In line with our vision, aligning it with groups vision on Corporate Citizenship, we have set the Environmental, Social & Governance (ESG) ambitions for the organization, which drive our initiatives across the Company. The goals are classified into short term and long term for effective management and governance. **Environmental Goals:** 1. Climate Change a) 2045: Net Zero emissions for the Tata Steel Group. 2. Dust Emission a) 2025: Achieve specific dust emission intensity of 1.24 kg per tonne of crude steel b) 2030: Achieve specific dust emission intensity of < 0.72 kg per tonne of crude steel 3. Product Sustainability a) 2023: Cover 100% of steelmaking products under Life Cycle Assessment 4. Water a) 2025: Achieve specific freshwater consumption of 5.13 m3 per tonne of crude steel b) 2030: Achieve specific freshwater consumption of < 3.0 m3 per tonne of crude steel 5. Biodiversity a) 2025: Development of Biodiversity management plan for 3 sites b) 2030: Strive for no net loss of biodiversity in designated areas of influence in India as group target. 6. Circular Economy a) 2025: Achieve material efficiency of 99% at all Indian steelmaking sites b) 2030: Sustain material efficiency at 100% at all Indian steelmaking sites **Social Goals:** 7. Safety: a) 2030: Achieve zero harm for TSLP 8. Diversity: a) 2025: Achieve 10% diversity (Gender, PWD, LGBTQIA+) in workforce 9. Local Community development: a) Reach >2 lakh lives per annum through Corporate Social Responsibility initiatives, by 2030. **Governance Goals:** 10. Supply Chain: a) 2027: Coverage of 100% critical supply chain partners for Environment, Social and Governance risk assessment for TSLP. b) 2030: Integrate Environment, Social and Governance performance of critical supply chain partners in procurement decision-making for TSLP (Assessment & coverage in line with ResponsibleSteelTM guidance) Some of the key initiatives implemented in FY 2022-23 include: 11. R&D and Technology a) 2026: Be among top 3 in special alloys steel industry in India								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	**Reduction in energy consumption:-** • ~15 % reduction in TSLP Energy intensity from 8.13 Gcal/Tcs (in Fy'21-22) to 6.88 Gcal/Tcs (achieved in Fy'22-23) • ~46% reduction in LDO consumption at Blooming Mill from FY 21-22. • ~14% reduction in LDO consumption at Wire Rod Mill from FY 21-22. • ~11% reduction in LDO consumption at Straight bar Mill from FY 21-22. • ~6% reduction in Coal consumption at DRI from FY 21-22. **Electrical power saving across TSLP:-** • Power saving of 3581 KVAH/day at Blooming by installation and commissioning of 0.44 KV,700 KVAR rated Capacitor bank. • Power saving of 1100 KVAH/day at Captive power plant (15 MW, WHRB 4 and 5 & 30 MW Pump house) by installation and commissioning of 0.44 KV, total of 2600 KVAR rated Capacitor bank. • Power saving of 2238 KVAH/day at Steel melting shop, after reconditioning of 0.44 KV,400 KVAR rated Capacitor bank. • Power saving of 10,293 KVAH/day at Sinter by Installation and commissioning of 6.6 KV medium voltage drive in sinter tail ID fan and by installation and commissioning of 0.44 KV, total of 300 KVAR rated Capacitor bank. • Power saving of 5934 KVAH/day at DRI by Installation and commissioning of 13 Nos (160-90 KW) VVFD drive in DRI DE ID fan and ABC fan. **Reduction in Emissions:** Reduction of CO2 emission is identified as one the foremost strategy under Environment and Sustainability. Detailed annual business plan and long-term plan on key enablers are drawn for reducing CO2 emission and monitored closely throughout the year. Annual targets for CO2 reduction are decided which include reduction in Sp. coal consumption at DRI, reduction in fuel rate at Blast furnace, Maximization of Char usage in power plant as fuel substituting coal, maximising green power generation, increase scrap recycling etc. The performance is reviewed at regular basis at the apex level and course correction, if any is done to achieve best results. The Sp.CO2 emission intensity at Gamharia had dropped from 4.39 t CO2/tcs to 4.02 t CO2/tcs through various initiatives as listed below and at Joda had dropped from 1.75 tCO2/t DRI to 1.74tCO2/t DRI through effective operational control and it is the benchmark in Sponge division. **Key Highlights:** 1. Restricted operation of one coal-based power plant 2. Maximising Green Power generation from 311 MU to 398 MU 3. Maximising char utilisation from 6% to 17% 4. Reduction in Sp. Coal Consumption of DRI from 994 kg/ t DRI to 943 kg/ t DRI The annual maintenance contract (AMC) for Operation & Maintenance of pollution control equipment (PCE) was introduced which increased the PCE availability over 90%. Overhauling of ESPs and discipline operational controls resulted in drop in particulate matter (PM) emission by over 13% as compared with previous year at Gamharia plant. To reduce dust levels in the workplace environment and to improve ambient air quality within the Gamharia plant capital approval of ₹ 42.78 crores has been accorded. Under this approval, 11 projects are under various stages of implementation. There had been substantial reduction in PM, SOx emissions at the sponge iron plant at Joda. Drop of around 18% in particulate matter emissions compared to previous year was achieved in FY'23 through addition of fields in electrostatic precipitator (ESP) of Kiln2.								
	Reduction in Fresh Water Consumption: Around 3.62 MGD (16500 KLD) of fresh water is drawn from river Subarnarekha on daily basis and being supplied after pre-treatment to the plant for use. Water is utilized both for industrial and domestic purpose. Water being a scare resource, the company constantly explores opportunities for reduction in usage of fresh river water through alternatives. 100% utilization of treated effluent water from effluent treatment plant (ETP) and treated sewage water from sewage treatment plant (250KLD) are few initiatives undertaken in recent times. **Key Highlights:** • Reduction in Sp. Water consumption at Gamharia in FY23 (5.81KL/ tcs) by 7% w.r.t FY22 (6.23 KL/ tcs). • Use of treated wastewater from ETP for operation of 'Mist Beam' at RMHS Yard (Saving 100 m3/day) • Usage of ETP water for slag cooling at SMS in place of fresh water (250 m3/day) • Use of treated water at Batching Plant. (60 m3/day) • Maxime use of treated water for gardening purposes (10 m3/day) • Maximize usage of ETP water for fire hydrant at Joda (60 m3/day) Increasing recycling, reuse 100% recycling of treated effluent from ETP and STP. The treated effluent is used at DRI, Pellet plant, Coke Even, Slag cooling at MBF and SMS, Operation of dry fog and mist cannon, dust suppression activity and gardening purpose. • Total treated waste water reused (FY23) = 2464150 KL								

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<tr><th>Disclosure Questions</th><th>P1</th><th>P2</th><th>P3</th><th>P4</th><th>P5</th><th>P6</th><th>P7</th><th>P8</th><th>P9</th></tr>
<tr><td colspan="10">Governance, leadership and oversight</td></tr>
<tr><td colspan="10">7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)
At the core of our growth objective is our focus on Environmental, Social and Governance parameters. We already have a long-term ESG strategy on which we are progressing confidently. During FY 2022-23, we looked at strengthening the systems and processes — striving for business excellence through the implementation of better safety practices and capability building. The community remains at the heart of our operations. In keeping with the Tata ethos, we will be prioritising the promotion of inclusive social development through our CSR initiatives in health, education, sanitation and livelihood enhancement. – T. V. Narendran, Chairman</td></tr>
<tr><td>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</td><td colspan="9">The Board of TSLP is the highest authority responsible for the oversight of the implementation of Business Responsibility policies.
The Managing Director of the Company is the highest authority responsible for implementation of all policies in TSLP.</td></tr>
<tr><td>9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</td><td colspan="9">The overall responsibility for implementation of TSLP's key sustainability related policies rests with various committees of the Board:
1) The Safety, Health and Environment committee of the Board is to oversee the policies relating to Safety, Health and Environment related performance and their initiatives and their implementation across TSLP.
2) The Corporate Social Responsibility (CSR) Committee is to govern and review the societal obligations and responsibilities of the Company from time to time. The Committee recommends the annual business plan for corporate social responsibility initiatives to the Board for its approval. The plan includes resource requirements and allocation across interventions and locations. The Committee also receives regular update on the performance of the Company against such Annual Business Plan,
3) The Risk Management Committee (RMC) is responsible for framing, implementing, and monitoring the risk management policy of the Company. The committee assists the Board to oversee key risks, including strategic, financial, operational, sectoral, sustainability (Environment, Social and Governance) related risks, information & cyber security and compliance risks. The Committee ensures that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company and reviews the adequacy of the risk management practices and actions deployed by the management in respect of identification, impact assessment, monitoring, mitigation and reporting of key risks to the achievement of business objectives.
4) The Stakeholder Relationship Committee is to consider and resolve the grievances of the shareholders of the Company. The company periodically carries out benchmarking activities with leading industry players of different segment for continuous improvement of governance practices.
In addition, the scope of this committee has been expanded to oversee the engagement programs with other stake holders such as vendors, employees, customers, govt authorities and communities for long term sustainable operations.
These committees appraise the summaried outcome to the Board on quarterly basis for their respective areas. This enables the Board to get a holistic view on the sustainability related aspects.</td></tr>
</table>

10. Details of Review of NGRBCs by the Company:

<table>
<tr><th rowspan="2">Subject for Review</th><th colspan="9">Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee</th><th colspan="9">Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)</th></tr>
<tr><th>P1</th><th>P2</th><th>P3</th><th>P4</th><th>P5</th><th>P6</th><th>P7</th><th>P8</th><th>P9</th><th>P1</th><th>P2</th><th>P3</th><th>P4</th><th>P5</th><th>P6</th><th>P7</th><th>P8</th><th>P9</th></tr>
<tr><td>Performance against above policies and follow up action</td><td colspan="9">The Senior Management of the Company regularly reviews the performance of the Company against various policies. Key aspects of such reviews are also updated to the Board and various Board Committees by the Management from time to time.</td><td colspan="9">On a continuous basis.</td></tr>
<tr><td>Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances</td><td colspan="18">The Company is in compliance with the existing regulations as applicable and a Statutory Compliance Certificate on applicable laws is provided by the Managing Director/ Chief Financial Officer / Company Secretary and Compliance Officer to the Board of Directors.</td></tr>
</table>

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

Yes. Various assessments were undertaken by qualified external assessors to evaluate TSLP policies, resulting in valuable feedback and recognitions. The assessment was conducted prior to the acquisition of Usha Martin Limited's Steel Business in 2019 and after the post merger in collaboration with Tata Steel Limited.

Pre-acquisition Assessment:

In 2019, before the acquisition of Usha Martin Limited's Steel Business, TSLP, previously known as Tata Sponge Iron Limited, underwent an external assessment as part of the Tata Business Excellence Model (TBEM) framework. The assessment was based on the Malcolm Baldrige National Quality Award Model of the USA. Trained external assessors evaluated all key policies and their implementation, assigning a score to each area. TSLP received the prestigious JRDQV award and was recognized as the 'Industry Leader' under the TBEM Assessment for the Assessment Year 2019.

Post-merger Assessment:

Following the merger and acquisition of UML business, TSLP collaborated with its parent organization, Tata Steel Limited, to revisit and modify existing policies. Additionally, new policies were rolled out to align with Tata Steel Limited. The aim was to leverage the expertise and best practices of Tata Steel to enhance the effectiveness of TSLP policies. In 2021, Tata Steel underwent TBEM assessment and was recognized as a "Benchmark Leader," further reflecting the organization's commitment to excellence.

Additional Assessments:

Apart from the TBEM assessment, TSLP also participated in various assessments in 2022 and 2023 to evaluate the effectiveness of its policies. These assessments included the CII Quality Assessment, CII Productivity Assessment, CII HR Excellence Assessment, CII Sustainability Assessment, CII TPM Assessment, and Tata Affirmative Action Assessment. Qualified external assessors reviewed TSLP policies and provided valuable feedback and recognitions based on their evaluations.

TSLP policies underwent rigorous assessments, both pre, and post-acquisition, to ensure their effectiveness and alignment with industry standards. The organization's participation in various assessments allowed for continuous improvement and recognition of its policies by external assessors. TSLP remains committed to maintaining the highest standards and continually improving its policies based on the valuable feedback received.

TSLP Risk governance structure has been developed and implemented across the organization and is steered by the Risk Management Committee of the Board. The Company also has an Apex Committee which is responsible for the successful implementation and review of the ERM process across the Company. The Company follows a 5 step ERM process (establish context, risk identification, risk assessment & evaluation, mitigation & monitoring, and review & report) for holistic risk identification across the organisation. The Company through the ERM framework has identified several strategic, macroeconomic, financial, operational, regulatory, and other risks. Post the identification of these risks, the Company has also assessed these risks and developed short-term and long-term plans to mitigate or reduce these risks. Additionally, the Company is focusing on building the capability of its employees to enable each manager to act as a risk manager.

TSLP's IT system is assessed by PWC and E&Y from time to time e.g. SAP, Cloud security, Cyber security Internal Applications, Networks, etc. These assessments and audits help the company to modify its IT Policies and ensure the deployment & effectiveness of the same.

TSLP has also obtained certification under various national and international standards, including ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018, etc. These certifications also include an assessment of the policies of the Company by independent external assessors.

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Not applicable.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topic/principles covered under the training and its impact	% of persons in respective category covered by awareness programme
Board of Directors	Ongoing- Multiple trainings throughout the year	Matters related to Safety, Health and Environment, Strategy/ Industry Trends, Ethics & Governance, Legal & Regulatory matters are frequently discussed and deliberated upon in the Board and various Committee meetings. Training and Awareness workshops on relevant topics such as safety scenario planning are conducted based on identified needs. Details of orientation given to the new and existing Independent Directors are available at https://www.tatasteellp.com/storage/2023/05/Familiarization-Independent-Directors-2022-23.pdf	100%
Key Managerial Personnel (KMPs)	On going- Multiple trainings throughout the year	Regular awareness programs are held for KMPs covering areas of ethics, governance, code of conduct and policy making.	100%
Employees and Workers	On going- Multiple trainings throughout the year	TSLP conducted multiple remote and classroom sessions throughout the year on key topics such as Safety, the Tata Code of Conduct, Anti-Bribery and Anti-Corruption Policies, Conflict of Interest, Prevention of Sexual Harassment policies, Gift and Hospitality Policy etc., for employees and workers across management and non-managerial levels. These training sessions are mandatory for all employees.	100%

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website:**

Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (in ₹)	Brief of Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	Nil	Nil	0	Nil	No
Settlement	Nil	Nil	0	Nil	No
Compounding Fee	Nil	Nil	0	Nil	No

Non-Monetary				
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred (Yes/No)
Imprisonment	Nil	Nil	Nil	No
Punishment	Nil	Nil	Nil	No

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
Not Applicable	Not Applicable

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, TSLP has an Anti-Bribery and Anti-Corruption (ABAC) Policy.

The Policy reflects the commitment of the Company and its management for maintaining highest ethical standards while undertaking open and fair business practices and ensure the prevention and detection of fraud, bribery and corruption The ABAC Policy is applicable to all individuals working at all levels and grades, including directors senior executives, senior managers, officers, other employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, interns, seconded staff, casual workers and agency staff, agents, or any other person associated with our company and such other persons, including those acting on behalf of our company, as designated by the Compliance Officer from time to time (all of the aforesaid being collectively referred to as "Designated Persons")

TSLP, from time to time, designates the Compliance Officer to ensure compliance with the provisions of this ABAC Policy ("Compliance Officer") and the same is notified to the Designated Personnel.

Weblink: https://www.tatasteellp.com/storage/2021/10/Anti-Bribery-Anti-Corruption-Policy.pdf

5. **Number of Directors against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2022-23	FY 2021-22
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. **Details of complaints with regard to conflict of interest:**

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Nil	0	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Nil	0	Nil

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

Leadership Indicators

1. **Awareness programs conducted for value chain partners on any of the Principles during the financial year:**

TSLP takes several initiatives to create awareness amongst its value chain partner on key issues related to the 9 Principles of the National Guidelines for Responsible Business Conduct. Most of the awareness programs were conducted for the value chain partners and the same may be broadly classified into three segments i.e. Safety, Ethics and Business Responsibility:

a) Safety: The Company has set a target to achieve "Zero Harm" and establish itself as a leader in safety and health performance within the industry. As part of this endeavor, the Company has made it mandatory for functional heads to visit the shop floor of each business unit daily. Their purpose is to ensure that appropriate safety measures are in place and to emphasize the importance of safety and security to all personnel. Regular line walks are conducted across the plant premises to identify any gaps and take proactive measures to prevent accidents.

Multiple safety policies have been implemented by the Company to provide clear and concise guidance for ensuring the safety and health of employees, workers, and value chain partners. These policies align with the Company's commitment to maintaining a safe and healthy work environment. To equip employees and workers with the necessary knowledge and skills to perform their jobs safely, the Company has developed comprehensive training and communication mechanisms. Regular safety briefings, tool talks, and safety drills are conducted to reinforce the significance of safety and to ensure that safety practices remain a top priority.

In order to enhance safety measures and raise awareness, the Chief Safety Officer shares past and current incidents that have occurred within the Company and the Tata Group. The aim is to learn from these incidents and apply the lessons to benefit all employees. This transparent sharing of incidents helps to strengthen safety features and fosters a collective understanding among the workforce regarding potential risks and preventive measures.

b) **Ethics and POSH**: TSLP's vendor partners frequently undergo awareness sessions on Anti-bribery and Anti-corruption Policy of the Company, the Tata Code of Conduct and on the Prevention of Sexual Harassment Policy. Key topics which get covered under these awareness sessions include governance, ethics, health and safety, labour practices and human rights. The purpose of these sessions is to educate and inform vendor partners about the Company's policies and standards, fostering a shared commitment to ethical practices.

c) **Responsible Supply Chain**: TSLP has a Responsible Supply Chain Policy which covers issues related to ethical behavior, human rights, health & safety, and environmental sustainability, amongst others. These policies are incorporated in the vendor qualification process and all vendors are made aware of and are required to adhere to the principles of these policies.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, TSLP has a due process in place for the Board of Directors to avoid/manage any conflict-of-interest. The Company has a Code of Conduct for all members of the Board which requires the Directors to always act in the interest of the Company and ensure that any other business or personal association which they may have does not involve any conflict of interest with the operations of the Company. In case of any actual or potential conflicts of interest, the concerned Director is required to immediately report such conflicts and seek approvals as required by the applicable law and under Company's policies. Further, the Company Secretary plays the pivotal role in ensuring that there are no conflict of interest involving Board Members exists in the company and in case the same appears in any way, adequate steps are taken to avoid / manage the same.

Further, the Company receives an annual declaration from its Board of Directors and all employees confirming adherence to the Code of Conduct, which includes the provisions on dealing with conflict of interest. The Board reviews and notes the disclosures by directors and the Directors do not participate in agenda items at the Board/Committee Meetings in which they are interested or deemed to be interested party.

PRINCIPLE 2 BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY2022-23	FY2021-22	Details of improvements in environmental and social impacts
R & D	-	--	R&D of TSLP is done in collaboration with TSL as mentioned below
CAPEX	13.73%	0.76%	During FY 21-22, TSLP incurred capital investment for installation and Commissioning of VVFD at DRI, Pellet Plant and installation of Capacitor bank in SMS 3 auxiliary power to improve Power Factor from 0.76 (avg.) to more than 0.98 (avg.) Investments in FY 22-23 includes, CO2 and other air emission (SOx, NOx and dust) reduction, improving carbon intensity emission rate, installation of bag filters, dust suppression systems, coal sheds and raw material yards with wall and drains to reduce fugitive dust emission during handling of raw materials, improvement of safety and employee welfare initiatives.

A total amount of ₹ 62.78 Lakhs has been sanctioned for R&D of the Company which is carried out through Tata Steel Limited. The cost includes overall expenditure including the expenditure made on process improvement-related projects like Reduction in shot blasting marks caused during pre-annealing treatment in grades, Reduction of LDO in reheating furnace blooming mill, Improvement in productivity from 11 blooms/ hr to 12 blooms/hr in 90rd to 105rd in bloom mill, Improvement in upsettability of 12 mm to 16.5 mm 10B35 grade, Study of scale morphology in alloy steel grade in correlation with process parameter, Elimination of free ferrite in 55SiCr, Reduction in failure of 1541 (Mn > 1.5%) 90mm to 115mm round, development of nonleaded free cutting steel, improvement in pass life of 2-Hi Reversing Roughing Stand in Blooming Mill, also the development of Bearing steel rolling through 300X360 mm2 as cast input and getting technical support for producing clean steel, etc.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes. TSLP has a dedicated Responsible Supply Chain Policy (RSCP) applicable to all supply chain partners including suppliers. The policy aims to encourage supply chain partners to share TSLP's commitment on embedding sustainable business practices and has four principles on Environmental, Social, and Governance (ESG) parameters, namely: Fair Business Practices (G), Health & Safety (S), Human Rights (S) and Environmental Protection (E)

The Company assesses the critical supply chain partners on above four principles of RSCP. The critical suppliers have been identified based on a decision matrix broadly encompassing decision factors like spend value, criticality to business, actual/potential ESG risks in partner operations, etc.

The outcome of the RSCP assessment guides us with the next steps – identifying the gaps/opportunities for improvement (OFI) and taking collaborative projects to bridge the gaps. The overall governance, oversight and review of the Responsible Supply Chain program are handled by apex councils led by the Senior Leadership Team.

TSLP expects its suppliers to abide by TSLP's ethical, social, safety, and security standards for transparent, hassle free and long-term business relationships. During their onboarding, all suppliers sign declarations to be complying with Tata Code of Conduct (TCoC) on areas such as child labor, forced or compulsory labor, health & safety, money laundering, bribery, gifts & hospitality, and human rights etc. They also commit to having systems for monitoring and analyzing and taking corrective actions. Moreover, we only award critical work to suppliers who conform to our internal standard on safety.

b. If yes, what percentage of inputs were sourced sustainably

It is mandatory for all suppliers of TSLP to declare their commitments to TSLP's sustainability expectations during registration. 100% of TSLP's inputs are sourced through suppliers who commit to our guiding principles by providing declarations during the registration phase.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

TSLP has implemented systems to safely collect and dispose of plastics waste, e-waste, and hazardous waste. The company contracted with authorized recyclers and files returns with statutory bodies for the disposal of such waste. The company has optimized its processes to recycle and reuse the majority of the waste produced during steel making thereby minimizing its environmental impact.

TSLP has created a dedicated section to monitor by-products and waste management as "Industrial By-Product Management Division" (IBMD) to ensure efficient by-product management and value creation by adopting advanced practices of processing or sales of By-products being generated during Iron or Steel making process.

The slags generated through Iron making or steel making process contributes to the maximum share of the by-products generated in steel industry and these slag is being utilised in cement & construction industries respectively. The other by-products include Flue dust, lime dust, steelmaking sludge, Kiln dust, mill scale and sludge, Fe-bearing muck, GCP sludge and waste refractories etc. are processed to maximize their value so that they can be reused inhouse within the steel plant or some industries as raw material.

Particularly to drive the utilization or disposal of Plastics (including packaging) waste , E-waste and Hazardous waste TSLP pays special attention and take special drive to minimize its generation, safe storage and ensure its disposal / sales to authorized recyclers. As a enabler to these initiative the IBMD department has created a state of art facility for safe storage these material and connect with customers and ensure governance of all environment policy.

During the year FY23 the sales of :

Plastic waste : 314.3 Mt.

E-waste : 0.38 Mt

Hazardous waste : 59.45 Mt.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

As per Plastic Waste Management Rules, 2016 and its Amendments, TSLP comes under the obligations of Extended Producer Responsibility (EPR) for Plastic waste Management. We have applied for EPR Registration of TSLP with the Central Pollution Control Board.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

Life cycle assessment (LCA) is a crucial tool that can help identify opportunities for reducing the environmental impact of a product. TSLP conducts LCA for many of its products. Through LCA, TSLP can evaluate the environmental impact of a product throughout its entire life cycle, from raw material extraction to disposal. This comprehensive approach enables the company to identify areas where it can reduce its environmental footprint, such as by optimizing energy and resource use, improving production processes, and reducing waste.

NIC Code	Name of product/services	% of total turnover contribute	Boundary for which the life cycle perspective/ assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
24105, 24108 24102, 24109	Crude Steel, Hot metal, Wire rod, bloom, Pellet, DRI, Sinter, Coke	100%	Cradle to Gate	Yes, it has been carried by the experts of holding company.	No

Note - Crude Steel, Hot Metal, Pellet, Sinter and Coke are intermediary products for which LCA has been conducted but are not directly sold to customers.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of the product/Service	Description of the risk / concern	Action Taken
All	Currently, the crude steel is manufactured using the DRI- blast furnace – EAF (DRI-BF-BOF) which has high carbon emissions. This is a key concern for the environment	The company is working to reduce the carbon emissions. The followings steps have been taken in this regard – Partial stoppage of one coal based power plant, Maximizing green power generation, Increase the use of scrap in steel making, Higher captive use of DRI char for power generation, adopting BAT for continual improvement has been initiated for carbon offsets. TSLP is exploring injection of Natural gas as substitute to petro fuels and use of green hydrogen in steel making and identified as its Long Term strategy to offset carbon emissions.

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry). Excel**

Indicate input material	Recycled or re-used input material to total material	
	FY2022-23	FY 2021-22
Mill Scale, Char, Scrap, FeS Dust etc	3.55%	2.22%

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed - plastic, e-waste, hazardous, others.**

In metric tonnes	FY2022-23			FY 2021-22		
	Reused	Recycled	Safely disposed	Reused	Recycled	Safely disposed
Plastics (including packaging)	NA			NA		
E-waste						
Hazardous waste						
Other waste (Purchased Scrap)						

The Company does not have any specific product to reclaim at the end of life, However, at the project and operation sites, there are systems in place to recycle, reuse and dispose in line with regulatory requirement for the above waste(s) being generated during course of construction and operation.

Further, TSLP has stopped the use of Single Use Plastic (SUP) by 100%. The Company has developed a Standard Operating Procedure on plastic waste management including SUP with a time bound action plan.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate Product Category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	

PRINCIPLE 3 BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Essential Indicators

1. a. **Details of measures for the well-being of employees:**

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	%	Number (C)	%	Number (D)	%	Number (E)	%	Number (F)	%
Permanent Employees											
Male	2195	2195	100%	2195	100%	Not applicable		2195	100%	0	0%
Female	81	81	100%	81	100%	81	100%	Not applicable		0	0%
Total	**2276**	**2276**	**100%**	**2276**	**100%**	**100% of all maternity cases**		**100% of all paternity cases**		**0**	**0%**
Other Than Permanent Employees											
Male	8	8	100%	8	100%	Not applicable		8	100%	0	0%
Female	3	3	100%	3	100%	3	100%	Not applicable		0	0%
Total	**11**	**11**	**100%**	**11**	**100%**	**100% of all maternity cases**		**100% of all paternity cases**		**0**	**0%**

b. **Details of measures for the well being of workers :-**

Category	Total (A)	% of workers covered by									
		Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	998	998	100%	998	100%	Not applicable		998	100%	0	0%
Female	17	17	100%	17	100%	17	100%	Not applicable		0	0%
Total	**1015**	**1015**	**100%**	**1015**	**100%**	**100% of all maternity cases**		**100% of all paternity cases**		**0**	**0%**
Other Than Permanent Workers											
Male	6626	6626	100%	6626	100%	Not applicable		6626	100%	0	0
Female	443	443	100%	443	100%	443	100%	Not applicable		0	0
Total	**7069**	**7069**	**100%**	**7069**	**100%**	**100% of all maternity cases**		**100% of all paternity cases**		**0**	**0**

TSLP aims to establish a workplace culture and environment that values and supports a healthy lifestyle for all employees and their family members. The objective is to ensure 100% workforce of TSLP and their families to be free from lifestyle diseases. All Officers and Non-Officers are to undergo a periodic lot of wellness programs, diabetes reversal programs, and focused counselling in periodical interval programs. Almost everyone in TSLP along with their family members, has enrolled in the Wellness Corner App that aids in the wholistic wellbeing.

To create a culture of Wellness, the team conducted wellness through adventure for different departments like one-day outbound course at Dimna with Tata Steel Adventure Foundation (**TSAF**) and Dalma Trekking, various activities like yoga classes at across locations, gyms inaugurations, Webinars, Small Challenges, development of infrastructure for example Gym at corporate office, Open Gym at Joda.

TSLP won the Society of Human Resource Management (**SHRM**) award in the category of Excellence in Health and wellness Initiatives.

2. Details of retirement benefits, for Current FY and Previous Financial Year:-

Benefits	FY2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
Employee Provident Fund Benefits	100%	100%	NA (Own Trust)	100%	100%	NA (Own Trust)
Gratuity Benefits	100%	100%	NA (Own Trust)	100%	100%	NA (Own Trust)
Employees' State Insurance Benefits	Covered as per rules	Covered as per rules	NA	Covered as per rules	Covered as per rules	NA
Others – Please Specify	1. Medical Retirement Scheme 2. National Pension Scheme (NPS) Offered to Officers 3. Superannuation Fund - normal retirement also, the member can withdraw the surrender value which will be subject to income tax.	1. Medical Retirement Scheme 2. Superannuation Scheme - a) Corporate Gift b) Long Service Award	NA	1. Medical Retirement Scheme 2. National Pension Scheme (NPS) Offered to Officers 3. Superannuation Fund - normal retirement also, the member can withdraw the surrender value which will be subject to income tax.	1. Medical Retirement Scheme 2. Superannuation Scheme - a) Corporate Gift b) Long Service Award	NA

TSLP also offers Social Security Guidelines to secure the future of the employees after retirement through financial independence and to support their family members when the earning member retires, die, or suffers a disability. There are other optional schemes like Contributory Family Benefit Scheme (CFBS), Employee Family Benefit Scheme (EFBS), Family Benefit Scheme (FBS), Family Support Scheme (FSS), Superannuation Fund and Suraksha Scheme which can be opted by permanent employees and permanent workers.

All employees are also allowed to retain the company's accommodation in certain locations, if applicable, for 1 month – 6 months depending on the type of separation which may be extended in case of children education or medical reasons.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

TSLP has taken steps to comply with the Rights of Persons with Disability Act, 2016 (RPwD Act) across its sites and all locations. The Company has put in accessibility measures in compliance and alignment to the accessibility mandate of the RPwD Act. The Company recognizes the importance of providing equal employment opportunities and has actively started recruiting

individuals with disabilities. As of now, the company has successfully recruited seven persons with disabilities (PwDs). This recruitment initiative is part of TSLP's efforts to promote inclusivity and diversity within its workforce.

To support these new employees and ensure their seamless integration into the workplace, the company is actively working on implementing accessibility measures that comply with the RPwD Act. This includes making necessary adaptations and modifications to physical infrastructure, workstations, common areas, and other facilities to cater to the needs of employees with disabilities.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. TSLP has an equal opportunity policy for Persons with Disabilities (PwD). In addition, the TCoC incorporates key equal opportunity principles. The equal opportunity policy is in accordance with the provisions of The Rights of People with Disabilities Act, 2016.

TSLP is committed to creating an inclusive workplace that values diversity and provides equal opportunities for all employees, including those with disabilities. The company aims to ensure that its workforce is representative of all sections of society and proactively works towards fair representation of differently abled individuals. TSLP is dedicated to eliminating all forms of unlawful discrimination, bullying, and harassment of people with disabilities. The company's commitment to diversity and inclusion not only promotes a positive work culture but also has numerous benefits for the organization, including greater innovation, engagement, and financial performance.

TSLP encourages candidates with different abilities to apply for identified suitable positions and its decisions on employment, career progression, training or any other benefits are solely based on merit. TSLP's policies have been framed to include the following:

a. Facility and amenity to be provided to the persons with disabilities to enable them to effectively discharge their duties in the establishment;

b. List of posts identified suitable for persons with disabilities in the establishment;

c. The manner of selection of persons with disabilities for various posts, post-recruitment and pre-promotion training, preference in transfer and posting, special leave, preference in allotment of residential accommodation if any, and other facilities;

d. Provisions for assistive devices, barrier-free accessibility and other provisions for persons with disabilities;

e. Appointment of liaison officer by the establishment to look after the recruitment of persons with disabilities and provisions of facilities and amenities. for such employees.

TSLP's Equal Opportunity Anti-discrimination Policy is available at:

https://www.tatasteellp.com/storage/2023/02/14.-Equal-opportunity-Policy.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	0*	0*
Total	**100%**	**100%**	**100%**	**100%**

*There were no cases of parental leave applied by Female Permanent Worker.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes then give details of mechanism)
Permanent Workers	YES
Other than permanent workers	YES
Permanent Employees	YES
Other than permanent employees	YES

I. TSLP has a two-stage Grievance Redressal mechanism for employees with an appropriate grievance form for each stage. There is a dedicated grievance redressal procedure which includes subjects such as discharge/dismissal, misconducts, victimization, fines, safety, compensations etc.

II. In the first stage the employee may raise their grievance to the immediate superior/HOD or the HR. If the employee is not satisfied, they can raise the grievance to the second stage to the Grievance Redressal Committee (GRC).

III. There are several forums available to the workers to report their concerns like in Joint Consultative bodies, Chief UCM meetings, HR Helpdesk for employees or individual case meetings. There are also anonymous modes like Darpan, Speak Up, Vartalaap, Reach out program etc. available for any worker to report any kind of concern to the concerned personnel/ telephonic/third party mechanism.

IV. Third party mechanisms are in place through KPMG etc for workers to raise any concerns.

V. There is also availability of forums such as Speak Up for registering complaints/grievances/Reach-Out Programs for contract workers.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY2022-23			FY 2021-22		
	Total employees/ Workers in respective category (A)	No. of employees/ Workers in respective category who are part of association or union (B)	%	Total employees/ Workers in respective category (C)	No. of employees/ Workers in respective category who are part of association or union (D)	%
Total Permanent Employees	2287	1015	44%	2355	1040	44%
Male	2203	998	45%	2288	1021	45%
Female	84	17	20%	67	19	28%
Total Permanent Workers	1015	1015	100%	1040	1040	100%
Male	998	998	100%	1021	1021	100%
Female	17	17	100%	19	19	100%

8. Details of training given to employees and workers :-

Category	FY2022-23			FY 2021-22		
	Total (A)	On health and safety measures	On skill upgradation	Total (D)	On health and safety measures	On skill upgradation
Permanent Employees						
Male	2203	100%	100%	2288	100%	100%
Female	84	100%	100%	67	100%	100%
Total	**2287**	**100%**	**100%**	**2355**	**100%**	**100%**
Permanent Workers						
Male	998	100%	100%	1021	100%	100%
Female	17	100%	100%	19	100%	100%
Total	**1015**	**100%**	**100%**	**1040**	**100%**	**100%**

TSLP places great importance on continual development of human resources at all levels and takes responsibility for the professional development and career growth of all its employees. Future skills & competencies aligned with the long term strategies of the organisation are given equal focus, along with the skills/competencies required at the present time.

Key focus areas of the organisation's training interventions are:

1. Core foundational knowledge including Safety, Business Ethics, Tata Values, Total Quality Management, and Customer Centricity.
2. Functional/technical skills
3. Business & Leadership skills
4. Transformational skills like Digital technology, Sustainability and Agility.

Considering the varying needs of different sets of workforces, a multi-dimensional approach has been taken which is manifested through various frameworks & processes deployed in Tata Steel's training & development ecosystem. Some key processes for different categories of workforce are listed below:

1. New Recruits: Cadre based programs with duration ranging from 3 months to 2 years.
2. Permanent employees (excluding Permanent Workers): 70:20:10 model activated through vehicles like – Functional Competency Framework, Schools of Excellence and Company-initiated & Self-initiated programs through renowned institutes.
3. Permanent Workers: Enterprise Capability Building System, Business Key Performance Indicator linked training programmes – E4 Training model-based Programs and Request Based Programs.
4. Contract Workers: Training & assessment followed by certifications through structured programs encompassing critical inputs on Safety and Functional skills and Reskilling opportunities through multi-skilling programs.

TSLP has also invested in e-learning modules that supplement the instructor led training programs. In order to capitalize on the technology advancement in the space of augmented reality and virtual reality, TSLP is building training modules that use such technologies to deliver enhanced experience, together with gamification for accelerated and measurable learning outcomes. TSLP has also linked movement in positions and job codes to training which are mandatory for the new role whenever a new employee or worker transitions to a new role.

9. Details of performance and career development reviews of employees and worker:

Category	FY2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Permanent Employees						
Male	2203	2203	100%	2290	2290	100%
Female	84	84	100%	67	67	100%
Total	**2287**	**2287**	**100%**	**2357**	**2357**	**100%**
Permanent Workers						
Male	998	998	100%	1021	1021	100%
Female	17	17	100%	19	19	100%
Total	**1015**	**1015**	**100%**	**1040**	**1040**	**100%**

To strengthen morale, loyalty and a sense of belonging to the organization, a Career Progression policy is in place. It provides opportunities to officers in the organization to grow through promotions, transfers/rotations. There are three segments – Normal Track, Fast Track & Job Rotation to address the need of vertical/horizontal growth of officers.

Further, Performance review for individual performance is in place all the locations and team based performance review mechanisms are in place at most locations like Incentive Bonus scheme, Team Performance Reward, Steel Team, Steel Exemplars, etc. The annual bonus scheme for the permanent workers is also based on the performance parameters of Profit, Productivity, Profitability and Safety.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? *(Yes/ No)*. If yes, the coverage of such system?

TSLP has established a Health & Safety Management System that is shared and practiced by all employees and contractors. The system identifies and manages health & safety issues, measures and reviews performance, and improves safety practices. The Occupational Health & Safety Management System at the manufacturing location is certified under ISO 45001 standards. Safety performance is measured in different safety forums, including APEX SHE Reviews meeting, Plant level meeting, DIC meetings, and AIC meetings, chaired by senior leaders.

The company has established an audit system, both external and internal, to identify safety issues in the work area. TSLP follows the Plan Do Check Act (PDCA) system for safety management and regularly conducts audits to check the adequacy of the implementation of safety learnings. The company's commitment to health & safety management ensures a safe and secure work environment for all employees and contractors.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

TSLP places the highest emphasis on Health & Safety and has implemented various measures to ensure that Safety is a priority in all its operations. The Company has introduced a Recalibrated Risk Matrix to improve its hazard identification and risk assessment process and has implemented an Environment, Health, and Safety (EHS) risk management framework to assess risks associated with all activities. The framework also captures the top organisational risks related to EHS, and outlines strategies to address them.

Further the Company identifies hazards associated with the job through the identification of 6D hazards, toolbox talk, and issuing work permits before starting any routine and non-routine jobs. All activities and their linked risks are mentioned in respective Standard Operating Procedures. TSLP's commitment to safety is demonstrated through its continuous efforts to enhance its safety culture and reduce risks through strategic interventions. The company employs several proactive safety tools to ensure a safe working environment for all employees. These tools include:

1. Safety Visits, which involve regular inspections of the workplace to identify potential hazards and unsafe practices;
2. Elimination of Commonly Accepted Unsafe Practices, which targets practices that are commonly accepted but pose a risk to employees' safety;
3. Job Cycle Checks are employed, which involves reviewing each stage of a job to identify potential hazards and take corrective measures;
4. 'Connected Workforce' platform uses a plant wide heat map that assigns a colour code to micro zones inside the works.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

TSLP has an IT-based system called ENSAFE, which is accessible to all employees of the Company. This system allows everyone to record and report work-related hazards and incidents. ENSAFE has an in-built response protocol and escalation mechanism that ensures timely mitigation of risks. All employees can report incidents and near-misses through this platform, enabling prompt reporting, investigation, and learning. TSLP fosters a culture of safety and continuous improvement, ensuring that all employees work in a safe and secure environment.

In addition to these reporting mechanisms, TSLP also conducts regular safety audits, safety assessments and safety walk-downs to identify and address any safety risks in the workplace. These audits and assessments are performed by internal safety auditors and external safety experts, and the findings are used to improve the safety management system.

Digital solutions such as 'Connected Workforce, facilitate real time tracking of unauthorized access to hazardous locations and generate alerts based on violations. The 'Connected Workforce' restrict unauthorized entry of contract work force to any other place apart from their authorized workplace. Apart from that the workmen can generate "SOS" incase there is any emergency or risk arising nearby by pressing the 'SOS" button which immediately triggered to the in-charge. This really helps the in charge solving the issue quickly.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, TSLP prioritizes the health and well-being of its employees and workers. The company provides access to non-occupational medical and healthcare services, such as hospitals, dispensaries, and health insurance, at their respective locations.

In addition to this, TSLP also offers its employees various in-house health and wellness programs, counselling services, and health clinics to promote overall physical and mental well-being. The Company also organizes periodical health and wellness activities, including wellness workshops, and health camps, to encourage employees to adopt healthy habits and lifestyles.

The Company ensures that employees and workers have access to quality healthcare and medical services, which is essential for their well-being.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.04	1.41
	Workers	0.92	0.43
Total recordable work-related Injuries	Employees	5	7
	Workers	17	7
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

TSLP's Safety, Health and Environment ('**SHE**') Committee of the Board oversees health and safety initiatives, with responsibility resting with the Managing Director. The company aims to achieve 'Zero Harm'. TSLP has established clear safety policies, a sound safety governance structure, robust management and reporting systems, training and communication mechanisms, and well-defined performance measures and indicators to track its Safety & Health performance. These initiatives demonstrate TSLP's commitment to creating a safe and healthy workplace environment for its employees and workers.

TSLP's value-based system drives its safety culture, with risk-based thinking being reinforced in recent years at all locations. The Company's integrated value chain, from mining to iron & steel making and finally to the delivery of products to customers, as well as large project requirements for growth and expansion, demand constant oversight on Safety & Health to achieve its goal.

The Strategic steps/ approaches taken to ensure safe and health workplaces are as follows:-

- Build (Safety) leadership capability at all levels
- Improve competency and capability for hazard identification & risk management
- Ensure contractor safety risk management
- Eliminate safety incidents on road & rail
- Achieve excellence in process safety management
- Implementation of past fatal and red risk recommendations across the organization.

Further, the following initiatives have been taken by the Company:-

- Safety training through Safety Leadership Development Center.
- Dissemination of safety standard-based e-learning modules to all workforces.
- Periodic assessment of High-risk job vendors on star rating assessment criteria.
- Annual health checkup of all employees and workers
- Deployment of digital interventions for risk reduction across all locations of TSLP.
- Deployment of process safety management in high hazardous facilities

13. Number of Complaints on the following made by employees and workers:

	FY2022-23			FY2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	0	0	0	0
Health & Safety	0	0	0	0	0	0

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% (Assessment vide ISO 45001 by DNV)
Working Conditions	100% (Assessment by Sr Management)

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

All safety incidents and near-misses are investigated, and risk mitigation is done through the incident classification, reporting & investigation safety standard. This is supported by the safety IT system, and the Environment, Health and Safety recalibrated risk assessment system. All Opportunities for Improvement identified during internal and external assessments are captured and addressed through the IT system.

Corrective actions and its horizontal deployment are a continuous process in TSLP, where all safety incidents are recorded, investigated and corrective actions communicated and implemented across the organization. Some key actions taken over the recent past are:

1. Restricting two-wheeler entry into the steel plants.
2. Horizontal deployment of past fatal accident recommendations.
3. Access control at crane walkways and other hazardous zones.
4. Implementation of safety devices (Anti tilt, driver fatigue and dala raise safety interlock system) for all dumpers and heavy vehicles
5. Elimination of Hydra operation and introduction of F-15 Crane

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

   a. Employees – Yes

   b. Workers – Yes

   In case of a death or a permanent/ temporary disablement of any employee or permanent worker, the company covers them under social security schemes to ensure the continuity of the same standard of living of the employee and family. Schemes like Family Support Scheme, Family Benefit Scheme and Employee Family benefit Scheme are applicable depending on the

applicability. Such Schemes allows the employee or family to drive monthly pension or employment (in select schemes) along with the lumpsum retirals and other benefits. For the non-permanent workers, TSLP has a best-in-class Suraksha Scheme which provides financial stability to the worker's family in case of death of the worker while at workplace.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

TSLP has a dedicated compliance team under HRM dept, who takes care of the statutory dues of value chain partners. In Every month the vendors submit all proofs along with their respective monthly bills.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? *(Yes/ No)*

No. TSLP does not provide any transition assistance programs as the Company does not retrench its employees.

5. Details on assessment of value chain partners:

TSLP periodically assesses its value chain partners on their health & safety practices and working conditions, encouraging adherence to ISO 45001 certifications through internal standards and assessments.

The Responsible Supply Chain Policy evaluates adverse impacts on labor force, human rights, environment, and business environment, with high-risk suppliers receiving safety audits and being asked for 3rd party certificates on health & safety and working conditions. TSLP works with suppliers to enhance their capabilities and may temporarily suspend or withdraw suppliers who do not meet the required standards from the vendor list. TSLP also works with suppliers to ensure they understand the requirements and to enhance suppliers' capabilities by providing training, advice and supports.

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100% at work location
Working Conditions	100% at work location

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Tata Steel Long Products (TSLP) has taken several actions to address significant risks and concerns arising from assessments of health and safety practices and working conditions of value chain partners. TSLP collaborates with suppliers to improve their sustainability performance by sharing opportunities for improvements, especially with those identified as 'Basic' and 'Improving' under the Responsible Supply Chain Policy assessment.

In addition to collaborating with suppliers to improve their sustainability performance, TSLP takes actions within its control to increase the capabilities of its value chain partners. Some key actions taken are listed below:

1. To reduce the risk of contract workers, TSLP drives effective deployment of Contractor Safety Management Standard at workplace by developing identified vendor as an assigned CSM Vendor in respect of Contractor Safety Management System. This helps in strengthening the existing contractor. Improve lead & lag indicators performance of the identified vendor by further strengthening of safety management system.

2. Awarding high risk job to only those vendor partners who score 3-star or above ratings in a comprehensive safety due diligence process known as Contractor Safety Management Standard or its equivalent across group companies. High risk work includes working at height, hot work, confined space entry, electrical work, transportation etc

3. The '**Ghar-Se-Ghar-Tak programme**' is designed to sensitise the message of nurturing a risk averse culture and improve risk perception not only at the workplace, but also within the homes of contractor employees. This initiative involves families of the contract employees and aims to promote the message of choosing safety over risks at workplace as well as at home.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

At TSLP, we view our stakeholders as partners in our journey to deliver long-term value. Effective stakeholder engagement is key to delivering our strategic objectives. We seek to balance the needs, interests, and expectations of stakeholders with those of the business through an integrated and inclusive process.

TSLP strongly believes that actively engaging with stakeholders is vital for gaining valuable insights into external factors that can affect the business environment. We recognize that meeting the expectations of our stakeholders is crucial for fostering a culture of social responsibility, ethical conduct, and sustainability. Their inputs serve as a driving force behind our commitment to responsible business practices.

TSLP identified 3 clusters of stakeholders:

- Business partners (investors, employees and suppliers)
- Civil society (NGOs working on social and environmental issues, community)
- Influencers (regulators, politicians, media, industry associations, customers)

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

S.No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication	Frequency	Purpose and scope of engagement including Key topics and concerns raised during such engagement
1	Investors	No	General Meeting	Annually/ as and when required	• Brief overview of company's strategy & performance • Interaction & response to the retail shareholders query
			Press release	Quarterly	• Production, Sales & key highlights
			One to One Conference Calls	As and when required	• Company performance & outlook
			Analyst/investor presentation and circulation of half yearly results	Half yearly	• Disclosures and update
			Investors Grievance redressal mechanism	As and when required	• Redressal of Investor grievances
			Plant Visit	To be organized based on requests	• Familiarization to the process & technologies
2	Employees	Yes	Employee Engagement Survey	As per team plan/ weekly/ monthly/ quarterly/ annual	• Employee expectations & fulfilment • Employee satisfaction levels with TSLP
			Joint Committees		• Addressal of Employee related grievances or issues
			MD connect		• Direct Bi-directional communication between Top management & Shop floor workers
			Senior leadership communication meeting		• Performance communication • Directional inputs on the key subjects
			Union meeting/ discussion		• Key issues and Developments/growth prospects of union members
			Performance Appraisal discussion		• Discussion on key result areas • Employee development areas
3	Community Representatives	Yes	Rural Satisfaction Survey	As and when required	• Addressal of key issues of people in the vicinity • Capturing of Expectations & Fulfilment levels
			Village Co-ordinator meetings		• Key developments in their respective villages • Maintaining communal harmony
			District Authorities & Gram Panchayats		• Agenda based discussion with local authorities
4	Suppliers	Yes	Discussion with vendors	As per team plan/ weekly/ monthly/ quarterly/ annual	• Addressal of Supplier related grievances or issues
			Vendor Satisfaction survey		• Key expectations and Satisfaction levels
			Vendor meet		• Performance management • Supplier recognition & maintaining relationship
			Supplier Day program		• Brainstorming session for improvement • Value ideas for Project implementation
			Supplier Relationship Management Program		• Project based value generation program

S.No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication	Frequency	Purpose and scope of engagement including Key topics and concerns raised during such engagement
5	Customers	No	Dedicated Customer Account Manager	Need based/ As per team plan/ Annual/ Bi-annual	• Customer convenience - Smooth & ease of doing business • instant resolution of queries
			customers meet		• Customer recognition & maintaining relationship
			Conferences, Webinars,		• Knowledge sharing on best practices • Capability/ Skill development to support customers' growth
			Senior Management visit/ Virtual meet		• Understanding customers business • Identify strategic areas of engagement and directional inputs on business growth etc.
			Product Application Expert		• Recommend product ; Resolve application issues • Identifying high value adding new products • Attending customer complaints (need basis)
			Customer service team/ Cross functional team engagement		• Build relationship & ensure operation excellence • Value creating ideas/ Cost reduction initiatives • Early involvement in the product development
			Customer Engagement & Satisfaction survey		• Customer Expectations, level of Fulfilment • Customer Engagement & Satisfaction Index
6	Government and Regulatory Authorities	No	Rules & Regulation	As per need	• Compliances, approvals & emerging needs
			Regulatory affairs/ CRE team of TSL		• Policy Advocacy
			Formal meeting with Government officials		• Relationship building

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   TSLP has delegated the consultation between the stakeholders and the Board on economic, environmental, and social topics to the Managing Director (MD) of the Company. The MD and the senior leadership team of TSLP regularly updates the Board and various Board Committees on relevant issues. These updates are provided during the Board meetings and separate meetings for various Board Committees.

   TSLP has put in place various processes which ensure feedback from key stakeholders are received by the management and presented to the Board and Board committees in their meetings. Some examples of forums to receive feedback from various stakeholder groups are listed below:

A. Stakeholder: Employees

The **Joint Consultative mechanism** is in place in TSLP with representations from the Unions and the Management based on the principle of Working Together. This is a three-tier joint consultation machinery in TSLP consisting of Joint consultative council of management, the Joint Works Council and the Joint Departmental Council. All three bodies form the working together architecture of TSLP and represent the joint working culture of the . The main objective of these forums are as follows:

a) To promote improved performance for the general benefit of the enterprise, the employees and the country.

b) To give employees a better understanding of their role and importance in the working of the industry.

c) To satisfy the employees' urge for self-expression.

Regular meetings of these joint bodies are organised to facilitate discussions, recommendations, quicker decision-making and joint action planning to drive improvements in the areas of health & safety, amenities, cost, quality, production, community development, employees training & development and diversity & inclusion.

Additionally, TSLP organises an annual event on Working Together, with representatives from the management and unions of various plants of TSLP. Some of the recent topics discussed in the event are related to ESG, Diversity & Inclusion, Climate Change, Air Quality, Water Stewardship. Valuable inputs/feedbacks from the seminar are collated from all the participants, which are further incorporated into formulation of policies related to that topic.

B. Stakeholder: Community

TSLP demonstrates a strong commitment to engaging with the community on social affairs through the dedicated efforts of its core team and the active involvement of the Tata Steel Foundation (TSF). The company's deep community engagement is exemplified by several notable initiatives, which include:

a) Regular engagement of communities and stakeholders by the CSR team enables a deeper understanding of their current challenges and the evolving nature of their issues over time. This continuous interaction serves as a valuable platform for reassessing and realigning societal development initiatives to ensure their relevance and effectiveness.

b) Regular interaction between the CSR team and Public Representatives from different gram panchayats facilitates an open platform for exchanging ideas, gathering new insights, and addressing any concerns that may arise. This collaborative approach allows for the collection of diverse perspectives, enabling the identification of new possibilities and the effective redressal of community issues.

c) TSLP takes an active role in engaging with the CSR-related competitions, conclaves, and seminars. These external engagements offer invaluable opportunities to gain insights from an "outside-in" perspective regarding the communities being served, the socio-economic environment in which they operate, and the interests of different stakeholders. By actively participating in these events, TSLP expands its exposure to a diverse range of experiences, ideas, and best practices in community development. This exposure significantly contributes to enriching the company's understanding and implementation of its development initiatives, ensuring that they remain in line with the evolving needs and expectations of the communities it serves

C. Stakeholder: Customers, Suppliers and Channel Partners

Monthly business planning meetings capturing details of the market, industry trends, projected performance and likely impact of any foreseeable change are conducted at apex level. In addition, customer feedback is captured periodically, and the action taken across product, delivery, commercials, relationship, new product development, technical support, etc. is shared with MD.

D. Investors, Lenders and Shareholders

The TSLP Investor Relations team forms the bridge between the senior leadership of the Company and the investor and lender communities. The MD and CFO of the Company also hold regular interactions with the investor and lender communities, including earnings calls, analyst meets and over one-to-one meetings.

TSLP has also appointed TSR Consultants Private Limited (TSR) as the Registrar and Transfer agents of the Company. TSR acts as the single point of contact for all shareholder related feedback of the Company and works with the Secretarial team of the Company to address all investor's queries.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so provide details of instances as to how the inputs received from stakeholders on these topis were incorporated into policies and activities of the entity.**

Yes. TSLP has adopted the Materiality Assessment as a process to capture stakeholder voice. Materiality Assessment was conducted in FY20-21 with the help of Tata Steel Expert groups. This exercise was aimed to identify and prioritize the material environmental, social, and governance (ESG) issues that are relevant to the company. In the FY 2022-23, the Company revisited the core material issues identified, taking into account the evolving external and internal landscape of the business.

The Company incorporated the feedback received through various external assessments to ensure the accuracy and relevance of the materiality assessment. Through this iterative process, the Company prioritized the identified topics and structured them into a materiality matrix. This matrix helped the Company to assess the societal and financial impact of each issue and align focus accordingly. By continually evaluating and addressing our material topics, we aim to optimize our performance, manage risks effectively, and seize opportunities for long-term, sustained value creation.

Further, a robust top-down governance structure at Board and Corporate level ensures periodic oversight of material issues and related action plan. The governance mechanism at the Board level (Corporate Social Responsibility Committee, Safety, Health and Environment Committee, Risk Management Committee and Audit Committee) enables periodic review of the performance against action plan and provides directions based on external landscape evolution and organizational objectives.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

The CSR Committee of the Board oversees all CSR initiatives at TSLP. Our steelmaking, DRI and mining operations are located in the states of Jharkhand and Odisha, where there is a significant indigenous population. As a result, the communities in which we operate can be considered vulnerable and marginalized stakeholders. At TSLP, we are committed to bringing about lasting improvements in the well-being of these communities through regional development models that prioritize the excluded and those living in proximity to our business operations. Our engagement with the community is based on the following key aspects:

- Community Outreach: We actively engage in various outreach activities in the areas where we operate, fostering relationships and understanding the unique needs of the communities.
- Promoting Community Well-being: Our commitment to communities is reflected in a variety of initiatives aimed at enhancing their well-being. We actively support endeavors in education, healthcare, livelihood development, household nutrition, access to clean water, household sanitation, nurturing sports talent, preserving local culture, assisting individuals with disabilities, constructing vital public infrastructure and amenities, and nurturing grassroot leadership.
- Ensuring Safety: We prioritize maintaining adequate safety measures at our operating sites to safeguard the health and well-being of the communities in which we operate.

Moreover, our company actively participates in the Tata Affirmative Action Program (TAAP), which is an integral part of the Tata Group's initiatives for the vulnerable and marginalized community. Affirmative action encompasses a range of policies aimed at supporting individuals from marginalized and disadvantaged groups who have historically faced discrimination in various aspects of life such as education, livelihood, health, and basic amenities. The primary objective of affirmation action is to reduce inequalities in these areas and improve overall living standards.

TAAP focuses on promoting positive discrimination for the Scheduled Castes and Scheduled Tribes (SC/ST) communities, who endure the dual challenges of extreme poverty and social discrimination. Special attention is also given to marginalized women and persons with disabilities (PwDs). As per TAAP framework, we have adopted a comprehensive approach to address the core necessities of the marginalized group, through five key dimensions known as the "5 Es": education,

employability, entrepreneurship, employment, and essential enablers. Through these focus areas, we aim to uplift and empower disadvantaged communities, fostering their holistic development and inclusion within society.

The Integrated Report for FY23 provides comprehensive information about TSLP's engagement with communities in the Social & Relationship Capital section. This section elaborates TSLP's interactions with various communities, highlighting the initiatives, programs, and partnerships that have been undertaken to foster positive social impact.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 23			FY 22		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	2276	2276	100%	2355	2355	100%
Other than permanent	11	11	100%	2	2	100%
Total Employees	**2287**	**2287**	**100%**	**2357**	**2357**	**100%**
Workers						
Permanent	1015	1015	100%	1040	1040	100%
Other than permanent	7069	7069	100%	6098	6098	100%
Total Workers	**8084**	**8084**	**100%**	**7138**	**7138**	**100%**

All our employees and workers are provided training on the Tata Code of Conduct, which cover key human rights issues, and the Prevention on Sexual Harassment trainings, from time to time. Tata Steel is rolling out a bespoke Human Rights training programme for all employees in FY 2023-24.

Note: The trainings are extended to the Contract Workers as well.

2. **Details of minimum wages paid to employees and workers:**

100% of employees and workers of TSLP are paid more than or equal to the minimum wage, as applicable in their respective jurisdiction.

3. **Details of remuneration/salary/wages, in the following format:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	4	19.03 lacs	1	7.4 lakhs
Key Managerial Personnel	3	135.64 lacs	Nil	Nil
Employees other than BoD and KMP (Permanent employees other than permanent workers)	1,238	4.91 lacs	52	4.91 lacs
Permanent Workers	1,041	4.88 lacs	7	5.07 lacs

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Tata Steel Long Products is dedicated to enhancing the well-being of communities where it operates, guided by the Tata Group's fundamental principle of "Leadership with Trust." We are fully committed to respecting, safeguarding, and upholding the human rights of all individuals involved in our value chain.

Our Human Rights Commitment is embodied in the Tata Code of Conduct, a comprehensive document that serves as a moral compass for Tata employees and companies. It establishes the guidelines that shape the business practices of the Tata Group. One of its core principles is "Respecting the human rights and dignity of all stakeholders." To ensure accountability, we have established structured grievance communication channels accessible to all rights-holders throughout our sites and value chain.

Our key focus areas revolve around several critical aspects, including eradicating child labor, respecting human rights throughout the value chain, upholding the rights of indigenous communities, addressing land rights settlement and rehabilitation, protecting the rights of migrant workers, promoting a harassment-free environment, ensuring the rights of persons with disabilities, eliminating forced labor, guaranteeing access to clean air and water, combatting contemporary forms of slavery, prioritizing health and safety, respecting the right to privacy, promoting equal opportunities, and providing fair wages

For addressing other issues relating to Ethics there is a helpline "Speak Up". The helpline details are displayed in all the prominent locations in the Company and can be reached out at 18001020875. It is also printed in all work orders and all communications. The Chief Ethics Counsellor of TSLP is responsible for all the ethics related issues. Tata Code of conduct is available on the website of the Company at https://www.tatasteellp.com/storage/2023/02/34.-TcocBook.pdf

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

TSLP believes in conducting the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity, and ethical behavior. To achieve this, the company has adopted the Tata Code of Conduct, which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the code, no matter how insignificant or perceived as such, is a matter of serious concern for the Company.

We have PoSH Committee in place to resolve issues specific to PoSH Complaints. On receipt of any concern through email, letter, web helpline or orally, it is registered by the Ethics Department of Tata Steel Long Products.

The investigation team conducts investigation by gathering, validating, analysing the data and provides their observations and recommendations.

The investigation report is further reviewed by the Chief Ethics Counsellor or other appropriate authority and the recommendations are acted upon. The documentation of the action taken is filed for records. Moreover, all of

TSLP's value chain partners have to affirm compliance with the Tata Code of Conduct. Any non-compliance leads to appropriate action as per consequence management framework. TSLP is committed to providing a safe and positive work environment and has put in place a robust corporate governance model with defined roles and responsibilities at the Board, the Management Level Committees as well as at the Employee level

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2022-21		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	1*	Nil	0	0	Nil
Discrimination at workplace	0	0	0	0	0	0
Child Labour	0	0	0	0	0	0
Forced Labour/Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other human rights related issues	0	0	0	0	0	0

*Adequate action has been taken during Q1FY24 and the case has been resolved.

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

TSLP encourages its employees, customers, suppliers, and other stakeholders to raise concerns or make disclosures whenever they become aware of any actual or potential violation of the Code of Conduct, policies or any law and has accordingly put in place mechanisms to prevent adverse consequences to the complainant, as below:

i. As part of Whistle-blower Policy and Prevention of Sexual Harassment Policy, TSLP is committed to the protection of identity of the complainant and all matters are dealt in strict confidence with appropriate measures taken to maintain such confidentiality.

ii. As part of TSLP's Code of Conduct, the Company does not tolerate any form of retaliation against anyone reporting legitimate concerns. Anyone involved in targeting such a person is subject to disciplinary action.

iii. Under the Prevention of Sexual Harassment Policy, any employee may lodge a complaint of sexual harassment against any other employee to the chairperson or to any member of the relevant internal committee. All complaints have to be sent in writing and are dealt in strict confidence by the committee members. After having heard both the complainant and accused, the complaints committee thoroughly investigates (including meeting the complainant, enquiry into all evidence, meeting all witnesses, consultation with experts) the complaint and makes a report of its findings. This report is submitted to the relevant Management Team. The Company also ensures that any employee who is a part of the investigations is not victimised or subjected to any unfavourable treatment.

iv. Under the Whistle-blower Policy, complete protection is given to Whistle-blowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like, including any direct or indirect use of authority to obstruct the Whistle-blower's right to continue to perform his/her duties and functions, including making further disclosures.

v. The Company takes steps to minimize difficulties for the Whistle-blower because of making the disclosure. Thus, if the Whistle-blower is required to give evidence in criminal or disciplinary proceedings, the Company arranges for the Whistle-blower to receive advice about the procedure.

vi. The identity of the Whistle-blower is kept confidential to the extent possible and permitted under law. All whistleblowers are also cautioned that their identity may become known for reasons outside the control of the Chief Ethics Counsellor/ Chairperson of the Audit Committee (e.g. during investigations carried out by Investigators).

vii. While discouraging retaliation against anyone reporting legitimate concerns, TSLP's Policy also provides for disciplinary action in case the complaint registered is found to be frivolous or false or made with a mischievous intention.

viii. Regular awareness and training sessions are conducted to ensure that the employees are fully aware of various aspects of sexual harassment and of the redressal mechanism.

8. Do human rights requirements form part of your business agreements and contracts?

Yes, human rights requirements form part of TSLP's business agreements and contracts.

TSLP follows the Tata Code of Conduct and expects all business associates and value chain partners to adhere to the principles of the Tata Code of Conduct. Specific clauses of the Tata Code of Conduct is included in all the business agreements and contracts/purchase orders, including clauses on human rights.

The TCoC can be accessed at https://www.tatasteellp.com/storage/2021/10/Tata-Code-of-Conduct-2018.pdf

Further, TSLP's Responsible Supply Chain Policy encourages supply chain partners to share the same commitment and expect them to integrate the four sustainability principles of TSLP (Fair business practices, Health & safety, Human Rights and Environment management) in all their business decision-making. Responsible supply chain can be assessed at https://www.tatasteellp.com/storage/2023/02/3.-TSLPL-responsible-supply-chain-002.pdf

9. Assessment for the year:-

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100% of TSLP's plants and offices are assessed for compliance on key Human Rights issues by internal teams of the Company, as part of the regular ongoing reviews by the senior leadership team of the Company.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

There were no significant risk or concerns identified during FY2022-23. However, being a responsible company, we ensure continuous monitoring and capability building of our value chain partners. Some key initiatives taken by TSLP are listed below:

1. The Company is extending training and capability building to the business partners and thus is helping them achieve the required level of readiness in the areas of fair business practices, health and safety, human rights and environmental management.
2. Declaration of adherence to the Tata Code of Conduct from the value chain partners as part of all contracts/purchase orders. Vendor contracts are terminated in case of non-adherence to the Code of Conduct (following due process).
3. TSLP conducts assessment of its upstream and downstream business partners as per the Responsible Supply Chain Policy and initiates corrective actions.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

Some key processes that have been adopted over the last several years with an objective, amongst others, to address human rights grievances and complaints, are as below:

1. Statutory rights of Contract Employees are addressed through a grievance redressal mechanism, where contractual employees report their concerns.
2. TSLP has also set up the Contractor's Cells at various locations, where the concerns of contract employees related to wages, Provident Fund, full & final settlement of dues etc., are duly addressed.
3. Training session for vendors are conducted to make the vendors aware about the statutory rights of Contract Employees and ensure they abide by the requirements.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The Company does not have the processes in place currently.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

TSLP has taken steps to comply with the Rights of Persons with Disability Act, 2016 (RPwD Act) across its sites and all locations. The Company has put in accessibility measures in compliance and alignment to the accessibility mandate of the RPwD Act.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	All our value chain partners have to affirm compliance with the Tata Code of Conduct. Under Responsible Supply Chain Policy, the due diligence of the value chain partners for four Sustainability principles of Fair Business practices, Environment Management, Health & Safety and Human Rights has been conducted. 6% of Critical suppliers were assessed under Responsible Supply Chain till FY2022-23. Details of the Responsible Supply Chain Policy - https://www.tatasteellp.com/storage/2023/02/3.-TSLPL-responsible-supply-chain-002.pdf
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

5 Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

TSLP did not identify any significant risks/concerns arising from its value chain partners. However, TSLP has developed monitoring mechanisms and undertaken several initiatives to build the capabilities of its value chain partners in order to minimise the risk of potential human rights issues in the value chain, as follows:

1. TSLP is extending training and capability building to the business partners and thus is helping them achieve the required level of readiness in the areas of Fair Business Practices, Health & Safety, Human Rights and Environmental Management. TSLP has categorised business partners into Basic, Evolving, Maturing, Leading and Established categories, and TSLP provides continuous support in terms of training and knowledge transfer help them to move into higher band(s).
2. TSLP obtains a declaration of adherence to the Tata Code of Conduct from its value chain partners as part of all contracts/purchase orders. Vendor contracts are terminated in case of non-adherence to the Code of Conduct (following due process).
3. TSLP conducts assessment of its upstream and downstream business partners as per the Responsible Supply Chain Policy and initiates corrective actions.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Essential Indicators

1. Details of total energy consumption (in Joule) and energy intensity, in the following format:

Parameter	Unit of measurement	FY 2022-23	FY 2021-22
Total electricity consumption (A)	Giga Joule	Gamharia: 22,89,448 Joda: 1,97,719 Mines: Nil Total: 24,87,167	Gamharia: 23,61,244 Joda: 2,03,291 Mines: nil Total: 25,64,535
Total fuel consumption (B)	Giga Joule	Gamharia:3,10,56,396 Joda:91,74,463 Mines: Nil Total: 4,02,30,859	Gamharia: 299,87,165 Joda : 94,75,327 Mines: Nil Total: 3,94,62,492
Energy consumption through other sources (C)	Giga Joule	Gamharia:11,35,167 Joda:5,318 Mines: 267 Total: 11,40,752	Gamharia: 12,94,110 Joda: 4,577 Mines: 273 Total: 12,98,960
Total energy consumption (A+B+C)	Giga Joule	Gamharia: 3,44,81,012 Joda: 93,77,500 Mines: 267 Total: 4,38,58,779	Gamharia: 3,36,42,519 Joda: 96,83,195 Mines: 273 Total: 4,33,25,987
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	GJ per rupee of turnover	0.00059	0.00064
Energy intensity of steelmaking sites of the Company		The energy intensity per GJ of crude steel is provided in the ESG factsheet of TSLP's Integrated Report for FY2022-23.	

Note:

Joda- Out of total energy consumption, 2018932 GJ and 2177534 GJ of energy sent outside plant boundary in term of power export, char sale and colony consumption during 2022-23 and 2021-22 respectively

i. Reported electrical energy (A) is based on primary energy equivalent of captive power generation and net imported Electricity.

ii. For fuel (B)– Cooking coal, Non Coking Coal and Coke have been considered.

iii. Under energy from other sources (C) – Petro fuel and LPG have been considered.

Steel is an energy intense business and TSLP has initiated several measures to increase the energy efficiency of its operations.

- **Key initiatives under reduction in energy consumption:-**
  - ~15 % reduction in TSLP Energy intensity from 8.13 Gcal/Tcs (in Fy'21-22) to 6.88 Gcal/Tcs (achieved in Fy'22-23)
  - Increasing proportion of green energy in energy usage:
  - ~18% Increase of waste heat recovery power Generation in DRI based WHRB from 162 MU in FY 21-22 to 192 MU in FY 22-23 by Economizer modules failure reduction through quarterly jet water flushing and maintaining feed water temperature 45 deg C, Replacement of economizer module design to SS Module, ID Fan and its duct restoration for stabilized ID FAN operations which also improved coke oven production stability, Steam traps and insulation restoration for efficient boiler efficiency.
  - ~37% Increase of waste heat recovery power Generation in Coke-oven based WHRB from 149 MU in FY 21-22 to 205 MU in FY 22-23 by Sonic horn installation by replacing steam-based soot blowers, elbow duct cleaning and Maintenance of pressure parts Economizer tubes, Arresting of steam leakages and insulation restoration

Key Highlights of FY 22-23

- ~46% reduction (YoY) in LDO consumption at Blooming Mill
- ~14% reduction in LDO consumption at Wire Rod Mill from FY 21-22.
- ~11% reduction in LDO consumption at Straight bar Mill from FY 21-22.
- ~6% reduction in Coal consumption at DRI from FY 21-22.
- Electrical power saving across TSLP:-
  - Power saving of 3581 KVAH/day at Blooming by installation and commissioning of 0.44 KV,700 KVAR rated Capacitor bank.
  - Power saving of 1100 KVAH/day at Captive power plant (15 MW, WHRB 4 and 5 & 30 MW Pump house) by installation and commissioning of 0.44 KV, total of 2600 KVAR rated Capacitor bank.
  - Power saving of 2238 KVAH/day at Steel melting shop, after reconditioning of 0.44 KV,400 KVAR rated Capacitor bank.
  - Power saving of 10,293 KVAH/day at Sinter by Installation and commissioning of 6.6 KV medium voltage drive in sinter tail ID fan and by installation and commissioning of 0.44 KV, total of 300 KVAR rated Capacitor bank.
  - Power saving of 5934 KVAH/day at DRI by Installation and commissioning of 13 Nos (160-90 KW) VVFD drive in DRI DE ID fan and ABC fan.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

TSLP's Gamharia plant has successfully achieved PAT-2 target and was awarded 33106 number of Energy saving certificates (EScerts) as per PAT-2 Performance. Currently the plant is in PAT 7 and the assessment will be held in 2024-25.

Unit	PAT Cycle	Target (MTOE/T)	Achievement Levels
TSLPL Gamharia	PAT 2/PAT 7	1.6324/0.6984	1.5878

Unit	PAT Cycle	Target (MTOE/T)	Achievement Levels	E-Scerts received
TSLP Joda	PAT1 2012-13 to 2014-15	0.513	0.4589 0.3743 (Normalised)	19404
	PAT 2 2016-17 to 2018-19	0.3441	0.3881	-15928 (Balance for sale 3476 nos after adjustment)
	PAT 7 2022-23 to 2024-25	0.3881		0 target

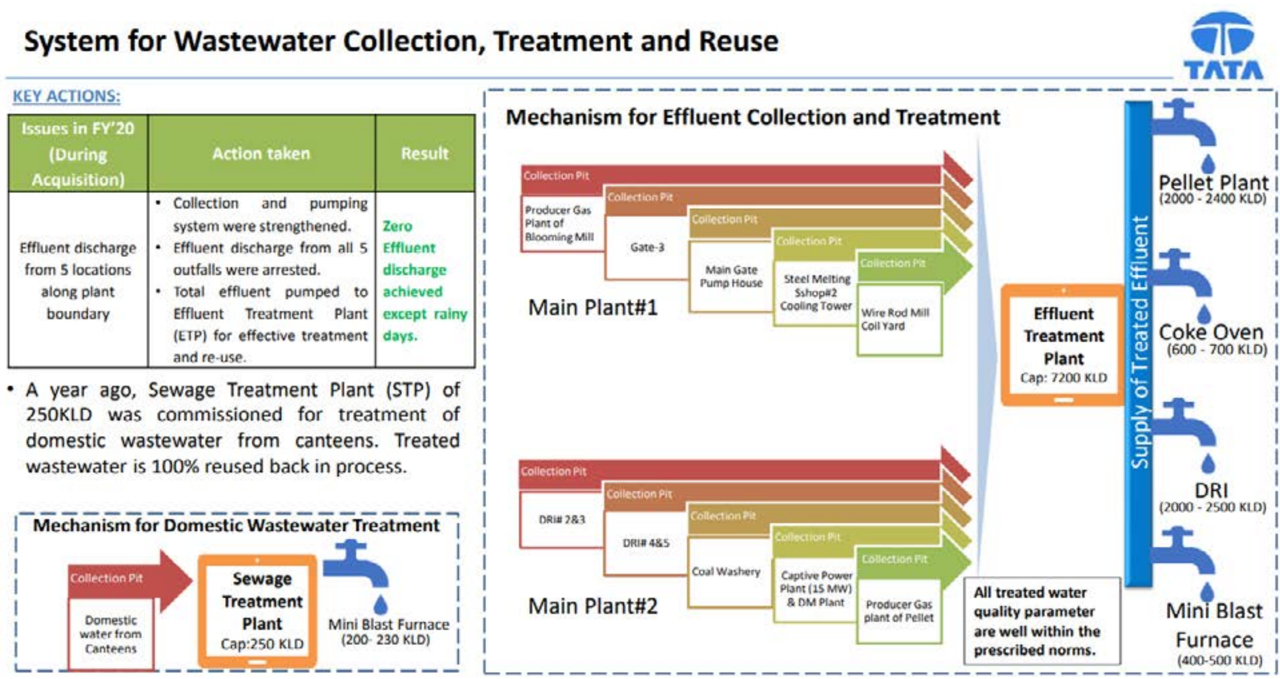
3. Provide details of the following disclosures related to water, in the following format:

Parameters	Unit of measurement	FY 2022-23	FY 2021-22
Water Withdrawal By Source			
(i) Surface water	Million Kilolitres	Gamharia: 6.03 Joda: 1.30 Mines: Nil Total: 7.33	Gamharia: 6.99 Joda: 1.35 Mines: Nil Total: 8.34
(ii) Groundwater	Million Kilolitres	Nil	Nil
(iii) Third party water	Million Kilolitres	Nil	Nil
(iv) Seawater / desalinated water	Million Kilolitres	Nil	Nil
(v) Others	Million Kilolitres	Nil	Nil
Total volume of water withdrawal (i + ii + iii + iv + v)	Million Kilolitres	Gamharia: 6.03 Joda: 1.30 Mines: Nil Total: 7.33	Gamharia: 6.99 Joda:1.35 Mines: Nil Total: 8.34
Total volume of water consumption	Million Kilolitres	Gamharia:4.11 Joda: 0.82 Mines: Nil Total: 4.93	Gamharia: 4.26 Joda: 0.90 Mines: Nil Total: 5.16
Water intensity per rupee of turnover	litres per rupee of turnover	0.000066	0.000076
Water intensity - Total fresh water drawn per tonnes of crude steel production		The water intensity per tonne of crude steel for all steelmaking entities of the Company is provided in the ESG factsheet of TSLP's FY2022-23 Integrated Report.	

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, The company has achieved Zero Liquid discharge/ effluent discharge. TSLP is the only plant in the Tata Steel Group to achieve ZERO effluent discharge.

As a responsible company which is conscious of the effluent water being released, TSLP installed a Effluent treatment plant of capacity 7200 KLD. The schematic description of the Effluent treatment plant is described below.



5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit of measurement	FY 2022-23	FY 2021-22
NOx	Kilo Ton/Annum	Gamharia: 1.22 Joda: Nil Total: 1.22	Gamharia: 1.21 Joda: Nil Total: 1.21
SOx	Kilo Ton/Annum	Gamharia: 6.44 Joda: 0.65 Total: 7.09	Gamharia: 6.02 Joda: 0.66 Total: 6.68
Particulate matter (PM)	Kilo Ton/Annum	Gamharia: 0.92 Joda: 0.08 Total: 1.00	Gamharia: 1.03 Joda: 0.11 Total: 1.14
Persistent organic pollutants (POP)	Not material for the steel manufacturing company		
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

Clean air to breathe is a basic human right, and TSLP is committed to maintaining the quality of air in its operating areas. The company strives to reduce the negative impact of its operations on the quality of air through maintenance and upgradation of its Air Pollution Control Equipment. TSLP's continuous efforts for reducing stack emission load has resulted in significant reduction in the dust emission intensity across all its operating units in India. To enable effective monitoring and proactive intervention, a live central repository of environmental parameters has been built by integration of a number of subsystems, wherein data on air, water, solid waste, noise and emissions are captured automatically or through workflows.

Gamharia: The annual maintenance contract (AMC) for Operation & Maintenance of pollution control equipment (PCE) was introduced which increased the PCE availability by 90%. Overhauling of ESPs and discipline operational controls resulted in drop in particulate matter (PM) emission by over 13% as compared with previous year at Gamharia plant.

Joda: There had been substantial reduction in PM, SOx emissions at the sponge iron plant at Joda. Drop of around 18% in particulate matter emissions compared to previous year was achieved in FY'23 through addition of fields in electrostatic precipitator (ESP)

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions	Million tonnes of CO2 equivalent	Gamharia: 3.19 Joda: 0.72 Mines: 0.01 Total: 3.92	Gamharia: 3.37 Joda: 0.72 Mines: 0.01 Total: 4.1
Total Scope 2 emissions	Million tonnes of CO2 equivalent	Gamharia: 0.039 Joda: Nil Mines: 0.0015 Total: 0.04	Gamharia: 0.034 Joda: Nil Mines: 0.001 Total: 0.035
Total Scope 1 and Scope 2 emissions per rupee of turnover	Million tonnes of CO2 equivalent/INR	0.000053	0.000061
Total Scope 1 and Scope 2 emission intensity	-	The CO_2 intensity per tonne of crude steel of the Company is provided in the ESG factsheet of TSLP's FY2022-23 Integrated Report.	

Note - Gamharia location includes down stream rolling mill emissions.

**TCS refers Tonne Crude Steel

#DRI – Direct Reduced Iron

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes. TSLP has adopted various energy efficiency initiatives, including the use of by-product gases in power generation, DRI Char for power generation, and other technologies to reduce its carbon footprint and improve resource efficiency. As a result, there has been a significant reduction in fossil fuel consumption, an increase in scrap recycling, and a decrease in emissions. Tata Steel has also optimized green power generation from DRI and Coke Oven Waste heat.

Some of the initiatives taken by the Company in this regard are:

- Installation of sonic horn soot blowers in Direct Reduced Iron Waste Heat Recovery Boilers
- Heat loss minimization through dust insulation revamping
- Restricted usage of one coal based powerplant
- Shifting from furnace oil to light diesel oil
- Increase of Blast furnace gas consumption
- Air to fuel ratio optimization in re-heating furnaces
- Usage of THERMOL additive
- The char consumption has increased by 108% at CPP resulted in decrease in coal consumption by 42%

	FY22	FY23	IMPACT
Coal Consumed (Ton)	386724	226067	↓ 42%
Char Consumed (Ton)	22515	46744	↑ 108%

- Increase Char Utilization as a substitute for coal for power generation at CPP (Char utilization- FY23:46744 Ton, FY22: 22515 Ton)
- Increasing scrap recycling (Scrap recycled- FY23: 39148 Ton, FY22: 29719 Ton)
- Optimizing green Power Generation from DRI and Coke Oven Waste heat (Green Power Generated: FY23:398 MU-MWH Ton , FY22: 311 MU-MWH)

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	314.3	160
E-waste (B)	0.38	5.07
Bio-medical waste (C)	0.033	0.021
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	9.99	19 (Nos)
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	Old/Used Gear / Lubricant Oil-8.77 Old/Used Grease- 6.48 Sludge of Used Oil- 8.77 Used Gear Oil- 4.21 Used Waste Oil- 31.22	74.63
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	1137887	1023385
Total (A+B + C + D + E + F + G + H)	**11,38,271.15**	**10,23,624.72**

Parameter	FY 2022-23	FY 2021-22
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled		
Battery waste (E)	9.99	Nil
E-waste (B)	0.38	5.07
Plastic waste (A)	314.3	160
Hazardous waste	Old/Used Gear / Lubricant Oil-8.77 Old/Used Grease- 6.48 Sludge of Used Oil- 8.77 Used Gear Oil- 4.21 Used Waste Oil- 31.22	74.63
Solid waste	9,67,004	8,92,205
(ii) Re-used		
Hazardous waste	Nil	Nil
Solid waste	82,568	Nil
Total	**10,49,956.12**	**8,92,444.70**
(iii) Other recovery operations		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration		
Hazardous waste	Nil	Nil
(ii) Landfilling		
Hazardous waste	Nil	Nil
(iii) Other disposal operations		
Biomedical waste	0.033	0.021
Total	**0.033**	**0.021**

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Tata Group has committed to becoming net-zero emissions by 2045 and has developed a strategy that includes producing steel through recycling of scrap, using hydrogen to produce steel using the Direct Reduced Iron Route, and piloting new technologies such as carbon capture and utilisation, the use of hydrogen in blast furnaces, and the HIsarna technology.

In order to minimise the waste produced in the steelmaking process, TSLP has a dedicated profit centre for waste management, called the Industrial By-Product Management Division (IBMD), to ensure efficient By-Product management by adopting advanced practices of steel waste processing. Ironmaking and steelmaking slags make up the maximum share of By-Products generated in the steel industry. Other By-Products include dust, sludge, mill scales and waste refractories etc. These By-Products are processed to maximise their value, so that they can be reused in multiple internal and external applications as hereunder:

External applications:

- Blast furnace slag is reused in cement manufacturing;
- Metallics is reused in Secondary steelmaking;
- Non-metallics component of steelmaking slag is used in civil works/ road construction and fly ash bricks;
- Plastic waste is sold to recyclers;
- E-Waste and Hazardous waste are sold to authorized recycler.

Internal applications:

- Flue dust, lime dust, steelmaking sludge, Kiln dust, mill scale and sludge, Fe-bearing muck, GCP sludge, LD Slag fines are used for sinter-making, which is an input material for the Company;
- Recovered metallics is reused in secondary steelmaking processes of the Company.

TSLP has also invested in technologies for processing of By-Products to maximise the value creation. A few key facilities and initiatives are as follows:

a) **Increased Scrap Usage –** A major sustainability initiative of the Company is to reduce CO2 emission intensity by maximizing the scrap charge into steel melting shops.

b) **Metal Recovery Plant:** The slag generated as a by-product during steelmaking process is received by this plant, where it undergoes crushing & screening followed by magnetic separation. During the latter stage, metallic content is recovered and is used as one of the raw materials in steelmaking process, thus partly saving precious natural resources. Non-metallic slag is used in civil and road construction works.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

TSLP has taken the Environment and Forest Clearances from the Government of India and is in compliance with all such Environment and Forest Clearances.

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	TSLP- Gamharia	Specialty Steel	The company has complied with most of the conditions and remain committed to comply with the balance few which are pending as on date.
2	TSLP- Joda	Direct Reduced Iron	

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
TSLP(Gamharia)- Environmental clearance for modernisation and expansion of facilities of existing 1.2 MTPA integrated steel plant of TSLP limited at Adityapur Industrial Area, Gamharia, Saraikela-Kharsawan, Jharkhand	2006	ToR Granted on 9/8/2022	Yes	Yes	http://environmentclearance.nic.in/

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the company is compliant with all applicable environmental regulations in India. No fines were imposed on the company for violation of the environmental legislation or performance during FY23.

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter (in Giga Joule)	FY 2022-23	FY 2021-22
From renewable sources		
Total electricity consumption (A)	Gamharia: Nil Joda: 489 Mines: Nil Total: 489	Gamharia: Nil Joda: 615 Mines: Nil Total: 615
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	Gamharia- Nil Joda: 489 Mines: Nil Total: 489	Gamharia- Nil Joda: 615 Mines: Nil Total: 615
From non-renewable sources		
Total electricity consumption (D)	Gamharia: 22,89,448 Joda: 1,97,719 Mines: Nil Total: 24,87,167	Gamharia: 23,61,244 Joda: 2,03,291 Mines: nil Total: 25,64,535
Total fuel consumption (E)	Gamharia:3,10,56,396 Joda:91,74,463 Mines: Nil Total: 4,02,30,859	Gamharia: 299,87,165 Joda : 94,75,327 Mines: Nil Total: 3,94,62,492
Energy consumption through other sources (F)	Gamharia:11,35,167 Joda:5,318 Mines: 267 Total: 11,40,752	Gamharia: 12,94,110 Joda: 4,577 Mines: 273 Total: 12,98,960
Total energy consumed from non-renewable sources (D+E+F)	Gamharia: 3,44,81,012 Joda: 93,77,500 Mines: 267 Total: 4,38,58,779	Gamharia: 3,36,42,519 Joda: 96,83,195 Mines: 273 Total: 4,33,25,987

Note:

Joda- Out of total energy consumption, 2018932 GJ and 2177534 GJ of energy sent outside plant boundary in term of power export, char sale and colony consumption during 2022-23 and 2021-22 respectively.

i. Reported electrical energy (D) is based on primary energy equivalent of captive power generation and net imported Electricity.

ii. For fuel (E)– Cooking coal and Non-Coking Coal have been considered.

iii. Under energy from other sources (F) – Petro fuel and LPG have been considered.

2. Provide the following details related to water discharged:

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Nil	Nil
- No treatment	Nil	Nil
- With treatment	Nil	Nil
(ii) To Groundwater	Nil	Nil
- No treatment	Nil	Nil
- With treatment	Nil	Nil
(iii) To Seawater	Nil	Nil
- No treatment	Nil	Nil
- With treatment	Nil	Nil
(iv) Sent to third-parties	Nil	Nil
- No treatment	Nil	Nil
- With treatment	Nil	Nil
(v) Others	Nil	Nil
- No treatment	Nil	Nil
- With treatment	Nil	Nil
Total water discharged (in kilolitres)	**Nil**	**Nil**

TSLP is a 'zero' water discharge plant. 100% wastewater from different operational unit is collected at the Effluent treatment plant of capacity 7200 KLD. The effluent after physio-chemical treatment process, recycled in its process for Pellet Plant, DRI & Coke Oven plant, slag granulation at MBF & dust suppression purposes.

DESIGN BASIS:

Design Flow considered - 300 cum/hr (max)

Parameter	Raw Effluent Quality	Treated Effluent Quality
pH	8.5-8.8	6.5-7.5
BOD	80 mg/l	< 30 mg/l
COD	400 mg/l	< 250 mg/l
Total Suspended Solid	600 mg/l	< 10 mg/l
Oil & Grease	30 mg/l	< 10 mg/l

Water recirculation system put into use in TSLP is shown in the picture below. 100% wastewater is recycled and 25% of its intake water consumption has been reduced on a continuous basis. Zero discharge of wastewater causing no water pollution in stream/river.

As a responsible corporate citizen, we are conscious of the sewage water being released, TSLP installed a sewage treatment plant in 2021 which receives the sewage from plant canteens and kitchens. The capacity of this plant is 250 m3 per day. The plant is based on MBBR (Moving Bed Bio-film Reactor) in which the suspended plastic beads act as media of microorganisms and act on organic impurities contained in sewage. Through aerobic process, the contaminated waste is cleaned. For terminal treatment, the clean treated sewage is subjected to 1% hypo chloride as disinfectant. The treated water is used in slag granulation at MBF#1 and for horticulture activities.

3. Water withdrawal, consumption and discharge in areas of water stress:

(i) Name of the area – Tata Steel Long Products limited

(ii) Nature of operations – Specialty Steel Business and Direct Reduced Iron (DRI)

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 23	FY 22
Water withdrawal by source (in kilolitres)		
(i) Surface water	Gamharia: 60,21,527 Joda: 13,04,038 Mines: Nil Total: 73,25,565	Gamharia: 69,92,950 Joda:13,46,473 Mines: Nil Total: 83,39,423
(ii) Groundwater	Nil	Nil
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres)	Gamharia: 60,21,527 Joda: 13,04,038 Mine: Nil Total: 73,25,565	Gamharia: 69,92,950 Joda: 13,46,473 Mines: Nil Total: 83,39,423
Total volume of water consumption (in kilolitres)	Gamharia:41,13,261 Joda: 8,21,576 Mines: Nil Total: 49,34,837	Gamharia: 42,61,320 Joda: 9,00,563 Mines: Nil Total: 51,61,883
Water intensity per rupee of turnover (Water consumed / turnover)	0.000066	0.000076
Water intensity (optional) – the relevant metric may be selected by the entity	--	--

Parameter	FY 23	FY 22
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Nil	Nil
- No treatment	Nil	Nil
- With treatment	Nil	Nil
(ii) Into Groundwater	Nil	Nil
- No treatment	Nil	Nil
- With treatment	Nil	Nil
(iii) Into Seawater	Nil	Nil
- No treatment	Nil	Nil
- With treatment	Nil	Nil
(iv) Sent to third-parties	Nil	Nil
- No treatment	Nil	Nil
- With treatmentent	Nil	Nil
(v) Others	Nil	Nil
- No treatment	Nil	Nil
- With treatmentent	Nil	Nil
Total water discharged (in kilolitres)	**Nil**	**Nil**

4. Please provide details of total Scope 3 emissions (As per Greenhouse Gas Protocol) & its intensity, in the following format:

Parameter	Unit	FY 23	FY 22
Total Scope 3 emissions	Million tonnes of CO_2 equivalent	Gamharia: 0.31 Joda: 0.02 Mines: 0.0006 Total: 0.33	Gamharia: 0.30 Joda: 0.02 Mines: 0.0006 Total: 0.32
Total Scope 3 emissions per rupee of turnover	Million tonnes of CO2 equivalent / INR	0.0000044	0.0000047
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

5. ith respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Action is committed to reducing its impact on the ecosystem and biodiversity through active habitat restoration initiatives and avoidance of property acquisition that could result in the loss of critical habitat. TSLP aims to achieve no net deforestation by offsetting forest loss with compensatory afforestation. The company conducts periodic assessments of its sites to determine their exposure to critical biodiversity.

Site specific biodiversity management plan (BMP) study has been initiated. The Company has initiated Miyawaki plantation and medical garden development inside the plant, Initiation of green transformation for legacy ash mound, development of local saplings, installation of bird nest.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Sinter Plant ESP Upgradation	The ESP attached to Sinter Plant was very old and ineffective to cater the high stack emission. Out of 4 ESP fields 2 fields of the ESP upgraded to new technology with higher efficiency.	The Sinter plant ESP Stack emission reduced by 50%.
2	Maximizing Use of treated effluent water from ETP	At TSLP, there is an ETP of capacity 7200 KL. The use of treated effluent water from ETP is increased by providing separate service line. The use of treated effluent water extended to CPP auxiliary consumption, slag cooling at MBF and SMS, Gardening purpose.	By widening the use of treated effluent for various purposes the freshwater consumption drastically came down and reduced by 17% from previous year.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, TSLP has "Onsite Emergency plan & Disaster Control" measure in place, focusing on business continuity to address disruptive events like explosions, fire, cyber-attacks, acts of terror, etc. The practices have been developed through benchmarking against best practices of TSL. Under the plan, there are defined responsibilities for each & every group and individuals involved in handling emergencies.

Additional information on the Company's IT Business Continuity and disaster management plans:

Cyber Security

Cyber Security is one of the key foundational components of TSLP's Digital Transformation strategy. It is imperative to ensure that the system we run and the data we generate or collect have to be safe and secure from continuously evolving cyber threats. Hence, TSLP Cyber security is designed in a well thought manner, based on established best practices. The Company's cyber security policies and practices take all stake holders into consideration, including employees, customers, suppliers, regulators and other associated third parties. Some of the key aspects of TSLP's cyber security are described in the subsequent sections.

1. TSLP systems are hosted in a combination of Multi-Cloud and On-Premise architecture using the best practice of three level perimeter, as per ISA 95 Standard Architecture. First level perimeter is between Public network (Internet) and Business Network (Level 3), the second perimeter is between Business Network (Level 3) and Process Network (Level 2), and the third perimeter is between Process network (Level 2) and Programmable Logic Controllers and Instruments used in manufacturing (Level 1). All these perimeters are secured using Next Generation Firewalls with hardened rules and policies. Zero Trust Principles are embedded when dealing with public systems for any kind of data exchange. Systems are hardened as per best practices of configuration hardening. This perimeter strategy and system hardening, combined with stringent network access and authorisation control, ensures that the systems and network remains safe and secure for data exchange.
2. Systems are protected using multiple technologies to create defence-in-depth layers. Technologies like Active Directory, Anti-Virus, Mail Advanced Threat Protection, EDR/XDR (Enhanced Detection/Extended Detection Report), Virtual Patching, Mobile Device Management and Secure Work from Home, Next Gen Firewall, and DDoS (Distributed Denial of Service) protection work in unison to create these protection layers.
3. Data inside systems are protected using multiple technologies and best practices combined with stringent access and authorization in applications and databases. Technologies like Storage Replication, Storage and Backup Encryption, Privilege Access Management, Data Leak Prevention, Archiving and Retention come into picture for data protection.
4. The systems and data protections are continuously monitored for any suspicious events on 24x7 basis by TSL's Central Security Operation Centre (SOC) dedicated for TSLP. SOC comprises of state-of-the-art technologies and practices along with services from well-established partners in the field and use multiple technologies like Security Incident & Event Monitoring (SIEM), Syslog, Attack Surface Monitoring, Vulnerability Management System (VMS) etc.
5. To ensure right governance, a Cyber Organisation has been designed with proper segregation of duties incorporating the concept of makers and checkers. Any systems moving into production goes through cyber security clearance. In addition, there is corporate audit organisation, which conducts regular Internal Audits, Standard Audits and Statutory Audits. Ethical hacking is carried out by external organisation engaged by the audit team. As an integral part of Cyber Security Control, TSLP has a business continuity plan for IT systems, network infrastructure and other related assets. All IT systems have their backup and recovery plans as per the agreed business needs. Periodic restoration of the back-ups is also carried out for all production systems to check the sanctity of backups.

TSLP also has recovery plans prepared for systems with Disaster Scenario Matrix. Roles & responsibilities for each plan, periodic disaster recovery drills, reviews and lessons learnt are documented and implemented.

As part of Digital transformation, TSLP enterprise system are hosted on Hybrid Multi cloud environment with no chance of all cloud/systems going out of the grid simultaneously. The Company's Work from Home solution is such that users get a feel of Working from Office just after switching on their laptop and getting connected over the internet. The solution was designed to be scalable irrespective of user count featured, with centralised deployment and monitoring with almost zero user intervention and Anytime Anywhere secure access to applications by auto connecting to nearest Cloud Data Centre.

Business Resilience

TSLP uses the Remote Operations and Supply Chain visibility programmes to view, instruct and inform our operations remotely. This has helped us to get remote expertise during the Covid pandemic for major shutdowns and has also created capabilities to access such expertise faster during breakdowns/emergencies. We have also sharpened our Quick Response Team protocols to detect and respond to any safety, security or surveillance issue contributing to our resilience and recovery capabilities.

TSLP has initiated for the deployment of CFIN – Central Finance project on SAP, which has connected to TSL central S4 Hana system, increasing our capabilities of inter-company reconciliations and closing our books of account faster. This reduces audit touch time and diminishes risks via tighter supervision across the different legal entities globally. TSLP is also in the process of deploying Anaplan for integrated planning and forecasting purposes across the company.

Geopolitical developments that have an impact on technology and the implications for the steel industry/TSLP, are being monitored by engaging with experts from Geotechnology advisors and technology advisors.

TSLP works with world leaders in digital technology to ensure it has cutting edge computing power, connectivity, data quality & accessibility and Artificial Intelligence capabilities available to its employees. Robust governance with partners is set in place, with partners incentivised to collaborate with each other to bring the best products, services, solutions and ultimately the desired outcomes to TSLP.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

There has been no significant adverse impact arising from the value chain of TSLP.

As plastic waste is one major environmental pollutant due to its nature, our purchase dept has taken a call with all value chain partners to eliminate plastic as packing material.

TSLP has a long-integrated value chain that extends from mining to finished specialty steel products with an interconnected network of suppliers, mines, stockyards, customers, handling ~3 MnT materials in a year. The production, transportation, storage and handling of materials like iron ore, coal, limestone, refractory, aluminium, zinc, ferro alloys etc. have a negative impact on the environment, including greenhouse gas and other emissions. These materials also have adverse impact on the environment during their use in iron and steel making.

In FY 2022-23, the Company has started studying the ESG risks associated with the above-mentioned commodities extensively considering their sourcing geographies, understanding the impact of key developments, and identifying likelihood of price volatility/supply chain disruption and their impact on steel industry. Such an exercise will allow us to formulate risk score for specific or a group of commodities and will help us in decision-making.

To contribute to our goal of 'Zero Waste' using the 3R (Reduce, Reuse & Recycle) principles of circular economy, we have collaborated with suppliers and have taken up several projects for refurbishment of equipment under use, thereby improving their life.

In addition to implementing our Responsible Supply Chain Policy (RSCP), we are also collaborating with our suppliers to take up projects for jointly tackling climate change issues. In FY 2022-23, we are initiating partnerships with our strategic suppliers to reduce our scope 3 emissions, decarbonize our operations, and explore innovative solutions.

9. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

   Around 6% of our value chain partners are assessed for environmental impacts as per our Responsible supply chain strategy. Total 106 nos critical vendors are identified for assessment based on 70-80% of spend across total buy value. The Critical Vendors selected for assessment are diversified from different segment covering MRO, Services, Transportation, EPC, Industrial Gases, coal across all segments.

PRINCIPLE 7 BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Essential Indicators

1 a. **Number of affiliations with trade and industry chambers/ associations. - TSLP has 10 affiliations with trade and industry chambers/ associations.**

b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S.No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/ National)
1	Confederation of Indian Industry (CII)	Jharkhand & Eastern
2	IWN – Jharkhand Chapter	State
3	Indian Steel Association	National
4	Utkal Chamber of Commerce and Industry	State
5	IIM Keonjhar Branch	National
6	Federation of Indian Mineral Industries	National
7	All India Induction Furnaces Association	National
8	Sponge Iron Manufactures Association (SIMA)	National
9	Jamshedpur Management Association (JMA)	State
10	Joint Plant Committee (JPC)	National

2 **Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Nil

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

S.No.	Public Policy Advocated	Method resorted for such advocacy	Information available in public domain (Yes/No)?	Frequency of review by board	Weblink, if applicable
	The company public policy advocacy efforts are focused on helping the steel industry improve its competitiveness and country achieve its major strategic objectives. In particular, we focus on increasing steel demand, improving the ease and cost of doing business, sustainability, environment and climate change, initiatives to decarbonize the Indian steel industry, alignment with United Nation's Sustainable Development Goals	The company works with all stakeholders, relevant government & regulatory bodies and apex industry associations through Tata Steel Limited. Industry associations include global, national and regional industry bodies like the Confederation of Indian Industry (CII), Federation of Indian Chambers of Commerce & Industry (FICCI) and Indian Steel Association (ISA). The company is guided by its code of conduct policies.	Yes	On a continuous basis	Tata Steel publishes details of its public policy advocacy on its website. The website link is as follows: https://www.tatasteel.com/sustainability/esg-indicators-factsheet/

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT.

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

   Going by the value of the projects & programs, none of the interventions of the company qualified for impact assessment.

   However, as a mark of good governance and transparency, the company carried out the impact assessment of the entire CSR activities of its Joda location, where the interventions had matured over the years, where the service of an external independent agency was engaged. The report was shared with the CSR Board Committee and most of the recommendations of the report have since been either implemented or are under active implementation phase.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S.No.	Name of the project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
			Not Applicable			

3. **Describe the mechanisms to receive and redress grievances of the community.**

   The grievance redressal process or observations, as and when received, consists of multiple layers.

   The initial layer involves the village coordinators and on-site officers who receive observations or complaints. Depending on the severity of the issue, they strive to resolve it on the spot. If the problem requires intervention at the Head of Department (HoD) level, it is immediately brought to the attention of the HoD or discussed during the weekly CSR review forum.

   If the problem still requires escalation, it is either shared by the HoD with the senior management at the Apex level or discussed during the monthly review meeting. The existing grievance redressal system facilitates direct interactions between communities and the CSR team, which actively works on implementing CSR initiatives on the ground.

   These grievances serve as valuable inputs for evaluating and improving the CSR process, influencing the formulation of next year's CSR plan. The on-ground team members maintain regular communication with the beneficiary groups. Additionally, the location in-charges and heads periodically visit and interact with the beneficiary groups, as well as hold meetings with elected members from the gram panchayats.

   Based on the grievances and suggestions received, the CSR team identifies problem areas, conducts studies, and proposes remedial measures to the relevant authorities. Furthermore, the CSR team offices across different locations are always accessible to the communities, who periodically visit to discuss their observations. In-depth meetings are conducted to address community concerns and gather feedback, which serves as a continuous learning process for identifying lessons and preventing future grievances and harm.

   Moreover, the contact details of the entire CSR team, including the Head and Locational Incharge, have been shared with the Panchayat members to encourage them to share observations, complaints, or feedback at any time.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers: (% required)**

	FY 23	FY 22
Directly sourced from MSMEs/ small producers	39%	12%
Sourced directly from within the district and neighboring districts	15%	6%

   Note - The above data is based on MRO and service category.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

There are no negative social impact identified during the year.

2. Provide following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S.No.	State	Aspirational District	Amount Spent (₹ lakh)
1	Jharkhand	Seraikela – Kharsawan	352.08
2	Jharkhand	West Singhbhum	225.38
3	Odisha	Keonjhar	195.92
TOTAL			**773.38**

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?

Yes. TSLP has an Affirmative Action Policy. The Company encourages business entrepreneurs from socially disadvantaged communities through monitoring and inclusion in supply chain. Partnering with and supporting diverse suppliers is a key strategy to deliver on our mission to maintain a resilient and sustainable supply chain.

Being a part of Tata Conglomerate, the Company's intention is to level the playing field for groups that have been historically discriminated in the workplace because of gender, cast, disability. The Company is intending to focus on suppliers from local vicinity to include them in our supplier base and develop their capability as per requirement. Localizing the supply chain will have cost advantages as well as help the environment by reducing shipping and storage.

(b From which marginalized /vulnerable groups do you procure?

TSLP procures from socially disadvantaged sections of the society such as the Scheduled Caste vendors, Scheduled Tribe vendors and from the person with disability under its Affirmative Action Policy.

(c) What percentage of total procurement (by value) does it constitute?

The business volume from Affirmative Action suppliers stands at ₹ 34.16 crore in FY2022-23, approx. 3% MRO & Services spend. During, the FY23 the Company has 29 active AA vendors and aims make the number 40.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

None

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

None

6. Details of beneficiaries of CSR Project:

Sl. No.	CSR Project	No. of People benefitted from the project				% of beneficiaries from vulnerable and marginalized groups*			
		Gamharia	Joda	Vijay-II	Total	Gamharia	Joda	Vijay-II	Average
1	Prarambh – education for students in pre-primary & primary schools and AWCs	265	1,285	982	2,532	70	75	80	75
2	Vidyarthi – education support for students in high schools	80	1198	520	1,798	60	75	95	77
3	Jaldhara – providing drinking water to people in nearby villages	860	1520	1950	4,330	75	75	90	80
4	Upachar – providing medical aid	225	155	3900	4,280	78	85	85	83
5	Swabhiman – contribution towards making villages open defecation free	0	1240	500	1,740	0	75	95	57
6	Protsahan – scholarship for pursuing job oriented training courses	76	80	4	160	46	65	75	62
7	Krida – sports & youth engagement	239	2500	1200	3,939	100	75	80	85
8	Rural Development projects – various other interventions	6903	20227	4352	31,482	70	85	80	78
9	Mushroom cultivation	89	216	65	370	100	100	100	100
10	Super-30 : Endeavor to help a few talented girls to realise their potential	3	6	0	9	100	100	0	67
11	Sakshyam – Help to SHGs, farmers group for various livelihood projects	160	525	500	1,185	100	90	100	97
12	Ama Sanskriti – Cultural activities	0	2450	0	2,450	0	90	0	30
	TOTAL	**8900**	**31402**	**13973**	**54275**	**67**	**83**	**73**	**74**

* marginalized group includes people from SC/ST community, women from economically weaker section and PwDs

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Our customers are one of our key stakeholders. In order to maximize customer satisfaction, increase customized product offerings, and introduce new products that cater to their needs, it is important to keep alive a constant interaction with the customer across all levels. The Company has following touch points to engage with its customers to build trust and strengthen transparency, while addressing their queries and concerns.

- Dedicated Customer Account Manager
- Product Application Engineer
- Customer Meet
- Customer service team/cross-functional team engagement
- Customer Engagement and Satisfaction survey
- Webinars
- Senior Management visit/virtual meets

We are driving a culture of customer obsession across the organization to enhance convenience for our customers, as well as their overall experience.

TSLP uses a web based Customer Complain Management platform called "ACE (Assure, Correct & Ensure)" which enables the customers to voice their opinion and reach out to us. This portal has been designed to track client feedback through a dedicated dashboard. All quality related complaints are attended by Product Application Group (PAG). Detailed investigation and analysis are done for the complaint's basis the severity and occurrence pattern. Quality Assurance and Technology Group are involved in carrying out analysis. The captured data points also gives us valuable insights that guides us to accurately design and deliver our products and services, leading to customer delight.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:-

	As a percentage to total turnover
Environmental and Social Parameters	0%
Safe and Responsible Usage	0%
Recycling and/or Safe Disposal	NA

3. Number of consumer complaints in respect of the following:

	FY 22-23			FY 21-22		
	Received during the year	Pending at the end of the year	Remarks	Received during the year	Pending at the end of the year	Remarks
Data Privacy	0	0	Nil	0	0	Nil
Advertising	0	0	Nil	0	0	Nil
Cyber security	0	0	Nil	0	0	Nil
Essential services delivery	Not Applicable to TSLP					
Restrictive trade practices	0	0	Nil	0	0	Nil
Unfair trade practices	0	0	Nil	0	0	Nil
Other – Product and service related complaint	120	0	Accepted Complaints (claims) calculated in Parts Per Million (PPM).	178	0	Accepted Complaints (claims) calculated in Parts Per Million (PPM).

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	Nil
Forced recalls	0	Nil

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. TSLP has a policy on data privacy. The Privacy Policy explains how TSLP collects, uses, stores, discloses or otherwise processes personal data including personal data provided when using TSLP websites and describes the rights with respect to personal data.

TSLP is committed to providing the highest level of protection regarding the processing of their employees', vendors' and clients'/customers' personal data based on applicable data protection laws and regulations.

A copy of TSLP's Privacy Policy can be found on the following link: https://www.tatasteellp.com/storage/2021/10/Privacy-Policy.pdf

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

There has been no such instance which has occurred during FY2022-23.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The information on products and services of the entity can be addressed at https://www.tatasteellp.com/

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Initiatives /platforms of the company to educate customers about safe and responsible usage of products and/or services are mentioned below -

a) Consumer meets/influencer meets also inform customer on right usage

b) Value Analysis and Value Engineering, Customer Service meeting, Customer meets are done periodically to educate customers on usage by most product brands.

c) Customer service team/ Regional Sales Manager/ Sales Manager are regularly in contact with the all customers. Each zone has 1 Regional Sales Manager ('RSM') and multiple Sales Manager ('SM') along with Product application group ('PAG')

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:

TSLP has put in place effective communication protocols, both formal and informal, to inform its customers on any supply disruptions, as listed below:

a) The sales and marketing teams, the customer relationship management teams and the supply chain management teams are in constant touch with their counterparts in our customer organisation(s). The teams promptly inform the customers for any disruption in supplies.

b) In case of any major disruption, TSLP uses its communication channels to inform customers of any disruption.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No).

TSLP provides test certificates capturing mechanical and chemical properties are also provided to the customers for information on the product. Levelling and BIS logo marking is as per BIS Norms.

Yes, customer satisfaction survey covering all major geographies and across all key product categories is conducted periodically across various parameters to measure customer satisfaction and experience.

5. Provide the following information relating to data breaches:

S no		2023	2022
1	Number of instances of data breaches along-with impact	0	0
2	Percentage of data breaches involving personally identifiable information of customer	0	0

BOARD'S REPORT

To the Members,

Your directors take pleasure in presenting the 5th Integrated Report [prepared as per Integrated Reporting framework of the International Integrated Reporting Council (IIRC) (now consolidated into IFRS Foundation)] and the 40th Annual Accounts on the business and operations of Tata Steel Long Products Limited (**'TSLP'** or **'Company'**), along with the summary of the standalone and consolidated financial statements for the financial year ended March 31, 2023.

A. FINANCIAL RESULTS

(₹ in Crores)

Particulars	Standalone		Consolidated
	2022-23	2021-22	2022-23
Revenue from operations	7,464.07	6,801.63	8,991.78
Total expenditure before finance cost, depreciation	7,391.79	5,624.08	9,729.03
Operating Profit	72.28	1,177.55	(737.25)
Add: Other income	634.46	137.51	304.13
Profit before finance cost, depreciation, exceptional items and taxes	**706.74**	**1,315.06**	**(433.12)**
Less: Finance costs	1,387.00	109.96	1,387.44
Profit before depreciation, exceptional items and taxes	**(680.26)**	**1,205.10**	**(1,820.56)**
Less: Depreciation and amortisation expenses	347.66	319.58	715.77
Profit/(Loss) before exceptional items & tax	**(1,027.92)**	**885.52**	**(2,536.33)**
Add/(Less): Exceptional Items	(1.70)	(27.14)	(1.70)
Profit before taxes	**(1,029.62)**	**858.38**	**(2,538.03)**
Less: Tax Expense	55.87	228.51	(234.18)
(A) Net Profit/(Loss) for the Period	**(1,085.49)**	**629.87**	**(2,303.85)**
Total Profit/(Loss) for the period attributable to:			
Owners of the Company	-	-	(2,248.47)
Non-controlling interests	-	-	(55.38)
(B) Total other comprehensive income	**0.80**	**(0.74)**	**(3.72)**
(C) Total comprehensive income for the period [A + B]	**(1,084.69)**	**629.13**	**(2,307.57)**
Retained Earnings: Balance brought forward from the previous year	799.34	192.02	799.34
Add: Profit for the period	(1,085.49)	629.87	(2,248.47)
Add: Other movements within equity	-	-	66.00
Balance	(286.15)	821.89	(1,383.13)
Which the Directors have apportioned as under to:-			
(i) Dividend on Ordinary Shares	56.38	22.55	56.38
(ii) Tax on dividends	-	-	-
Total Appropriations	**56.38**	**22.55**	**56.38**
Retained Earnings: Balance to be carried forward	**(342.53)**	799.34	**(1,439.51)**

Note: *The Company had acquired Neelachal Ispat Nigam Limited (**'NINL'**) on July 4, 2022. As at the end of the financial year, NINL is a subsidiary of the Company and the Company holds 92.68% equity shares of NINL. Accordingly, the financial statements have been prepared on a consolidated basis and not comparable with previous financial year on consolidated basis. The financial statements of NINL have been consolidated effective July 4, 2022.*

1. Dividend Distribution Policy

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (**'SEBI Listing Regulations'**) the Board of Directors of the Company (the **'Board'**) formulated and adopted the Dividend Distribution Policy (the **'Policy'**).

The Policy is available on the website of the Company at https://www.tatasteellp.com/wp-content/uploads/2021/09/Dividend-Distribution-Policy_TSLP_Revised.pdf

2. Dividend

In view of the performance of the Company during the year under review, the Board has decided not to recommend any dividend for the financial year 2022-23. However, the Board remains committed to creating value for the shareholders of the Company.

3. Transfer to Reserves

The Board of Directors has decided to retain the entire amount of profit for FY 2022-23 in the statement of profit and loss.

4. Capex and Liquidity

During the year under review, the Company has spent ₹210.85 crore on capital projects, largely towards environment and sustenance projects.

The Company's standalone liquidity position as on March 31, 2023 was at ₹2,756.50 crore, comprising ₹663.50 crore in cash and cash equivalent and balance in undrawn credit lines.

5. Management Discussion and Analysis Report

The Management Discussion and Analysis Report as required in terms of the SEBI Listing Regulations is annexed to this Report (**Annexure 1**).

B. INTEGRATED REPORT AND BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In continuation with our commitment to stakeholders, in the Financial Year 2017-18, we transitioned from the compliance-based reporting to the governance-based reporting by adopting the <IR> framework developed by the International Integrated Reporting Council (IIRC) (now consolidated into IFRS Foundation). Our 5th Integrated Report highlights the measures taken by the Company that contributes to long-term sustainability and value creation, while embracing different skills, continuous innovation, sustainable growth and a better quality of life.

In accordance with Regulation 34(2)(f) of the SEBI Listing Regulations, the Securities and Exchange Board of India (**'SEBI'**), in May 2021, introduced new sustainability related reporting requirements to be reported in the specific format of Business Responsibility and Sustainability Report (**'BRSR'**). BRSR is a notable departure from the existing Business Responsibility Report and a significant step towards giving platform to the companies to report the initiatives taken by them in areas of Environment, Social and Governance. Further, SEBI has mandated top 1,000 listed companies, based on market capitalisation, to transition to BRSR from FY 2022-23 onwards. Accordingly, we are glad to present our inaugural BRSR for FY 2022-23.

C. OPERATIONS AND PERFORMANCE

FY 2022-23 had been a challenging year for TSLP, both in terms of external and internal environment. However, the Company has remained agile and achieved significant accomplishments in terms of growth. One of the major achievements was the completion of the acquisition of Neelachal Ispat Nigam Limited (**'NINL'**), which doubled the crude steel nameplate capacity of the Company. Additionally, the Company also made significant progress towards the execution of the Combi Mill Project for 0.5 MTPA specialty steel state-of-the-art facility to grow in chosen segments of Passenger Vehicle (PV) and 2-Wheelers (2W).

On the operational front, the Company has created a history of reviving the NINL plant within 3 months of acquisition by leveraging the strength of Tata Steel Limited ecosystem. This in turn resulted in growth of crude steel production by33% whereas deliveries grew by 26% in FY 2022-23 on a consolidated basis. The Company has also achieved a milestone of crossing 700+ landmark for crude steel production on a standalone basis. Specialty steel clocked its best-ever annual sales of 536 KT in FY 2022-23 (Previous year: 487 KT).

There had been a conscious choice to change the business model of the Joda DRI unit from own to conversion route for Tata Steel Limited in the best interest of the Company and it has been executed successfully in Q3 of FY 2022-23. DRI Gamharia Plant has registered its best annual production of 463KT delivering a growth of 18% on Y-o-Y basis. However, on the other hand, the unprecedent volatility at the marketplace coupled with the intermittent outages at blast furnace has resulted in higher cost thereby keeping the financial performance of the Company under stress during H1 FY 2022-23 which has largely got normalized during H2 FY 2022-23.

D. KEY DEVELOPMENTS

1) Completion of acquisition of Neelachal Ispat Nigam Limited

On July 4, 2022, the Company acquired 93.71% stake in Neelachal Ispat Nigam Limited ('**NINL**'). The acquisition was completed for an aggregate consideration of ₹12,100 crore as per the terms and conditions of the Share Sale and Purchase Agreement entered into by the Company in accordance with the process carried out by Department of Investment and Public Asset Management ('**DIPAM**') and consequently, NINL became a subsidiary of the Company. As on March 31, 2023, the Company holds 92.68% of equity shares of NINL.

2) Radhikapur (East) Coal Block

By judgement of September 24, 2014, the Hon'ble Supreme Court cancelled allocation of 214 coal blocks including Radhikapur (East) Coal Block ('**RECB**') which was allotted to the Company on February 7, 2006. The carrying amount in books as on March 31, 2023 towards amount incurred by the Company on RECB, prior to de-allocation aggregates to ₹ 178.81 crore (March 31, 2022: ₹ 178.81 crore). Pursuant to the judgement of the Hon'ble Supreme Court, Government of India promulgated Coal Mines (Special Provision) Act, 2015 (the '**Act**') for fresh allocation of the coal mines through auction. In terms of the Act, the prior allottee would be compensated for expenses incurred towards land and mine infrastructure.

The validity of the Act has been challenged by Federation of Indian Mineral Industries ('**FIMI**') in 2019 before the Hon'ble Supreme Court to the extent that the Act does not provide grant of just, fair and equitable compensation in a time bound manner to the prior allotees of the coal blocks. After much follow-up with the relevant authorities for recovery of compensation, the Company has filed an Interlocutory Application on December 15, 2022 before the Hon'ble Supreme Court in the pending writ of FIMI seeking to expedite disbursement of the compensation.

Based on assessment of the matter by the Company including evidence supporting the expenditure and claim and external legal opinion obtained by the Company, the aforesaid amount is considered good and fully recoverable.

3) Mergers & Amalgamation:

a) Withdrawal of Scheme

The Scheme of Amalgamation previously announced by the Company for amalgamation of Tata Metaliks Limited into and with the Company has been withdrawn owing to significant changes in the underlying business conditions of both the companies resulting in dilution of the inherent benefits which were initially envisaged.

b) Scheme of Amalgamation of the Company into and with Tata Steel Limited

The Board of Directors of the Company ('**Board**') at its meeting held on September 22, 2022, considered, and approved the scheme of amalgamation of the Company into and with Tata Steel Limited ('**TSL**'). The Board of Directors of the Company has recommended a share exchange ratio of 67 fully paid-up equity shares of nominal value of ₹10/- each of Tata Steel Limited for every 10 fully paid-up equity shares of nominal value of ₹ 10/- each held by the public shareholders of [the Company. As part of the Scheme, the equity and preference shareholding held by TSL in the Company shall stand cancelled.

The Company subsequently submitted its application with the National Stock Exchange of India Limited ('**NSE**') and BSE Limited ('**BSE**') and received the 'Observation Letters' both dated March 31, 2023 from NSE and BSE respectively. Thereafter, the Company submitted the requisite application before the Hon'ble National Company Law Tribunal, Cuttack Bench ('**NCLT**') for necessary directions. The amalgamation is subject to approval from the shareholders and other regulatory/ governmental authorities.

The proposed amalgamation will enable the Company to achieve operational integration and better facility utilisation, reduction of operational costs, and rationalizing of logistics costs, Improve customer satisfaction and services, and achieve greater market presence in long products segment, Centralize procurement and inventory management and improve raw material security, Enable faster execution of projects in pipeline, Ensure efficiency in working capital and cash flow management and Sharing of best practices in sustainability, safety, health, and environment.

4) Change in Share Capital

There has been no change in the share capital of the Company during the year under review.

5) Credit Rating

During the year, India Ratings and Research (Ind-RA) has reaffirmed its long term issuer rating at Ind AA+ and revised the outlook to positive from stable. Further, ICRA also reaffirmed Commercial Paper Program rating at [ICRA]A1+; continues on Rating Watch with Developing Implications.

E. SUSTAINABILITY

On the sustainability front, the Company has made progress on all the identified 7 pillars of CO_2, fresh Water consumption, Stack dust emission, Solid Waste Utilization, Biodiversity, Product sustainability and Responsible supply chain. In addition, the company has made certain bold moves to reduce CO_2 footprint. The prime focus area is transitioning towards green energy through multiple initiatives such as partial closure of one Coal based captive power plant at Gamharia, maximizing green power generation through waste heat recoveries and change in fuel combination to reduce fresh coal usage. These initiatives coupled with increased throughput and reduced fuel consumption across mills have resulted in ~9% YOY reduction in CO2 from 4.39 tons / ton of Crude Steel in FY 2021-22 to ~4 tons / ton of Crude Steel in FY 2022-23. Fresh water consumption reduced by ~6% and dropped to less than 6 m3/tcs mainly on use of ETP treated water for several usage in the plant. Stack dust emission reduced on strengthening of inspection and maintenance practices. Commercialization of fly ash and non-metallic Electric Arc Furnace Slag resulted in improved solid waste utilization. Your Company has first time participated in the independent Sustainability assessment carried out by Confederation of Indian Industry wherein it has been conferred with Outstanding Accomplishment Corporate Excellence Award.

1) Environment

Being a responsible corporate citizen, the Company continues to strive for excellence in environmental journey across operations. To achieve this, the Company has dedicated Environment Management teams at its key operating location. As part of responsible advocacy, the Company syndicates its stance with key stakeholders on environmental policy matters including regulatory issues and actively participates in various national and international forums on diverse environmental issues.

The Company has taken several initiatives in the areas of resource conservation, upgradation of pollution control system and enhanced waste management. The Company has adopted environmentally friendly processes, the best available technologies, real-time monitoring systems and has IT enabled real-time dashboards to facilitate environmentally friendly operational control. The Company has digitized the systems of real-time monitoring of environmental parameters to faster identify probable environmental impacts of its operations in order to undertake mitigating actions to control environmental pollution.

During the financial year 2022-23, the Company has performed and achieved best ever of its environmental parameters. It has achieved:

1. reduction in Specific stack dust emission intensity by 13% in FY 2022-23 w.r.t FY 2021-22
2. reduction in Specific CO_2 emission intensity by 8% in FY 2022-23 w.r.t FY 2021-22
3. reduction in Specific water consumption intensity by 7% in FY 2022-23 w.r.t FY 2021-22
4. zero effluent discharge and increased 3% of water usage through recycling in FY 2022-23 (29%) w.r.t. FY 2021-22 (26%).
5. strengthen the real time data transmission facility to Jharkhand State Pollution Control Board and Central Pollution Control Board and achieved over 95% data accuracy and availability.

2) Climate Change

Climate change is one of the most pressing issue the world faces today, and the Company recognizes its obligation to work towards mitigation of climate change related risks and strives to reduce its carbon footprint, especially of steelmaking facilities. The Company is committed to be aligned with country commitments and Tata Group's aspiration on climate change in achieving net zero by the year 2045.

At Gamharia, the Company has:

- reduced its carbon footprint by improving resource efficiency through replacing coal with char as fuel and strives to reduce CO_2 emission intensity significantly in its captive coal-based power plant.
- maximized the green power generation from DRI and coke oven through operational excellence.
- reduced its Specific coal consumption of DRI unit.

- implemented various initiative to reduce power consumption of various equipment.
- reduced the flaring of Blast Furnace ('**BF**') gas and replaced Light Diesel Oil with Blast Furnace gas at mills as fuel.

3) Health and Safety

The Company is deeply committed to prioritizing Health and Safety Management and achieving 'Zero Harm.' In order to accomplish this, the Company is pursuing six strategies, which include building safety leadership capabilities at all levels, reinforcing contractor safety management standards to ensure zero harm to contract employees, improving the competency and capability to identify hazards and manage risks, enhancing road and rail safety throughout the Company, striving for achieving excellence in process safety management, and establishing industrial hygiene along with improving occupational health.

The Company has made efforts to alleviate congestion of heavy vehicles on the road by constructing a new transport park at Gamharia, capable of accommodating 48 trailers/trucks, complete with amenities such as restrooms for heavy vehicle drivers. Furthermore, to reduce the risks posed by the simultaneous movement of heavy vehicles and two-wheelers on the road, two-wheeler entry has been restricted at the Company. To eliminate the toppling & dashing incidents, safety gadgets like Driver Fatigue monitoring system, Dala raising inter-lock & Antitilt devices has been installed in 100 % of inbound heavy vehicles at the Company.

With a view to promote a positive safety culture throughout the organisation, the Company has initiated the Safety, Health, and Environment Reward & Recognition system. This system aims to recognise and reward TSLP employees and departments for their remarkable contributions towards maintaining the safety standards and drive the positive safety culture at all levels within the organisation.

The safety of contractors has continuously been a primary focus for the Company and the organisation has made considerable efforts to enhance the safety competency of its workforce by training them on simplified safety standards safety training. Contractor Safety Management System is being deployed in all units of the Company.

The implementation of the 'Centre of Excellence' ('**CoE**') methodology for Process Safety has gained traction, leading to improved process safety competencies among employees. At present, the CoE-driven process safety initiative has been rolled out in all high hazard departments at TSLP Gamharia & Joda. With an endeavor to create a safer, more resilient, and sustainable organisation, identification of the top five safety risks across all departments of the Company was done and implementation of strategic risk mitigation plan is in progress.

The Company has been working towards Occupational Health and has implemented a comprehensive Industrial Health & Wellness programme which includes identification of occupational health hazards, risk analysis, and assessment of actual exposure through hazard quantification. The programme also focusses on implementation of hazard control measures to maintain minimum exposure level and to reduce occupational health related risks. During the year under review, several awareness sessions on 'Health & Wellbeing' have been organised across the Company for the employees and contract employees.

Lost Time Injury (LTI) of contract employees has been the topmost safety concern for the Company. It is concerned that the Company reported twenty-two (22) LTIs during the year under review. The Company launched hazard specific Safety campaigns viz. 'Work at Height', 'Hot Substances', 'Man-Machine' interface etc. across locations to address gaps and improve safety awareness.

4) Research & Development

The Company has embarked on a journey for technology leadership and has made significant progress on several fronts in Research and Development ('R&D'). Presently working on special project for development of 'NON-LEADED FREE CUTTING STEEL'. Generally, ALSI12L14 is a low carbon re-sulphurized Pb-added free-cutting steel, which is a special grade of free-cutting grade steel wire whose end application needed, good machinability as a primary requirement.

Recently, New composition has developed without addition of Lead & which is cost effective, Environment friendly and showing better results.

Further, with the collaboration with TSL- Technology & R&D team, there are many improvement projects related to Steel making & Rolling processes has been done.

- Development of Bearing steel from bloom caster (300x360) - To keep the 20:1 reduction ratio for higher sizes products the input size needs to be increased. So, a 300x360 size bloom of grade SAE52100 type bearing steel was produced by the EAF+LRF+CCM process route. This bloom was cogged to produce bars of dia 56mm and 50mm. For this project, a reduction ratio of 43.87:1 was achieved which enhanced the quality of the products in terms of inclusion morphology, carbon segregation, and central soundness.
- Reduction in shot blasting marks caused during pre-annealing treatment in grades 10B35, 1541, 4135, 4140 WR
- Study of scale morphology in alloy steel grade in correlation with process parameter
- Elimination of free ferrite in 55SiCr 9254 for 5.5 mm to 10 mm

Further, a process has re-designed for development of Low O2 ppm level in Low carbon case-carburizing steel grade by strengthening of De-oxidation practice and VD process.

The R&D continues to engage closely with its global automotive customers through Value Analysis Value Engineering ('VAVE').

TSLP has been working towards digitisation and key highlight in this regard is the data Transmission from the lab's analytical equipment to different substations BF1&2, Sinter, pellet, SMS 1&2, SMS 3(Control Room). IT based Portal developed for Customer Complaint Management System, Portal for IMS/IATF Audit & Digital TC through SAP HANA system.

5) New Product Development

TSLP has continued its focus on new product development. During the year under review, the Company developed 59 new products, *19 Wire rods & 40 SBQ. Auto-CV: 30 nos. 50%, Auto-PV:8 nos 16%, Two-Wheeler: 8 nos. 16%, Agriculture, Defence, Railway, Textile: 13 nos. 22%.*

In this year, TSLP focused on PV & Two-Wheeler segments, and the Company has successfully developed the *SAE8620H (90 dia) for TESLA through M/s NAW for the first time.*

SAE8620RH (50,60.63 dia) for to McLaren through M/s RKFL for the first time.

Wire drawn for sizes 7.5 mm & 8.5 mm diameter for Bajaj Spring.

SCM 420H2V2 developed for TVS in 44-, 45- & 53-mm diameter for Two-wheeler application.

Apart from Automotive, TSLP has focused on other segments also like Defence, Railway, and export components etc. The Company has developed G4Si1 & EA2 for Electrode application, and which are ***Import Substitute.***

In FY23, Various OEMs and Tier 1 Customer visited to plant for Audit / Assessment. The Company got the approval from TVS for Production supply and successfully completed the Audit of Royal Enfield and Nexteer for further supply of trial lot.

6) Customer Relationship

TSLP is focused on improving our customer engagements and elevating our relationship with customers to the next level, in line with the Vision and Mission of our organization. We believe that customer focus alone can result in superior performance.

Considering the changing business requirements and to serve the customers better, we are broadening our supply chain capabilities through new partners and enhance value driven engagements with our customers by virtual meets, and senior management visits. We conduct annual customer satisfaction surveys covering all customers, to measure customer satisfaction and arrive at a quantitative index Customer Satisfaction Index.

This index is arrived at through ratings received from respondents on attributes like Product, New Product Development, Delivery, Commercials, Relationship & Engagement, Complaint Handling and Technical Support. The findings and action plan taken are shared with the senior leadership team and used to develop future plans of the Company.

7) Corporate Social Responsibility (CSR)

The Tata culture of giving back to society emanates from the tradition and value system instilled over a century back by J N Tata, our group's founder. Community care is integral to the values that underpin our group's businesses. We, at TSLP, imbibe and energize this principle with focused need-based CSR programs. As a responsible corporate citizen, we focus on building self-sustained communities and encourage our people to participate in volunteering programs. Our CSR programs comprise need-based interventions in areas spanning 38 villages (across eight Gram Panchayats), impacting around 43,700 people, of which around 55% belong to the marginalized sections of society.

As per the broad objectives of our Policy, CSR activities are being implemented in project/ program mode, in thrust areas of education, health & sanitation, livelihood programs, youth engagement and essential services.

Company's CSR agenda is also aligned with the framework on Affirmative Action (AA) prepared by the Confederation of Indian Industry, which focuses on 5 enablers - employment, employability, entrepreneurship, education, and essential amenities.

The CSR activities for FY 23 produced several highlights during the year which included 20 school children (primarily girls) from the hinterlands winning State merit scholarship, 80 youths receiving placements after skill building courses, >100 PWDs receiving support of various kinds, 129 patients successfully undergoing cataract operations, 94% of the 205 students passing matriculation examination, 3500 kgs of mushroom production by women Self Help Groups, >7000 hours of employee volunteering…the list is longer.

Over the years, our CSR activities have earned appreciation from the government and institutes of repute. During FY 23, the Company was recipient of an award from All India Management Association, besides few accolades on volunteering from Tata Sustainability Group.

During the year under review, the Company spent ₹7.73 crores on CSR activities. The Annual Report on CSR activities, in terms of Section 135 of the Companies Act, 2013 ('**Act**') and the Rules framed thereunder, is annexed to this report (**Annexure 2**). The CSR policy is available on the website of the Company at https://www.tatasteellp.com/storage/2021/12/CSR-Policy-for-circulation.pdf

F. Corporate Governance

At TSLP, we ensure that we evolve and follow the corporate governance guidelines and best practices diligently, not just creating long-term shareholder value, but also to respect the rights of the minority. We consider it our inherent responsibility to disclose beyond the statutory requirements, timely and accurate information regarding the operations and performance, leadership and governance of the Company.

Pursuant to the SEBI Listing Regulations, the Corporate Governance Report along with the Certificate from a Practicing Company Secretary, certifying compliance with conditions of Corporate Governance, is annexed to this Report (**Annexure -3**).

1) Meetings of the Board and Committees of the Board

The Board met six (6) times during the year under review. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the SEBI Listing Regulations. The Committees of the Board usually meet one day before or on the day of the Board meeting, or whenever the need arises for transacting business. Detailed composition of the Board and its Committees as well as details of Board and Committee meetings held during the year under review and Directors attending the same are given in the Corporate Governance Report forming part of this Report.

2) Selection of New Directors and Board Membership Criteria

The Nomination and Remuneration Committee ('**NRC**') engages with the Board to determine the appropriate characteristics, skills and experience for the Board as a whole as well as for its individual members with the objective of having a Board with diverse backgrounds and experience in business, finance, governance, and public service. Thereafter, the NRC recommends to the Board the selection of new Directors. Thereafter, the NRC recommends to the Board the selection of new Directors.

Characteristics expected of all Directors include independence, integrity, high personal and professional ethics, sound business judgement, ability to participate constructively in deliberations, and willingness to exercise authority in a collective manner. The Company has in place a Policy on appointment and removal of Directors ('**Policy**').

The salient features of the Policy are:

- It acts as a guideline for matters relating to appointment and re-appointment of Directors;
- It contains guidelines for determining qualifications, positive attributes of directors, and independence of a Director;
- It lays down the criteria for Board Membership;
- It sets out the approach of the Company on board diversity;
- It lays down the criteria for determining independence of a director, in case of appointment of an Independent Director.

During the year under review, there has been no change to the Policy. The Policy is available on the website of the Company at https://www.tatasteellp.com/storage/2021/09/Policy-on-appointment-and-removal-of-Directors.pdf

3) Familiarization Programme for Directors

As a practice, all new Directors (including Independent Directors) inducted to the Board go through a structured orientation program. Presentations are made by the Senior Leadership Team giving an overview of the operations, to familiarize the new Directors with the Company's business operations. The new Directors are given an orientation on the products of the business, group structure and subsidiaries, Board constitution and procedures, matters reserved for the Board, and the major risks and risk management strategy of the Company. Visits to plant and mining locations are organized for the new Directors to enable them to understand the business better. In addition to that as and when an Independent Director is willing to visit the plants, the same is organized with proper safety protocols during the plant visit.

During the year under review, no new Independent Directors were inducted to the Board. Details of orientation given to the existing independent directors in the areas of strategy, operations & governance, safety, health and environment, and industry trends, are available on the website of the Company at https://www.tatasteellp.com/storage/2023/05/Familiarization-Independent-Directors-2022-23.pdf

4) Evaluation

The Board evaluated the effectiveness of its functioning, of the Committees and of individual Directors, pursuant to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

The Board sought the feedback of the Directors on various parameters including:

- Degree of fulfillment of key responsibilities towards stakeholders (by way of monitoring corporate governance practices, participation in the long-term strategic planning, etc.);
- Structure, composition and role clarity of the Board and Committees;
- Extent of co-ordination and cohesiveness between the Board and its Committees;
- Effectiveness of the deliberations and process management;
- Board/Committee culture and dynamics; and
- Quality of relationship between Board Members and the Management.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 05, 2017.

The Chairman of the Board had one-on-one meetings with the Independent Directors ('**IDs'**) and the Chairman of NRC had one-on-one meetings with the Executive and Non-Executive, Non-Independent Directors. These meetings were intended to obtain the Directors' input on effectiveness of the Board/ Committee processes.

In a separate meeting of IDs, the performance of the Non-Independent Directors, the Board as a whole and the Chairman of the Company were evaluated, taking into account the views of Executive Director and other Non-Executive Directors.

The NRC reviewed the performance of the individual directors and the Board as a whole.

In the Board meeting that followed the meeting of the Independent Directors and the meeting of NRC, the performance of the Board, its Committees, and individual Directors were discussed.

Outcome of Evaluation

The evaluation process endorsed the Board Members' confidence in the ethical standards of the Company, the resilience of the Board and the Management in navigating the Company during challenging times, cohesiveness amongst the Board Members, constructive relationship between the Board and the Management and the openness of the Management in sharing strategic information to enable Board Members to discharge their responsibilities and fiduciary duties.

5) Remuneration Policy for the Board and Senior Management

Based on the recommendations of NRC, the Board has approved the Remuneration Policy for Directors, Key Managerial Personnel ('**KMPs**'), and all other employees of the Company. As part of the policy, the Company strives to ensure that:

- the level and composition of remuneration is reasonable and sufficient to attract, retain, and motivate Directors of the quality required to run the Company successfully;

- relationship between remuneration and performance is clear and meets appropriate performance benchmarks; and
- remuneration to Directors, KMPs, and Senior Management involves a balance between fixed and incentive pay, reflecting short, medium, and long-term performance objectives appropriate to the working of the Company and its goals.

The salient features of the Policy are:

- It lays down the parameters based on which payment of remuneration (including sitting fees and remuneration) should be made to Independent Directors (IDs) and Non-Executive Directors (NEDs).
- It lays down the parameters based on which remuneration (including fixed salary, benefits and perquisites, bonus/ performance linked incentive, commission, retirement benefits) should be given to whole-time directors, KMPs, and rest of the employees.
- It lays down the parameters for remuneration payable to Director for services rendered in other capacity.

During the year under review, there has been no change to the Policy. The Policy is available on the website of the Company at https://www.tatasteellp.com/storage/2021/09/Remuneration-Policy-TSLP.pdf

6) Particulars of Employees

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('**Rules**') are annexed to this report (**Annexure 4**).

In terms of the provisions of Section 197(12) of the Act, read with Rules 5(2) and 5(3) of the Rules, 2014, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits as set out in the said Rules forms part of this report.

In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the shareholders excluding the aforesaid statement. The said statement shall remain open for inspection at the Registered Office of the Company upon request by the Members. Any member interested in obtaining a copy of the same may write to the Company Secretary at investorcell@tatasteellp.com

7) Directors

During the year under review, there has been no change in the Board of Directors of the Company.

In terms of the provisions of the Act, Mr. Koushik Chatterjee (DIN: 00004989), Director of the Company, retires at the ensuing AGM and being eligible, seeks re-appointment. The necessary resolution for re-appointment of Mr. Chatterjee forms part of the Notice convening the ensuing AGM scheduled to be held on Wednesday, August 2, 2023.

The profile and particulars of experience, attributes and skills that qualify Mr. Chatterjee for Board membership, are disclosed in the said Notice.

8) Independent Directors' Declaration

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Act and Regulations 16(1)(b) and 25(8) of the SEBI Listing Regulations, that he/she meets the criteria of independence as laid down in Section 149(6) of the Act and Regulations 16(1)(b) of the SEBI Listing Regulations.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board.

Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

9) Key Managerial Personnel

In terms of Section 203 of the Act, the Key Managerial Personnel ('**KMP**') of the Company as on the date of this report are as follows:

1. Mr. Ashish Anupam – Managing Director;
2. Mr. Sanjay Kumar Shrivastav – Chief Financial Officer; and
3. Mr. Sankar Bhattacharya – Company Secretary and Compliance Officer.

During the year under review, there has been no change in the KMP of the Company, since last reporting.

10) Audit Committee

The Audit Committee is duly constituted as per the provisions of the Act, applicable Rules framed thereunder read with the SEBI Listing Regulations. The Committee has adopted a Charter for its functioning. The primary objective of the Committee is to monitor and supervise the Management's financial reporting process to ensure accurate and timely disclosures with the highest levels of transparency, integrity and quality of financial reporting.

The Audit Committee comprises Mr. Srikumar Menon (Chairman), Mr. Shashi Kant Maudgal, Ms. Neeta Karmakar and Mr. Koushik Chatterjee.

The Committee met 6 times during the year under review, the details of which are given in the Corporate Governance Report forming part of this Report.

During the year under review, there was no instances when the recommendations of the Audit Committee were not accepted by the Board.

11) Internal Control Systems

The Company's internal control systems commensurate with the nature of its business, the size, and complexity of its operations and such internal financial controls with reference to the Financial Statements are adequate. Details on the Internal Financial Controls of the Company forms part of Management Discussion and Analysis forming part of this Report.

12) Risk Management

The Company has a Board-level Risk Management Committee of Independent Directors and executive members of Tata Steel Limited with diverse set of expertise. The Committee consists of the Board members to oversee the risk management policy, to provide guidelines for implementing the ERM framework and also review the key risks and mitigation plan of the Company. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Further, the details have been covered in the Management Discussion and Analysis Report, which forms part of this report.

13) Vigil Mechanism

The Company has a well-defined Vigil Mechanism policy in place that provides a formal mechanism for all Directors, employees, business associates and vendors of the Company to approach the Ethics Counsellor / Chairman of the Audit Committee. The mechanism can be availed to make protective disclosures about any unethical behaviour, actual or suspected fraud or violation of the Tata Code of Conduct ('**TCoC**'). The Whistleblower Policy includes reporting of incidents of leak or suspected leak of Unpublished Price Sensitive Information ('**UPSI**') as required in terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended.

During the year under review, no person has been denied access to the Chairman of the Audit Committee. In addition, Directors, employees, and vendors, may approach the Ethics Counsellor to make any such protected disclosure.

During the year under review, the Company received 46 whistle blower complaints and 2 complaints were pending to be investigated and resolved as at the end of the year.

The Vigil Mechanism of the Company includes policies viz. Whistle Blower Policy for Directors & Employees, Whistle Blower Policy for Business Associates, Gifts Policy, Anti Bribery, Anti-Corruption Policy (ABAC) and Anti Money laundering Policy (AML) as adopted by the Company, which are available on the website of the Company at https://www.tatasteellp.com/corporate-policies/ The Company, during the year under review, conducted a series of communication and training programmes for internal and external stakeholders, with an aim to create awareness amongst them about TCoC and other ethical practices of the Company. Training on ABAC/AML and POSH was also conducted for the stakeholders.

14) Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance towards sexual harassment at workplace. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

The Company has complied with the provisions relating to the constitution of the Internal Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, the Company received one (1) complaint of sexual harassment.Adequate action has been taken during Q1FY24 and the case has been resolved.

15) Subsidiaries, Joint Ventures and Associates

During the year under review, the Company has successfully acquired Neelachal Ispat Nigam Limited ('**NINL**'). The aggregate consideration which has been paid out by your Company was ₹12,700 crore.

Located in the close proximity to the state-of-the-art facility of the holding company i.e. Tata Steel Limited ('**TSL**') at Kalinganagar, NINL is a strategic acquisition for the Company as it provides synergies of shared infrastructure, resources, management etc. and an opportunity to build a dedicated and sustainable long products complex. The plan is to not only restart the one million tons per annum steel plant expeditiously but to also work simultaneously to expand the capacity by building a 4.5 million tons per annum state-of-the-art long products complex in the next few years, and further expand it to 10 million tons per annum by 2030.

During the year under review, the Board of Directors reviewed the affairs of NINL, the material subsidiary of the Company. Further, there has been no material change in the nature of the business of the subsidiary.

The Company has in accordance with Section 129(3) of the Act, prepared Consolidated Financial Statements of the Company and its subsidiary which forms part of this Report. There has been no material change in the nature of the business of the subsidiary. Further, the report on the performance and financial position of the subsidiary and salient features of its Financial Statements in the prescribed Form AOC-1 is annexed to this Report (**Annexure 5**).

There is no associate or joint venture company as defined under the Act.

Further, pursuant to the provisions of Section 136 of the Companies Act, 2013 and the amendments thereto, read with the SEBI Listing Regulations the audited financial statements, including consolidated financial statements and related information of the Company and financial statements of the subsidiary company is available on the website of the Company at https://www.tatasteellp.com/subsidiary-information/

16) Related Party Transactions:

In line with the requirements of the Act and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions ('RPTs') and the same can be accessed on the Company's website at https://www.tatasteellp.com/storage/2022/04/Policy-on-Related-Party-Transactions-1.pdf

During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were at arm's length and in the ordinary course of business. Prior omnibus approval is obtained for related party transactions which were of repetitive nature and entered in the ordinary course of business and on an arm's length basis. The Company did not have any contracts or arrangements with related parties in terms of Section 188(1) of the Companies Act, 2013.

Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY 2022-23 and hence does not form part of this report. There were material related party transactions entered into by the Company during the year under review for which prior approvals from the shareholders were in place.

Details of related party transactions entered into by the Company, in terms of Ind AS-24 have been disclosed in the notes to the standalone/consolidated financial statements forming part of this Report.

17) Directors' Responsibility Statement

Based on the framework of internal financial controls established and maintained by the Company, work performed by the Internal, Statutory, Cost and Secretarial Auditors and external agencies including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2022-23.

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability confirms that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there were no material departures;

b) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end/ of the financial year and of the profit of the Company for that period;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual accounts on a going concern basis;

e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;

f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

18) Auditors

Statutory Auditors

Members of the Company at the AGM held on August 4, 2017, approved the appointment of Price Waterhouse & Co Chartered Accountants LLP (Registration No. 304026E/E300009) ('**PW**'), Chartered Accountants, as the statutory auditors of the Company for a period of five years commencing from the conclusion of the 34th AGM held on August 4, 2017 until the conclusion of 39th AGM of the Company held on July 12, 2022. Further, shareholders approved the re-appointment of PW for a second term of five years commencing from the conclusion of the 39th AGM held on July 12, 2022 until the conclusion of 44th AGM of the Company to be held in the year 2027.

The report of the Statutory Auditor forms part of the Report. The said report does not contain any qualification, reservation, adverse remark or disclaimer.

Cost Auditors

In terms of Section 148 of the Act, the Company is required to maintain cost records and have the audit of its cost records conducted by a Cost Accountant. Cost records are prepared and maintained by the Company as required under Section 148(1) of the Act.

The Board of Directors of the Company has, on the recommendation of Audit Committee, appointed Messrs. Shome & Banerjee, Cost Accountants, (Firm Registration Number: 000001) as the cost auditors of the Company to audit the cost statements of the Company for the year ending March 31, 2024. Messrs. Shome & Banerjee have vast experience in the field of cost audit and have been conducting the audit of the cost records of the Company for the past several years.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended, the Board based on the recommendation of the Audit Committee, approved a remuneration of ₹ 6.60 lakh (plus applicable taxes and reimbursement of out-of-pocket expenses) payable to the Cost Auditors for conducting cost audit of the Company for FY 2023-24 , subject to ratification by the Members of the Company. Therefore, the same is placed for ratification of Members and forms part of the Notice of the AGM.

Secretarial Auditors

Section 204 of the Act, *inter alia*, requires every listed company to annex to its Board's report, a Secretarial Audit Report, given in the prescribed form, by a Company Secretary in practice.

The Board has appointed Mr. P.V. Subramaniam, a Practicing Company Secretary (CP No. 2077 / ACS 4585) as the Secretarial Auditor to conduct the Secretarial Audit of the Company for Financial Year 2022-23 and their report is annexed to this report (**Annexure – 6**). There are no qualifications, observations, adverse remark or disclaimer in the said report.

Reporting of Fraud

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees to the Audit Committee under Section 143(12) of the Act, details of which need to be mentioned in this Report.

19) Annual Return

The Annual Return for Financial Year 2022-23 as per provisions of the Act and Rules thereto, is available on the Company's website at https://www.tatasteellp.com/extracts-of-annual-return/

20) Significant and Material Orders Passed by the Regulators or Courts

There have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's future operations. However, Members' attention is drawn to the statement on contingent liabilities, commitments in the notes forming part of the Financial Statements.

21) Particulars of Loans, Guarantees or Investments

Particulars of loans, guarantees given and investments made during the year under review in accordance with Section 186 of the Act is annexed to this report (**Annexure 7**).

22) Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Details of the energy conservation, technology absorption and foreign exchange earnings and outgo are annexed to this report (**Annexure 8**).

23) Deposits

During the year under review, the Company has not accepted any deposits from public in terms of the Act. Further, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

24) Secretarial Standards

The Company has in place proper systems to ensure compliance with the provisions of the applicable secretarial standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.

25) Other disclosures

a. There has been no change in the nature of business of the Company as on the date of this Report.

b. There were no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

c. There was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

G. Acknowledgements

Your Board of Directors thanks all our customers, vendors, dealers, investors, business associates and bankers for their continued support during the year. We place on record our appreciation of the contribution made by employees at all levels. Our resilience to meet challenges was made possible by their hard work, solidarity, co-operation and support.

We thank the Government of India, the State Governments and other regulatory authorities and government agencies for their support and look forward to their continued support in the future.

On behalf of the Board of Directors

Sd/-
T.V. Narendran
Chairman
(DIN: 03083605)

Place: Kolkata
Date: April 25, 2023

ANNEXURE - 1
Management Discussion & Analysis Report

I. Overview

The purpose of this report is to present the Management's point of view on various aspects of the external environment and the steel industry, including strategy, operational and financial performance, key developments in human resources and industrial relations, risks and opportunities, and the effectiveness of internal control systems within the Company during the fiscal year 2022-23. It is important to review this report alongside the Company's financial statements, schedules, notes, and other relevant information provided in the Integrated Report and Annual Accounts for the year 2022-23. The Company's financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) and comply with the requirements of the Companies Act, 2013, as amended, and the regulations issued by the Securities and Exchange Board of India (SEBI) from time to time.

II. External Environment

1. Macroeconomic condition

Global GDP growth is projected to decline from 3.4% in 2022 to 2.8% in 2023 due to factors such as the Russia-Ukraine war and central banks raising interest rates to control inflation. The reemergence of COVID-19 variants in China and the ongoing war in Ukraine hampered growth in 2022. Sanctions on Russia, a major energy supplier, further hindered growth and strained supply chains. The war exacerbated inflation in developed economies. However, the recent reopening of economies may lead to a faster recovery in 2023.

In terms of specific regions, the United States is expected to experience a growth rate of 1.6% in 2023, while Eurozone growth is anticipated to remain weak at 0.8% due to the energy shock resulting from the war in Ukraine. China's economy is predicted to rebound to 5.2% as mobility and industrial activity improve after the lifting of pandemic restrictions. However, the contraction in the real estate sector remains a significant challenge.

2. Economic Outlook

The factors that contributed to inflation in 2022, such as rising commodity prices, expansive fiscal and monetary policies, and disruptions in the supply chain, are now reversing. Global inflation is projected to decrease from 8.7% in 2022 to 7% in 2023, primarily due to lower commodity prices. Inflation peaked in the United States and Europe in early 2023, but is declining in other major economies like Japan, China, and India.

In the United States, economic growth is expected to slow down in 2023 due to tighter monetary and fiscal policies. However, the country is likely to avoid a recession, thanks to decreasing energy prices, robust employment growth, and a reduction in supply chain stress vis-a-vis what earlier estimates predicted.

Europe continues to face the threat of a recession as wages and consumer spending have significantly declined. Inflation is being fuelled by elevated natural gas prices, which have, in turn, reduced purchasing power.

3. Indian Economy

Despite the massive global slowdown caused by Covid-19 and the continued geopolitical uncertainties due to the Russia-Ukraine conflict, the Indian economy is on a growth track, and heading towards a bright future. India's economic growth in FY23 has been principally led by private consumption and capital formation. The Production Linked Incentive (PLI) scheme is expected to boost the domestic manufacturing sector. Overall industrial capex is set to rise to nearly ₹5.7 lakh core on average, between the fiscal years 2023 and 2027 compared to ₹3.7 lakh crore over the past five fiscals. Nearly half of this incremental capex will be driven by PLI and new-age sectors. While industrial capex will get a push from government policies and new-age opportunities, infrastructure spending will continue to drive 12-16% growth in capex next fiscal, given targets under the National Infrastructure pipeline.

III. Steel Industry

1. Global Steel Industry

Global steel demand is expected to increase by ~1% and to reach ~1815 MnT driven by select regions like India, Southeast Asia and the Middle East. Steel demand in China is expected to remain stable in 2023 while its likely to recover by 0.2% in the developed world. Demand in Europe and the Commonwealth nations is, however, expected to decline. The recovery in global demand on account of reversing of inflationary trends and increase in infrastructure spending is expected to be slower than earlier projections.

2. Indian Steel Industry

The growth story for India remains intact despite global headwinds. The growth can be attributed to continuous government focus on infrastructure and consumption-led demand, despite India facing supply disruptions due to raw material constraints and volatility of prices. In FY2022-23, the automotive and special products sector started off on a positive note with robust demand for Passenger Vehicles (PV) due to pent-up demand resurfacing with the easing of the semiconductor supply situation and new model launches. Strong growth in Commercial Vehicle (CV) demand continued, supported by replacement demand, improvement in the overall macroeconomic environment, pick-up in infrastructure, mining and construction activities, and healthy fleet utilization levels. The automotive sector ended the year with overall Y-o-Y growth of 24% and 27% in PV and CV segments respectively. Growth in the construction sector is being propelled by infrastructure growth over the medium- to long-term since the building construction and industrial sector has recorded sedate growth rates.

Demand is expected to be robust in FY24 supported by the strong GDP growth forecast, private consumption, and government expenditure. Major steel-consuming sectors like construction, capital goods, railways and automotive are expected to drive the increase in demand. The infrastructure segment is likely to continue its strong momentum driven by government spending before the general election. However, real estate growth is likely to be driven by affordable government housing. The automotive sector is expected to continue healthy growth momentum supported by growth in the demand for PVs and CVs, whereas two-wheeler recovery will depend upon rural consumption.

IV. Operational Performance

FY23 has been a year of strategic achievements for Tata Steel Long Products Limited despite multiple headwinds that the business faced. There have been several historic moments for the Company, on its growth and transformational journey.

With the completion of the Neelachal Ispat Nigam Limited (NINL) acquisition in the month of July 2022, the crude steel nameplate capacity of the Company has almost doubled to ~1.9 MTPA level. NINL (a company that was not operational for >3 years) operations were reignited within 100 days of acquisition with the start-up of the blast furnace. All the major facilities (except the coke oven) achieved stabilization towards the end of FY23. The plant has steadily ramped up its operations, including the iron ore mine, and exited the year at 1 MTPA (crude steel + pig iron) rate in March 2023. It produced 202 KT of crude steel in FY23 and enabled TSLP to expand its product portfolio by leveraging the Tata Tiscon Retail brand. Systems and processes have been put in place and strengthened in alignment with the Tata way of working. A newer set of benchmarks and milestones have been created for deeper engagement with all stakeholders.

Another big milestone on our growth journey started with the ground-breaking ceremony for putting up the state-of- the-art 0.5 MTPA Combi mill facility for specialty steel in Jamshedpur. The upcoming mill would deliver a benchmark level on product quality parameters in terms of dimension tolerance, Decarb level, and surface defect to enhance our presence and growth in chosen segments of PV and two-wheelers. The project has also been selected and approved by the Ministry of Steel for Automotive Power train and Bearing steel as part of the PLI scheme for specialty steel. The project is on at full swing and is expected to be completed on time.

On the sustainability front, the company has been making bold moves to reduce its CO_2 footprint. The prime focus area is transitioning towards green energy through multiple initiatives like the partial closure of one coal-based captive power plant at Gamharia, maximizing green power generation through waste heat recoveries, and changing fuel combination to reduce fresh coal usage. These initiatives, coupled with increased throughput and reduced fuel consumption across mills, have resulted in ~9% YoY reduction in CO_2 from 4.39 tons/ton of crude steel in FY 22 to ~4 tons/ton of crude steel in FY23.

As part of the customer obsession journey, the company has undertaken several initiatives to improve relationships, product quality, and accelerate new product development. The positive Impact of these initiatives are reflected in the customer satisfaction survey conducted by an independent agency. The customer satisfaction score for TSLP has significantly improved to 85.4% in 2022 from 79.4% in 2020 and largely bridged the gap with respect to competition.

On the operations front, the company has, for the first time, crossed the landmark of 700kT+ of crude steel production and achieved the highest-ever specialty steel deliveries of 536kT in FY23, registering a growth of ~10% on a YoY basis. The company has also achieved the best-ever DRI production from the Gamharia unit at 463kT (~18% growth on a YoY basis).

Progressing further on its integration journey, the company has migrated on S4 Hana across all three operating locations to enable an enterprise-wide single ERP (Enterprise Resource Planning) system.

The company's efforts are getting recognized at various forums on multiple fronts. TSLP has been adjudged for the Outstanding Accomplishment in Corporate Excellence by CII-ITC Sustainability award , in recognition of its integration of sustainability into overall processes. TSLP received another prestigious award which marks a first for a Tata Group company – Winner for Excellence in Wellness initiatives awarded by the SHRM Society of Human Resource Management. Bain and Cipla were the runners up for the award this year. In addition to this, few other awards received have been listed below:

Safety & Sustainability	i.	Steel Champion in Energy Excellence from CII
	ii.	Kalinga Safety Excellence Award in 'Best Practices on Behavioural & Workplace Safety
	iii.	Eastern Region 2nd Runner up for "Best performance in employee health, safety & environmental care"
Customer Engagement	i.	Best performance in Steel Quality from Mahindra CIE Group vendor conference 2022.
	ii.	Best Supplier of CHQ (Cold Headed Quality) Steel wire rods from M/s Micron Precision Screws, Rohtak
People Management	i.	Future of Learning & Development (L&D) Summit & Awards 2022 - Winner in L&D Excellence Award Category.
	ii.	AIMA (All India Management Association) Project Excellence Award 1st Runner Up for Best CSR (Corporate Social Responsibility) projects

V. Financial Performance

The prolonged geopolitical instability caused by the Russia-Ukraine war resulted in heightened inflationary pressures in the post-Covid world. Central banks across the world increased interest rates in response. Other factors like China's Zero-Covid policy and the collapse of its property market, the energy crisis, export duty imposition on steel and iron ore by the Indian government further impacted market sentiments. FY 23 saw volatility in raw material and steel prices like never before, and this spike in expenses was reflected in the quarterly results of most steel companies. TSLP was no exception to this. Accordingly, the Company's financial performance for FY 23 was a year of two halves. In H1 FY23 we struggled with high-priced coal consumption followed by the downward spiral of prices caused by GoI's imposition of export duty in the month of May 2022. In addition to external challenges, we have faced certain internal challenges as well. The power availability from the grid and certain disturbances at the Blast Furnace end has further impacted the company's operational performance during H1FY23. However, the company has demonstrated great agility and re-aligned its supply chain to minimize the impact of coal prices and logistics disturbances in the marketplace. In H2 FY23, the company's financial performance bounced back driven by operational excellence and mix enrichment. EBITDA loss in H1 FY23 got fully negated in Q3 FY23 and the company has achieved positive underlying PBT (without considering the interest burden on the NCRPS) in Q4FY23.

During the year, the business model for Joda underwent a change to optimise working capital for the company. It has started operating as a conversion unit for Tata Steel from November 2022 onwards. The company has remained resilient throughout the year and seamlessly managed cash flows thereby averting the need for any fresh borrowing.

I. Financial Performance:

During FY2022-23, the Company recorded a top line growth of 1.1X with revenue reaching to ~ ₹7500 crore level. However, the Company registered a negative PBT of ₹ 1,030 crore in FY2022-23 mainly on account of increase in finance cost and cost of raw material.

a. Revenue from operations

(₹ in crores)

	Standalone			Consolidated
	FY 23	FY 22	Change %	FY 23
Sale of products	6,627	6,316	5%	7,971
Sale of power	61	63	-2%	62
Income from services	514	186	176%	514
Other operating revenue	262	237	11%	445
Total revenue from operations	**7,464**	**6,802**	**10%**	**8,992**

During the year under review, sale of products was higher as compared to the previous year primarily due to increase in volumes and higher realisations. The Company recorded sales of 655 KT which is 0.5% higher than previous year.

During the year under review, the company has shifted from DRI sales to conversion model at Joda resulting in increase in income from services.

b. Cost of materials consumed

(₹ in crores)

	Standalone			Consolidated
	FY 23	FY 22	Change %	FY 23
Cost of Materials consumed	5,469	3,930	39%	6,853

During the year under review, cost of materials consumed increased primarily due to higher cost of imported coal.

c. Employee benefits expense

(₹ in crores)

	Standalone			Consolidated
	FY 23	FY 22	Change %	FY 23
Employee benefit expenses	217	216	0.49%	391

d. Depreciation and amortisation expense

(₹ in crores)

	Standalone			Consolidated
	FY 23	FY 22	Change %	FY 23
Depreciation and amortisation expenses	348	320	9%	716

e. Other expenses

(₹ in crores)

	Standalone			Consolidated
	FY 23	FY 22	Change %	FY 23
Other Expenses	1,788	1,577	13%	2,875

f. Other Expenses represents the following expenditure:

(₹ in crores)

	Standalone			Consolidated
	FY 23	FY 22	Change %	FY 23
Consumption of stores and spare parts	524	437	20%	948
Fuel oil consumed	246	188	31%	312
Purchase of power	130	112	16%	190
Rent	2	5	-65%	7
Repairs to buildings	22	25	-11%	24
Repairs to machinery	208	153	36%	437
Insurance	14	11	26%	17
Rates and taxes	43	30	44%	58
Freight and handling charges	373	353	6%	455
Commission, discounts and rebates	1	1	-1%	5
Packing and forwarding	9	10	-3%	9
Royalty	109	135	-19%	168
Conversion charges	4	1	307%	87
Legal and professional costs	9	10	-13%	21
Advertisement, promotion and selling expenses	0	0	39%	0
Travelling expenses	9	7	28%	9
Net Loss on foreign currency transactions	17	11	51%	17
Corporate social responsibility expenses	8	3	158%	8
Loss on disposal of property plant and equipment	2	12	-85%	2
Other general expenses	55	72	-24%	99
Total Other expenses	**1788**	**1577**	**13%**	**2875**

Other expenses were higher as compared to previous financial year primarily on account of higher stores, fuel, power and repairs cost mainly due to increase in prices and higher consumption of electrodes & power due to higher arcing during FY'23

g. Finance costs and net finance costs

(₹ in crores)

	Standalone			Consolidated
	FY 23	FY 22	Change %	FY 23
Finance cost	1,387	110	1161%	1,387
Net finance cost	840	83	907%	1,207

During the year under review, finance costs increased due to interest on NCRPS purchased from Tata Steel Limited.

h. Exceptional items

(₹ in crores)

	Standalone			Consolidated
	FY 23	FY 22	Change %	FY 23
(i) Acquisition related expenditures	1.70	27.14	-94%	l.1

i. Property, plant & equipment (PPE) including intangibles

(₹ in crores)

	Standalone			Consolidated
	FY 23	FY 22	Change %	FY 23
Property, Plant and Equipment	3,409	3,599	-5%	5,733
Capital work-in-progress	87	58	52%	235
Goodwill	6	6	0%	1201.9
Right-of-use assets	197	211	-7%	815
Other Intangible assets	247	264	-7%	8,716
Total property, plant & equipment (PPE) including intangibles	**3,947**	**4,138**	**-5%**	**16,700**

The movement in total PPE including intangible assets is lower primarily on account of depreciation charge for the year, partly offset by additions made during the year.

j. Investments

(₹ in crores)

	Standalone			Consolidated
	FY 23	FY 22	Change %	FY 23
Investment in Subsidiary, JVs and Associates	13,104	16	83473%	19
Investments - Non-current	-	-	NA	-
Investments – Current	548	8,078	-93%	1,104
Total Investments	**13,652**	**8,093**	**69%**	**1,124**

The increase in investment represents investment in NINL . Current Investment has decreased on account of redemption of investment in Mutual Funds for acquisition of NINL.

k. Inventories

(₹ in crores)

	Standalone			Consolidated
	FY 23	FY 22	Change %	FY 23
Raw materials	920	979	-6%	1,301
Finished and semi-finished goods	384	302	27%	823
Stores and spares	61	69	-11%	213
Total Inventories	**1,365**	**1,350**	**1%**	**2,336**

Raw material inventories decreased over that of previous year mainly due to decrease in iron ore inventory owing to shift in business model at Joda. Finished and semi-finished inventory increased as compared to that of the previous year mainly due to increase in quantities and rates.

l. Trade receivables

(₹ in crores)

	Standalone			Consolidated
	FY 23	FY 22	Change %	FY 23
Gross trade receivables	71	61	16%	181
Less: allowance for credit losses	-1	-1	0%	-1
Net trade receivables	**70**	**60**	**17%**	**180**

Increase in is due to increase in sponge debtors on account of shift in business model at Joda.

m. Gross debt and net debt

(₹ in crores)

	Standalone			Consolidated
	FY 23	FY 22	Change %	FY 23
Gross debt	14,751	13,482	-9%	14,757
Less: Cash and Bank balances (incl. Non-current balances)	116	4,562	-97%	152
Less: Current investments	548	8078	-93%	1104
Net debt	**14,088**	**842**	**1573%**	**13,501**

Gross Debt during FY 23 has increased due to interest on NCRPS of ₹ 1,273 crores.

n. Cash Flows

(₹ in crores)

	Standalone			Consolidated
	FY 23	FY 22	Change %	FY 23
Net cash (used)/generated from operating activities	-270	1,761	-115%	-1,618
Net cash (used)/generated from investing activities	-4,014	-9,405	-57%	-2,942
Net cash (used)/generated from financing activities	-162	11,923	101%	137
Net (decrease)/increase in cash and cash equivalents	**-4,446**	**4,280**	**-204%**	**-4,423**

a) Net cash used in investing activities: During the current year, the net cash outflow from investing activities was ₹4,014 crores as against ₹9,405 crores inflow during the previous year. The outflow in FY23 broadly represents investments in NINL for a total consideration of ₹ 11,490 crores offset by proceeds from Mutual Funds ₹ 7,665 crores.

b) Net cash generated from financing activities: During the current year, the net cash outflow from financing activities was ₹162 crores against cash inflow of ₹11,923 crores during the previous year. Cash inflow for FY 22 includes proceeds of ₹12,700 crores of NCRPS.

o. Changes in key financial ratios

	Standalone		
	FY 23	FY 22	Change %
Current ratio (times) (Note 1)	1.25	4.90	-74.49%
Debt-equity ratio (times)	5.61	4.65	20.65%
Debt service coverage ratio (times) (Note 2)	5.26	9.00	-41.56%
Return on equity ratio (%) (Note 3)	-0.41	0.22	-63.01%
Inventory turnover ratio (in days)	66.00	58.00	13.79%
Trade receivables turnover ratio (in days)	3.20	3.64	-12.09%
Trade payables turnover ratio (in days)	111.93	117.60	-4.82%
Net capital turnover ratio (in days)	296.51	297.03	-0.18%
Net profit ratio (%)	-0.15	0.09	-23.80%
Return on capital employed (%)	0.02	0.09	-7.16%
Return on investment (%)	0.04	0.04	0.87%

(i) Current ratio has decreased due to investment in Neelachal Ispat Nigam Limited from the proceeds of NCRPS which were invested in short-term deposits during FY22.

(ii) Debt service coverage ratio has decreased due to lower profitability during the year.

(iii) Return on equity has decreased due to an increase in finance cost on account of interest on NCRPS.

VI. Human Resource and Industrial Relations

TSLP recognizes the significance of recruiting the right talent for suitable positions at the opportune time to enhance employee productivity. A strong focus is placed on career growth, accomplished through capability building, job rotations and promotions. To facilitate expansion, the company is actively fortifying its talent pipeline through leadership development and succession planning, ensuring a balanced 1:0.9 succession cover.

In line with diversity initiatives, TSLP has made significant strides by recruiting 17 females and individuals with disabilities during campus recruitment, resulting in an increased diversity percentage from 3% to 4.1% through LGBTQ and PwD hiring. The manpower plan for the Combi Mill project has been finalized, and the hiring and onboarding process for a diverse workforce has commenced. The organization also places emphasis on nurturing young talent through cadre training to enhance technical competence and business acumen. Furthermore, TSLP invests in management and supervisory development programmes to prepare for future challenges and implements upskilling programmes for workers and associates. The company has implemented industry-leading initiatives, like prioritizing holistic wellness and establishing governance mechanisms, which have earned it the prestigious SHRM award for "Excellence in Health & Wellness Category."

Ensuring workforce safety is fundamental to our organization. TSLP conducts safety training and assessments using both physical and virtual methods. Our objective is to instil a safety mindset and cultivate a safety-oriented culture across the company. We also place strong emphasis on maintaining harmonious and productive relationships with our unions and the community at large and this is done through effective industrial relations management. The success achieved in this area is largely attributed to the management's unwavering commitment to employee well-being and the cooperative attitude taken by unions.

VII. Digital Transformation

IT and digital leadership plays a crucial role in enabling the achievement of TSLP's objectives. During FY 23, we focused on implementing a transformational project and enhancing the cybersecurity levels for our data and networks. Several initiatives were undertaken, including the implementation of an integrated ERP system called S4 Hana to ensure a single version of data truth. Efforts were made to make the mines future-ready by establishing a connected IT network, digitizing dispatch systems, and enabling real-time monitoring of mine operations through Tableau dashboards. We also took steps towards Industry 4.0 readiness by deploying Level-2 automation at Blast Furnace 2 and SMS 3.

Robotic Process Automation was utilized for LC discounting and vendor payment processes. ANAPLAN facilitated business and financial planning was implemented, while Tableau dashboards enabled insight-driven decision-making across various business processes. Group synergy was achieved through IT system deployment at NINL to meet opening day requirements. Additionally, more than 20 digital applications/platforms were implemented, including a single sign-on system, a web app store for easy access to all applications, and a platform for risk identification and mitigation planning.

Integration of our rewards and recognition system with an e-commerce portal, a CSR volunteering app for centralized tracking and monitoring of CSR initiatives, and a digital platform for the IATF audit process were also established. Cybersecurity was enhanced through measures like disk encryption for end-user devices, a Security Operation Centre for continuous monitoring, secure remote access to corporate systems, and the implementation of secure access to Office 365 applications. IT assets were refreshed, and Zscalar was implemented to establish secure connections to the company network from anywhere.

VIII. Risk and Opportunities

Every year, TSLP identifies the key risks that could significantly impact its business. These risks include variability in steel demand and changes in customer requirements for sustainable steel products, which may affect market share and profitability. Additionally, the company faces challenges related to high consumption prices caused by volatility in the coal market, leading to cost escalation and increased working capital requirements.

To address these risks, TSLP aims to capitalize on the growth potential of the Indian market, leveraging government initiatives. The company is expanding its portfolio to cater to the specific demands of the automotive and construction sectors, utilizing advanced technology to serve key OEMs and aims to produce substitutes that can replace imports of certain products. TSLP also seeks to enrich its product mix in specialty steel.

Several opportunities are being pursued by TSLP, including the government's push towards infrastructure-led economic growth, which is expected to drive domestic steel consumption growth. The company is also focusing on the potential created by the PLI scheme for specialty steel and exploring opportunities in PLI 2.0. Furthermore, TSLP recognizes the potential for growth through technological and digital advancements, as well as from the increasing importance of sustainability and the circular economy.

Globally, the shift towards sustainability has influenced consumer demand, particularly in the areas of mobility and energy-efficient construction, changing the nature of specialty steel demand. TSLP aims to be the preferred supplier in these segments by fostering a culture of customer obsession and technology-led product innovation. The company prioritizes customer-centricity throughout its value chain and endeavours to enhance customer experience by focusing on quality, new product development, service, and timely deliveries.

IX. Internal control systems and their adequacy

The Board of Directors of the Company are responsible for ensuring that Internal Financial Controls (IFC) have been laid down in the Company and that such controls are adequate and operating effectively. The foundation of IFC lies in the Tata Code of Conduct ('TCoC'), policies and procedures adopted by the management, in business planning processes, management reviews, management system certifications and the risk management framework. The Company has an adequate internal control system to manage business operations effectively and efficiently. The internal audit department closely monitors the compliance of all operations with prescribed business standards. The audit team supervises all internal processes and recommends necessary changes to ensure quick remediation of deviations, if any. Any variance from the budget is flagged off to the senior management which advises modifications to ensure strict adherence with compliances.

Periodic monitoring and effective implementation of recommendations ensures high business compliance with adequate adherence to rules and regulations that govern the Company. The internal control system ascertains optimal utilization of all resources and proper documentation of financial transactions.

X. Statutory Compliances

The Managing Director, after obtaining confirmation from each of the departments, reports to the Board on a quarterly basis regarding compliance with the provisions of various statutes, applicable to the Company. An enterprise-wide digital compliance management tool has been implemented across all locations of the Company to help monitor compliance in real-time across the organization. Due systems and processes are in place to ensure the effectiveness of this tool. The Company Secretary, being the Compliance Officer, ensures compliance with the relevant provisions of the Companies Act, 2013 and SEBI Listing Regulations.

ANNEXURE - 2

Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company

Tata Steel Long Products Limited ('TSLP') has always been conscious of its priority as a responsible corporate citizen to contribute towards the societal wellbeing and benefits and has played its part responsibly to bring about a perceptible change in its immediate surrounding and provide a platform for the inclusive growth of the disadvantaged community in its immediate neighbourhood. Company's underlying approach has been result-oriented and collaborative.

TSLP's CSR thrust areas are education, health & sanitation, livelihood enhancement, youth engagement and essential services. Besides, the Company is also implementing two signature projects on promoting mushroom cultivation for supplementing the income of locals and a Super-30 program to encourage the poor and meritorious girls to accomplish their chosen career aspirations. To provide guidelines to the implementation of its CSR objectives, a detailed CSR policy was adopted by the Company on 1st April, 2021.

2. Composition of Corporate Social Responsibility (CSR) Committee

Sl. No.	Name of Director	Designation/ Nature of Directorship	No. of meetings held during the year	No. of meetings attended during the year
1	Mr. Srikumar Menon	Non-Executive, Independent (Chairman)	3	3
2	Dr. Ansuman Das	Non-Executive, Independent	3	3
3	Mr. Ashish Anupam	Managing Director	3	3

3. The web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company are provided below:

The composition of the CSR Committee:	https://www.tatasteellp.com/composition-of-the-board-committee/
CSR Policy:	https://www.tatasteellp.com/storage/2021/12/CSR-Policy-for-circulation.pdf
CSR Projects as approved by the Board	https://www.tatasteellp.com/sustainability/csr/csr-spend-plans-approved-by-board/

4. The Executive summary along with details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

None of the Company's CSR projects qualified for impact assessment under the Act. However, as a mark of good governance, the Company had conducted location based impact assessment of its core CSR activities in Joda, in the areas of: (1) education; (2) health & sanitation and (3) livelihood programs, where the interventions have become matured over the years. Detailed action plans were prepared for implementation of recommendations made and by the end of FY23, 12 out of 15 plans have already been implemented while the other 3 are under active progress and are expected to be completed during the current financial year. More details about the impact assessment survey are available at https://www.tatasteellp.com/storage/2023/01/Impact-Assessment-action-plans-Update-June23.pdf

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set- off for the financial year, if any (in ₹)
		NOT APPLICABLE	

6.

		(Amount in ₹ Lakh)
a.	Average net profit of the Company as per Section 135(5) of the Companies Act, 2013	38,498.12
b.	Two percent of average net profit of the Company as per Section 135(5) of the Companies Act, 2013	769.96
c.	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	NIL
d.	Amount required to be set off for the financial year, if any	NIL
e.	Total CSR obligation for the financial year (5b+5c-5d)	769.96

7.

		(Amount in ₹)
a.	Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects)	7,47,94,668
b.	Amount spent in Administrative Overheads	25,43,707 (3.29% of total CSR expenditure)
c.	Amount spent on Impact Assessment, if applicable	Nil
d.	Total amount spent for the financial year (6a+6b+6c)	7,73,38,375

e. **CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year. (in ₹ Lakh)	(Amount in ₹ Lakh) Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
773.38	Nil	NA	NA	Nil	NA

f. **Excess amount for set-off, if any:**

Sl. No.	Particular	(Amount in ₹ Lakh)
(i)	Two percent of average net profit of the Company as per Section 135(5) of the Companies Act, 2013	769.96
(ii)	Total amount spent for the Financial Year	773.38
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	3.42
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

*The Company does not propose to avail any set-off, against the excess amount spent in FY 2022-23 for succeeding financials year(s).

8. Details of Unspent CSR amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹ Lakh)	Balance Amount in Unspent CSR Account under Section 135(6) (in ₹ Lakh)	Amount spent in the Financial Year (in ₹ Lakh)	Amount transferred to any fund specified under Schedule VII as per Section 135(5), if any.			Amount remaining to be spent in succeeding financial years (in ₹ Lakh)	Deficiency, if any
					Name of the Fund	Amount (in ₹ Lakh)	Date of transfer		
NA	NA	NIL	NIL	NIL	NA	NIL	NA	NIL	NA

9. Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year: **No**

10. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5) of the Companies Act, 2013 – **Not applicable**

Sd/-
Srikumar Menon
Chairman
Corporate Social Responsibility Committee
DIN: 00470254

Sd/-
Ashish Anupam
Managing Director
DIN: 08384201

April 25, 2023
Kokata

ANNEXURE - 3

Corporate Governance Report

Company's Corporate Governance Philosophy

The philosophy of Corporate Governance at Tata Steel Long Products Limited ('**TSLP**') is the creation and enhancement of long-term sustainable value, through the ethically driven business practices, for all our stakeholders, comprising regulators, employees, customers, vendors, investors, and the society at large. The strong and dedicated leadership and effective governance practices are the hallmark inherited from its culture and ethos. At TSLP, it is imperative that our Company's affairs are managed in a fair and transparent manner. We ensure that we evolve and follow the globally best practices in terms of corporate governance, which is beyond the statutory requirements. We consider it our inherent responsibility to protect the rights of our shareholders and disclose timely, adequate and accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

In accordance with the Tata Steel Group ('**TSG**') Vision, TSLP aspires to be the part of the global steel industry benchmark for 'value creation' and 'corporate citizenship'. The TSG expects to realize its Vision by taking such actions as may be necessary, to achieve its goals of value creation, safety, environment and people.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of Regulation 46(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**SEBI Listing Regulations**'), as applicable, with regard to corporate governance. To further strengthen Company's corporate governance philosophy, the Company has also adopted the Tata Business Excellence Model.

Code of conduct

The Company has a strong legacy of fair, transparent and ethical governance practices.

The Company has adopted the Tata Code of Conduct ('**TCoC**') for Executive Directors ('**EDs**'), Senior Management Personnel and other Executives and Employees, which is available on the website of the Company at https://www.tatasteellp.com/storage/2021/11/TcocBook.pdf. The Company has received confirmations from the ED as well as Senior Management Personnel regarding compliance of the Code during the year under review. The Company has also adopted the Code of Conduct for Non-Executive Directors ('**NEDs**') which includes the Code of Conduct of Independent Directors ('**IDs**') which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ('**Act**'). The same is available on the website of the Company at https://www.tatasteellp.com/storage/2021/09/COCFNED.pdf The Company has received confirmation from the NEDs and IDs regarding compliance of the Code, for the year under review.

Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, ('**SEBI Insider Trading Regulations**'), as amended from time to time, the Board of Directors of the Company has adopted the Tata Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices ('**Insider Trading Code**').

Mr. Sankar Bhattacharya, Company Secretary and Compliance Officer is the 'Compliance Officer' in terms of this Insider Trading Code.

Board of Directors

The Board of Directors **('Board')** is at the core of the corporate governance practice to oversee and ensure that the Management serves and protects the long-term interest of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance.

Size and composition of the Board

Our policy is to have an optimum composition of EDs and NEDs and IDs to maintain the Board's independence and separate its functions of governance and management. Board periodically evaluates the need for change in its composition and size. As on March 31, 2023, the Board comprised of ten members, of which one is ED, four are NEDs and five are IDs (including one Woman Independent Director). Detailed profile of our directors is available on our website at https://www.tatasteellp.com/corporate-profile/management-profile/

The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 and Section 152 of the Act. During the year under review and as on date of this report, none of our Directors serve as Director or as IDs in more than seven listed companies and none of the EDs serve as IDs on any listed company. Further, none of our IDs serve as Non-Independent Director of any company on the board of which any of our Non-Independent Director is an ID.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from IDs, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the IDs have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs.

The Company has issued formal letters of appointment to the IDs. As required under Regulation 46 of the SEBI Listing Regulations, as amended, the terms and conditions of appointment of IDs including their role, responsibility and duties are available on our website at https://www.tatasteellp.com/corporate-governance/

During FY2022-23, none of our Directors acted as Member in more than 10 committees or as Chairperson in more than 5 committees across all listed entities where they serve as a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations. Further, there are no *inter-se* relationships between our Board Members.

Table A: Composition of the Board and Directorships held as on March 31, 2023:

Sl. No.	Name of the Director	No. of Directorships in other Indian Public Companies[(1)]		No. of Board Committee positions in other Indian Public Companies[(2)]		Directorship in other listed entity (Category of Directorship)
		Chairman	Member	Chairman	Member	
Non-Executive, Non-Independent Directors[(3)]						
1.	Mr. T. V. Narendran (Chairperson) DIN: 03083605	1	1	-	1	a) Tata Steel Limited (Chief Executive Officer & Managing Director)
2.	Mr. Koushik Chatterjee DIN: 00004989	2	2	-	2	a) Tata Steel Limited (Executive Director and Chief Financial Officer) b) Tata Metaliks Limited (Non-Executive, Non-Independent, Chairman) c) The Tinplate Company of India Limited (Non-Executive, Non-Independent, Chairman)
3.	Mrs. Meena Lall DIN: 05133322	-	4	-	1	-
4.	Dr. Debashish Bhattacharjee DIN: 00060737	2	-	-	-	-
Independent Directors						
5.	Prof. Sougata Ray DIN: 00134136	-	2	1	2	a) The Tinplate Company of India Limited (Non-Executive, Independent)
6.	Dr. Ansuman Das DIN: 02845138	-	3	-	3	a) TRF Limited (Non-Executive, Independent)
7.	Mr. Srikumar Menon DIN:00470254	-	1	1	1	-
8.	Mr. Shashi Kant Maudgal DIN: 00918431	-	1	-	1	a) The Tinplate Company of India Limited (Non-Executive, Independent)
9.	Ms. Neeta Karmakar DIN:08730604	-	-	-	-	-
Executive Director						
10.	Mr. Ashish Anupam DIN: 08384201	1	1	-	-	-

Notes:

1. Directorships in Indian Public Companies (listed and unlisted) excluding Tata Steel Long Products Limited, Section 8 Companies and foreign companies.
2. In terms of Regulation 26(1)(b) of the SEBI Listing Regulations, the disclosure includes Chairmanship/Membership of the Audit Committee and Stakeholders' Relationship Committee in other Indian Public Companies (listed and unlisted) excluding Tata Steel Long Products Limited. Further, membership includes positions as Chairperson of Committee.

Selection of New Directors and Board Membership Criteria

The Nomination and Remuneration Committee ('**NRC**') formulates and recommends to the Board the appropriate qualifications, positive attributes, characteristics, skills and requisite experience required for the Board as a whole and its individual members, with the objective of having the Board with diverse backgrounds and experience in business, government, education and public service. The Policy for appointment and removal of Directors and determining Directors' independence is available on our website at https://www.tatasteellp.com/storage/2021/09/Policy-on-appointment-and-removal-of-Directors.pdf

Key Board Qualifications, Expertise and Attributes

The Members of the Board are committed to ensuring that the Board is in compliance with the highest standards of Corporate Governance. The table below summarizes the key skills, expertise, competencies and attributes which are taken into consideration by the NRC while recommending appointment of Directors to the Board.

Table - B: Director's skills, expertise, competencies and attributes desirable in Company's business and sector in which it functions

Areas of Skills/Expertise/Competence

Name of the Director	Leadership	Strategy	Operations	Technology	Finance	Governance	Government/ Regulatory Affairs
Mr. T.V. Narendran	*	*	*	*	*	*	*
Prof. Sougata Ray	*	*	-	*	*	*	*
Mr. Srikumar Menon	*	*	*	-	*	*	*
Mr. Shashi Kant Maudgal	*	*	*	*	*	*	*
Dr. Ansuman Das	*	*	*	*	-	*	*
Ms. Neeta Karmakar	*	*	*	*	*	*	*
Mr. Koushik Chatterjee	*	*	*	-	*	*	*
Dr. Debashish Bhattacharjee	*	*	*	*	-	*	*
Mrs. Meena Lall	*	*	*	-	-	*	*
Mr. Ashish Anupam	*	*	*	*	*	*	*

Familiarization Program for Directors

As a practice, all new Directors (including Independent Directors) inducted to the Board go through a structured orientation programme. Presentations are made by Senior Management giving an overview of the Company's strategy, operations, products, markets, group structure and subsidiaries, Board constitution and guidelines, matters reserved for the Board and the major risks and risk management strategy. This enables the Directors to get a deep understanding of the Company, its people, values and culture and facilitates their active participation in overseeing the performance of the Management. The new Directors are given an orientation on the products of the business, Board constitution and procedures, matters reserved for the Board, and the major risks and risk management strategy of the Company. Directors are usually encouraged to visit the plant and raw material locations of the Company and interact with members of Senior Management as part of the induction programme.

As stated in the Boards Report the details of orientation given to the existing independent directors during FY'23 in the areas of Corporate Social Responsibility, Operations, Marketing & Sales, Supply Chain Management, Governance, Risk & Compliance, Human Resource Management etc., are available on the Company's website at https://www.tatasteellp.com/storage/2023/05/Familiarization-Independent-Directors-2022-23.pdf

Board Evaluation

The Nomination and Remuneration Committee ('**NRC**') has formulated a Policy for evaluation of the Board, its Committees and Directors and the same has been approved and adopted by the Board. The details of Board Evaluation forms part of the Boards' Report.

Remuneration Policy for Board and Senior Management

The Board has approved the Remuneration Policy for Directors, Key Managerial Personnel ('**KMP**') and all other employees of the Company. The same is available on the website of the Company at https://www.tatasteellp.com/corporate-governance/. Details of remuneration for Directors in Financial Year 2022-23 are provided in Table C.

Table - C: Shares held and cash compensation paid to Directors for the year ended March 31, 2023

(₹ lakh)

Name	Fixed Salary			Commission[1]	Sitting Fees	Total Compensation	Fully (Equity) Shares held (Nos.)
	Basic	Perquisite / Allowance	Total Fixed Salary				
Non-Executive, Non-Independent Directors							
Mr. T.V. Narendran	-	-	-	-	-	-	-
Mr. Koushik Chatterjee	-	-	-	-	-	-	-
Mrs. Meena Lall[2]							
Dr. Debashish Bhattacharjee[2]							
Independent Directors							
Prof. Sougata Ray	-	-	-	XX	3.45	3.45	-
Mr. Srikumar Menon	-	-	-	XX	5.50	5.50	-
Mr. Shashi Kant Maudgal	-	-	-	XX	3.70	3.70	-
Dr. Ansuman Das	-	-	-	XX	4.10	4.10	-
Ms. Neeta Karmakar	-	-	-	XX	3.30	3.30	-
Executive Directors							
Mr. Ashish Anupam	68.35	162.75	231.10	X.XX	20.05	20.05	20

Notes:

1. The Commission relates to the financial year ended March 31, 2023, the amount of ₹50 lakhs in aggregate will be determined post approval of shareholders at the Annual General Meeting.
2. In line with the internal guidelines of the Company, no payment is made towards commission to the Non-Executive Directors of the Company, who are in full-time employment with any other Tata Companies. Accordingly, no commission has been paid to Mrs. Meena Lall and Dr. Debashish Bhattacharjee.
3. Mr. Ashish Anupam, Executive Director is eligible for payment of any severance fees and the contract with Mr. Anupam may be terminated by either party giving six months' notice to the other party or the Company paying six months' remuneration in lieu thereof.
4. The Company does not have any stock options plan. Accordingly, none of the Directors hold stock options as on March 31, 2023.
5. The Company has not issued any convertible instruments. Accordingly, none of our Directors hold any convertible instruments as on March 31, 2023.

Board Meetings

Scheduling and selection of agenda items for Board Meetings

Tentative dates for Board Meetings in the ensuing financial year are decided in advance and communicated to all the Directors of the Company. The information, as required under Regulation 17(7) read with Schedule II Part A of the SEBI Listing Regulations, is made available to the Board. The Board meets at least once a quarter to review the quarterly financial results and other agenda items. Additional meetings are held when necessary. Board Committees usually meet the day before or on the day of the formal Board meeting, or whenever the need arises for transacting business. The recommendations of the Committees are placed before the Board for necessary approval. All committee recommendations placed before the Board during the year under review were unanimously accepted by the Board.

Six (6) Board meetings were held during the financial year ended March 31, 2023. These were held on April 19, 2022, July 14, 2022, September 22, 2022, October 21, 2022, January 25, 2023, and March 21, 2023 respectively. The gap between any two Board meetings during the year under review did not exceed one hundred and twenty days. The requisite quorum was present for all the meetings.

Table D: Attendance details of Directors for the year ended March 31, 2023 are given below:

Name of the Director	Category	No. of Meetings held during tenure	No. of Meetings Attended
Mr. T.V. Narendran (Chairman)	NED	6	5
Mr. Koushik Chatterjee	NED	6	4
Dr. Debashish Bhattacharjee	NED	6	5
Mrs. Meena Lall	NED	6	6
Prof. Sougata Ray	ID	6	5
Mr. Srikumar Menon	ID	6	5
Mr. Shashi Kant Maudgal	ID	6	6
Dr. Ansuman Das	ID	6	6
Ms. Neeta Karmakar	ID	6	6
Mr. Ashish Anupam	ED	6	6

NED – Non-Executive Director; ID – Independent Director; ED – Executive Director

Notes:

1. All the Directors were present at the Annual General Meeting ('AGM') of the Company held on Tuesday, July 12, 2022.
2. All the Board Meetings held during FY2022-23, were held through Video Conferencing ('VC') except the Board Meeting held on January 25, 2023.

Meeting of the Independent Directors

Pursuant to Schedule IV of the Act, the meeting of Independent Directors was held 3 (three) times during FY2022-23 on September 16, 2022, September 22, 2022 and March 24, 2023 respectively, without the presence of Non-Independent Directors and Members of the Management of the Company. The Independent Directors have decided that the Chairperson of each ID meeting be elected by rotation. Accordingly, meetings of the IDs were chaired by Prof. Sougata Ray, Mr. Shashi Kant Maudgal and Mrs. Neeta Karmakar respectively.

The Independent Directors, *inter-alia*, evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board taking into account the views of Executive and Non-Executive Directors and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

Board Committees

Audit Committee

The Audit Committee provides an insight to the Board into the effectiveness of accounting, auditing and reporting practices of the Company. The purpose of the Committee is to oversee the accounting and financial reporting process of the Company as well as the appointment, independence, performance and remuneration of statutory auditors, cost auditors, internal auditors and secretarial auditors. The Committee also provides reassurance to the Board on the adequacy and timely disclosures as well as compliance with all the provisions applicable to related party transactions, investments, loans and guarantees etc. The role of the Audit Committee is as follows:

(i) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

(ii) review and monitor auditor's independence, performance and effectiveness of audit process;

(iii) examination of the financial statement and the auditors' report thereon;

(iv) approval or any subsequent modification of transactions of the Company with related parties;

(v) scrutiny of inter-corporate loans and investments, if any;

(vi) valuation of undertakings or assets of the Company, wherever necessary;

(vii) evaluation of internal financial controls and risk management systems; and

(viii) monitoring the end use of funds raised through public offers and related matters.

The Board of Directors of the Company has adopted a Charter for its functioning. The primary objective of the Committee is to monitor and provide effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures with the highest levels of transparency, integrity and quality of financial reporting.

The scope of the Audit Committee has been in compliance with the provisions of SEBI Listing Regulations and the Companies Act, 2013.

Chairperson of the Audit Committee, Mr. Srikumar Menon, was present at the 39th Annual General Meeting of the Company held on July 12, 2022.

Audit Committee meetings are attended by the Managing Director, Chief Financial Officer and internal auditor. The Statutory Auditors are invited to each meeting. The Executive Director and Senior Management of the Company also attend the meetings as invitees. The Company Secretary acts as the Secretary of the Audit Committee.

Six (6) Audit Committee meetings were held during the financial year ended March 31, 2023. These were held on April 19, 2022, July 14, 2022, September 22, 2022, October 21, 2022, January 25, 2023, and March 21, 2023. The requisite quorum was present for all the meetings. All the decisions at the Audit Committee meetings were taken unanimously.

The composition of the Audit Committee and the details of meetings attended by the Members during FY2022-23, are given below

Table E:

Sl. No.	Name of Members	Category	No. of meetings held during tenure	No. of meetings attended
1	Mr. Srikumar Menon (Chairperson)	ID	6	6
2	Mr. Shashi Kant Maudgal	ID	6	6
3	Ms. Neeta Karmakar	ID	6	6
4	Mr. Koushik Chatterjee	NED	6	2

Mr. Srikumar Menon, Chairperson of the Audit Committee, was present at the 39th Annual General Meeting of the Company held on July 12, 2022.

Nomination and Remuneration Committee

The Committee is constituted in compliance with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. The primary objective of the Nomination and Remuneration Committee of the Company is to periodically review the size and composition of the Board, formulate the criteria determining qualifications, positive attributes and independence of Director, recommend candidates to the Board and establish and review Board and senior executive succession plannings. The Committee's role also includes evaluation of Board Performance, reviewing and making recommendations to the Board on the remuneration of the Managing Director and Key Managerial Personnel ('**KMPs**'), the total level of remuneration of Non-Executive Directors as well as individual remuneration of the Non-Executive Directors and the Chairperson. The Committee also undertakes the function as specified in the SEBI Listing Regulations. The Committee has formulated Remuneration Policy for Directors, KMPs and all other employees of the Company and the same is available on Company's website at https://www.tatasteellp.com/corporate-governance/. The criteria for making payments to Non-Executive Directors is available on our website at https://www.tatasteellp.com/corporate-governance/

The Board has adopted the NRC Charter (which includes terms of reference as provided under the Act and SEBI Listing Regulations) for the functioning of the NRC on May 20, 2015 which was subsequently revised on March 29, 2019 and March 28, 2022, basis the amendments in SEBI Listing Regulations.

Two (2) meetings of the Committee were held during the financial year ended March 31, 2023. These meetings were held on April 19, 2022 and October 21, 2022. The requisite quorum was present for all the meetings.

The composition of the NRC and the details of meetings attended by the members during the Financial Year 2022-23, are given below

Table F:

Sl. No.	Name of Members	Category	No. of meetings held during tenure	No. of meetings attended
1	Mr. Shashi Kant Maudgal (Chairperson)	ID	2	2
2	Prof. Sougata Ray	ID	2	2
3	Mr. T.V. Narendran	NED	2	2

Mr. Shashi Kant Maudgal, Chairperson of the NRC was present at the 39th AGM of the Company held on July 12, 2022.

Corporate Social Responsibility ('CSR') Committee

The purpose of CSR Committee is to formulate and recommend to the Board a CSR Policy indicating the activities to be undertaken by the Company, recommend the amount of expenditure to be incurred on the activities and monitor the CSR Policy of the Company from time to time. The Committee also encourages the employees to voluntarily participate in the CSR initiatives undertaken by the Company.

The CSR Policy of the Company is available at the website of the Company, viz., https://www.tatasteellp.com/storage/2021/12/CSR-Policy-for-circulation.pdf

The Board has adopted CSR Charter for functioning of the Committee.

Three (3) meetings of the Committee were held during the year ended March 31, 2023 i.e. on June 13, 2022, September 27, 2022, and March 09, 2023 The requisite quorum was present for all the meetings.

The composition of the CSR Committee and the details of meetings attended by the members during the Financial Year 2022-23, are given below

Table G:

Sl. No.	Name of Members	Category	No. of meetings held during tenure	No. of meetings attended
1.	Mr. Srikumar Menon (Chairperson)	ID	3	3
2	Dr. Ansuman Das	ID	3	3
3	Mr. Ashish Anupam	ED	3	3

Mr. Srikumar Menon, Chairperson of CSR Committee was present at the 39th AGM of the Company held on July 12, 2022.

Risk Management Committee

Pursuant to Regulation 21 of the SEBI Listing Regulations, the Company has constituted a Risk Management Committee for framing, identifying, assessing and mitigating the probable risks to the Company. The objective of the Committee is as follows:

a) to inform the Board about the risk assessment and minimization procedures;

b) to monitor and review the risk mitigation plan; and

c) to perform other relevant functions in this connection

Four (4) meetings of RMC were held during FY2022-23 on June 13, 2022, September 30, 2022, January 17, 2023 and March 24, 2023 respectively. The requisite quorum was present for all the meetings.

The composition of the Risk Management Committee and the details of meetings attended by the Members during the Financial Year 2022-23, are given below

Table H:

Sl. No.	Name of Members	Category	No. of meetings held during tenure	No. of meetings attended
1	Mr. Shashi Kant Maudgal (Chairperson)	ID	4	4
2.	Prof. Sougata Ray	ID	4	4
3	Dr. Debashish Bhattacharjee	NED	4	3
4	Mrs. Meena Lall	NED	4	3
5	Mr. Ashish Anupam	ED	4	4

Mr. Shashi Kant Maudgal, Chairperson of the RMC was present at the 39th AGM of the Company held on July 12, 2022.

Stakeholders' Relationship Committee

The Company has constituted Stakeholders' Relationship Committee in compliance with the provisions of Section 178 of the Companies Act, 2013, for review of various information/ data pertaining to the stakeholders' and redressal/ resolution of stakeholders' grievances.

The Board has adopted a Charter (which includes terms of reference as provided under the Act and SEBI Listing Regulations) for functioning of the Stakeholders' Relationship Committee.

Two (2) meetings of the Committee were held during the year i.e. on (1) June 13, 2022 January 18, 2023. The requisite quorum was present at both the meetings.

The composition of the Stakeholders' Relationship Committee and the details of meetings attended by the Members during the Financial Year 2022-23, are given below

Table I:

Sl. No.	Name of Members	Category	No. of meetings held during tenure	No. of meetings attended
1	Prof. Sougata Ray (Chairperson)	ID	2	2
2.	Dr. Ansuman Das	ID	2	2
3.	Mr. Ashish Anupam	ED	2	2

Prof. Sougata Ray, Chairperson of the Stakeholders' Relationship Committee was present at the 39th AGM of the Company held on July 12, 2022.

In terms of Regulation 6 and Schedule V of the SEBI Listing Regulations, the Board has appointed Mr. Sankar Bhattacharya, Company Secretary and Compliance Officer, as the Compliance Officer of the Company.

Mr. Sankar Bhattacharya, Company Secretary and Compliance Officer is the Secretary to all Board Committees.

The details of investors' complaints received and resolved during the Financial Year ended March 31, 2023 are given below

Table J:

Details of investor complaints received and resolved during the financial year ended March 31, 2023:

Opening	0
Received during the year	5
Resolved during the year	4
Closing as on March 31, 2023	1

Safety, Health and Environment Committee

The Safety, Health and Environment Committee ('**SHE Committee**') was constituted to oversee the Safety, Health and Environment matters.

The objective of the Committee is as follows:

a) To monitor and ensure ongoing adherence to the Company's safety, health and environmental policies and procedures.

b) Review and monitor the safety, health and environmental related policies and activities of the Company on behalf of the Board to ensure that the Company is in compliance with appropriate laws and legislation.

c) Review and monitor the management of programs and procedures to ensure that the principles set out in related policies are being adhered to and achieved; and

d) Receive regular updates from management with respect to safety, health and environmental related compliance issues and incidents to determine, on behalf of the Board, that the Company is taking all necessary action in respect of those matters and that the Company has been duly diligent in carrying out its responsibilities and activities in that regard.

The Board has adopted Safety, Health and Environment Committee Charter for functioning the Company.

Five (5) meetings of the Committee were held during the year ended March 31, 2023 on April 18, 2022; July 08, 2022; October 07, 2022; January 05, 2023 and March 30, 2023 respectively. The requisite quorum was present at all the meetings.

The composition of SRC and the details of meetings attended by the members during the Financial Year 2022-23, are given below

Table K:

Sl. No.	Name of Members	Category	No. of meetings held during tenure	No. of meetings attended
1	Dr. Ansuman Das (Chairperson)	ID	5	5
2.	Mr. Shashi Kant Maudgal	ID	5	5
3.	Dr. Debashish Bhattacharjee	NED	5	4
4.	Mr. Ashish Anupam	ED	5	5

Dr. Ansuman Das, Chairperson of the SHE Committee was present at the 39th AGM of the Company held on July 12, 2022.

The composition of the Committee of Board and the details of meetings attended by the members during the year are given below

Table L:

Sl. No.	Name of Members	Category	No. of meetings held during tenure	No. of meetings attended
1	Mr. T.V. Narendran (Chairperson)	NED	NIL	NIL
2	Mr. Srikumar Menon	ID	NIL	NIL
3	Prof. Sougata Ray	ID	NIL	NIL
4	Mr. Koushik Chatterjee	NED	NIL	NIL
5	Mr. Ashish Anupam	ED	NIL	NIL

Subsidiary Company

The Company has a subsidiary i.e., Neelachal Ispat Nigam Limited (**'NINL'**). There is no associate or joint venture company as defined under the Companies Act, 2013.

General Information for Shareholders

General Body Meetings

Table M: Location and time, where last three Annual General Meetings were held:

Financial Year Ended	Date	Time	Venue	Special Resolution(s) Passed
March 31, 2022	July 12, 2022	3:00 PM (IST)	The Meetings were held through two-way video-conferencing	NIL
March 31, 2021	August 5, 2021			NIL
March 31, 2020	September 14, 2020			1) Appointment of Mr. Ashish Anupam as the Managing Director of the Company and payment of remuneration / excess remuneration due to inadequate profits or loss. 2) Approval of waiver of recovery of excess remuneration paid to Mr. Sanjay Kumar Pattnaik, Managing Director for the period April 01, 2019 to October, 31, 2019

No Extraordinary General Meeting of the Members was held during FY2022-23.

Postal Ballot

During FY2022-23, the Company sought the approval of the shareholders by way of postal ballot, the details of which are given below:

1. Postal Ballot vide Notice dated March 22, 2022, on the following Ordinary Resolution(s):

SN.	Description of the Resolution(s)
1.	Approval of Material Related Party Transactions with Tata Steel Limited
2.	Approval of Material Related Party Transactions with TS Global Procurement Co. Pte Ltd
3.	Approval of Material Related Party Transactions with Tata International Limited

The voting period for remote e-voting commenced on Sunday, April 10, 2022 at 9.00 a.m. (IST) and ended on Monday, May 9, 2022 at 5.00 p.m. (IST). The consolidated report on the result of the postal ballot through remote e-voting for approving the aforementioned resolutions was provided by the Scrutiniser on Monday, May 9, 2022.

Description of the Resolution	Votes in favour of the Resolution(s)			Votes against the Resolution(s)			Invalid Votes	
	No. of Members voted	No. of valid Votes cast (shares)	% of Total No. of valid votes cast	No. of Members voted	Number of valid Votes cast (shares)	% of Total No. of valid votes cast	Total No. of members whose votes were declared invalid	Total No. of invalid votes cast (shares)
Approval of Material Related Party Transactions with Tata Steel Limited	457	2438181	99.99	12	236	0.01	NIL	NIL
Approval of Material Related Party Transactions with TS Global Procurement Co. Pte Ltd	450	2437822	99.99	15	299	0.01	NIL	NIL
Approval of Material Related Party Transactions with Tata International Limited	453	2437903	99.99	12	233	0.01	NIL	NIL

The Resolution(s) were passed with requisite majority.

2. Postal Ballot vide Notice dated July 14 2022, on the following Ordinary Resolution(s):

SN	Description of the Resolution(s)
1.	Omnibus Material Related Party Transaction(s) with Neelachal Ispat Nigam Limited – Operational Transaction(s)
2.	One time Material Related Party Transaction(s) with Neelachal Ispat Nigam Limited – Financial Transaction(s)
3.	Omnibus Material Related Party Transactions with Tata Steel Limited
4.	Omnibus Material Related Party Transactions between TS Global Procurement Pte. Co. Ltd., a fellow subsidiary of Tata Steel Long Products Limited and Neelachal Ispat Nigam Limited, a subsidiary of Tata Steel Long Products Limited
5.	Omnibus Material Related Party Transactions between Tata Steel Limited, the promoter holding Company of Tata Steel Long Products Limited and Neelachal Ispat Nigam Limited, a subsidiary of Tata Steel Long Products Limited - Operational Transaction(s)
6.	One time Material Related Party Transaction(s) between Tata Steel Limited, the promoter holding company of Tata Steel Long Products Limited and Neelachal Ispat Nigam Limited, a subsidiary of Tata Steel Long Products Limited – Financial Transaction(s)

The voting period for remote e-voting commenced on Friday, September 23, 2022 at 9.00 a.m. (IST) and ended on Saturday, October 22, 2022 at 5.00 p.m. (IST). The consolidated report on the result of the postal ballot through remote e-voting for approving the aforementioned resolutions was provided by the Scrutiniser on Saturday, October 22, 2022.

The details of e-voting on the aforementioned resolution(s) are provided hereunder:

Description of the Resolution	Votes in favour of the Resolution(s)			Votes against the Resolution(s)			Invalid Votes	
	No. of Members voted	No. of valid Votes cast (shares)	% of Total No. of valid votes cast	No. of Members voted	No. of valid Votes cast (shares)	% of Total No. of valid votes cast	Total No. of members whose votes were declared invalid	Total No. of invalid votes cast (shares)
Omnibus Material Related Party Transaction(s) with Neelachal Ispat Nigam Limited – Operational Transaction(s)	564	2434218	99.88	23	2889	0.12	NIL	NIL
One time Material Related Party Transaction(s) with Neelachal Ispat Nigam Limited – Financial Transaction(s)	562	2433738	99.87	24	3119	0.13	NIL	NIL
Omnibus Material Related Party Transactions with Tata Steel Limited	562	2432735	99.87	22	3082	0.13	NIL	NIL
Omnibus Material Related Party Transactions between TS Global Procurement Company Pte. Ltd., a fellow subsidiary of Tata Steel Long Products Limited and Neelachal Ispat Nigam Limited, a subsidiary of Tata Steel Long Products Limited	560	2432690	99.87	23	3097	0.13	NIL	NIL
Omnibus Material Related Party Transactions between Tata Steel Limited, the promoter holding company of Tata Steel Long Products Limited and Neelachal Ispat Nigam Limited, a subsidiary of Tata Steel Long Products Limited - Operational Transaction(s)	561	2432691	99.87	22	3096	0.13	NIL	NIL
One time Material Related Party Transaction(s) between Tata Steel Limited, the promoter holding company of Tata Steel Long Products Limited and Neelachal Ispat Nigam Limited, a subsidiary of Tata Steel Long Products Limited – Financial Transaction(s)	559	2432688	99.87	23	3098	0.13	NIL	NIL

The Resolution(s) were passed with requisite majority.

3. Postal Ballot vide Notice dated January 18, 2023, on the following Ordinary Resolution(s):

SN.	Description of the Resolution(s)
1.	Material modification in approved Related Party Transaction(s) between Tata Steel Limited, the promoter holding company of Tata Steel Long Products Limited and Neelachal Ispat Nigam Limited, a subsidiary of Tata Steel Long Products Limited – Operational Transaction(s)

The voting period for remote e-voting commenced on Friday, January 20, 2023 at 9.00 a.m. (IST) and ended on Saturday, February 18, 2023 at 5.00 p.m. (IST). The consolidated report on the result of the postal ballot through remote e-voting for approving the aforementioned resolution was provided by the Scrutiniser on Saturday, February 18, 2023.

The details of e-voting on the aforementioned Ordinary Resolution are provided hereunder:

Description of the Resolution	Votes in favour of the Resolution			Votes against the Resolution			Invalid Votes	
	No. of Members voted	No. of valid Votes cast (shares)	% of Total No. of valid votes cast	No. of Members voted	No. of valid Votes cast (shares)	% of Total No. of valid votes cast	Total No. of members whose votes were declared invalid	Total No. of invalid votes cast (shares)
Material modification in approved Related Party Transaction(s) between Tata Steel Limited, the promoter holding company of Tata Steel Long Products Limited and Neelachal Ispat Nigam Limited, a subsidiary of Tata Steel Long Products Limited – Operational Transaction(s)	436	2199958	92.90	8	167954	7.09	NIL	NIL

The Ordinary Resolution was passed with requisite majority.

4. Postal Ballot vide Notice dated March 21, 2023, on the following Ordinary Resolution(s):

SN.	Description of the Resolution(s)
1.	Omnibus Material Related Party Transaction(s) with Tata Steel Limited
2.	Omnibus Material Related Party Transaction(s) with T S Global Procurement Company Pte. Ltd.
3.	Omnibus Material Related Party Transaction(s) with Neelachal Ispat Nigam Limited
4.	Material Related Party Transaction(s) between Tata Steel Limited, the promoter holding company of Tata Steel Long Products Limited and Neelachal Ispat Nigam Limited, a subsidiary of Tata Steel Long Products Limited
5.	Material Related Party Transaction(s) between T S Global Procurement Company Pte. Ltd. (TSGPL), a fellow subsidiary of Tata Steel Long Products Limited and Neelachal Ispat Nigam Limited, a subsidiary of Tata Steel Long Products Limited

The voting period for remote e-voting commenced on Wednesday, April 26, 2023 at 9.00 a.m. (IST) and ended on Thursday, May 25, 2023 at 5.00 p.m. (IST). The consolidated report on the result of the postal ballot through remote e-voting for approving the aforementioned resolutions was provided by the Scrutiniser on Thursday, May 25, 2023.

Description of the Resolution	Votes in favour of the Resolution(s)			Votes against the Resolution(s)			Invalid Votes	
	No. of Members voted	No. of valid Votes cast (shares)	% of Total No. of valid votes cast	No. of Members voted	No. of valid Votes cast (shares)	% of Total No. of valid votes cast	Total No. of members whose votes were declared invalid	Total No. of invalid votes cast (shares)
Omnibus Material Related Party Transaction(s) with Tata Steel Limited	419	2317327	99.94	10	1488	0.06	NIL	NIL
Omnibus Material Related Party Transaction(s) with T S Global Procurement Company Pte. Ltd.	409	2316258	99.93	12	1579	0.07	NIL	NIL
Omnibus Material Related Party Transaction(s) with Neelachal Ispat Nigam Limited	408	2314822	99.94	9	1468	0.06	NIL	NIL
Material Related Party Transaction(s) between Tata Steel Limited, the promoter holding company of Tata Steel Long Products Limited and Neelachal Ispat Nigam Limited, a subsidiary of Tata Steel Long Products Limited	409	2314995	99.94	8	1268	0.05	NIL	NIL
Material Related Party Transaction(s) between T S Global Procurement Company Pte. Ltd. (TSGPL), a fellow subsidiary of Tata Steel Long Products Limited and Neelachal Ispat Nigam Limited, a subsidiary of Tata Steel Long Products Limited	408	2314926	99.94	9	1288	0.06	NIL	NIL

The Ordinary Resolution(s) were passed with requisite majority.

The Board of Directors of the Company had appointed Mr. P. V. Subramanian, Practicing Company Secretary (Membership No. ACS 4585, CP No. 2077), as the Scrutinizer in respect of the postal ballot notices dated March 22, 2022, July 14, 2022 and March 21,

2023 respectively whereas Mr. Navin Kothari (FCS No. 5935, CP No. 3725) of M/s. N. K & Associates, Practising Company Secretaries, was appointed as the Scrutinizer in respect of the postal ballot notice dated January 18, 2023 for conducting the postal ballot process through e-voting in a fair and transparent manner.

Procedure for Postal Ballot:

All the aforesaid Postal Ballots were conducted by the Company as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021 and 3/2022 dated May 5, 2022 issued by the Ministry of Corporate Affairs.

Details of special resolution proposed to be conducted through postal ballot:

None of the businesses proposed to be transacted at the ensuing Annual General Meeting, scheduled to be held on August 2, 2023 ('**AGM**'), requires passing of special resolution through Postal Ballot.

Table N: Annual General Meeting 2023:

Day & Date	Wednesday, August 2, 2023
Time	3:00 p.m. IST
Venue	The Ministry of Corporate Affairs ('**MCA**') has vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 (collectively referred to as '**MCA Circulars**') permitted the holding of the Annual General Meeting through video-conferencing/other audio-visual means ('**VC/OAVM**'), without the physical presence of the Members at a common venue. In compliance with the provisions of the Act and MCA Circulars, the AGM of the Company is being held through VC/OAVM. The deemed venue of the AGM shall be P. O. - Joda, Keonjhar, Odisha 758 034.
Financial Year	April 1 to March 31
Date of book closure	Friday, July 21, 2023 to Wednesday, August 2, 2023 (both days inclusive)
Dividend payment date	Not Applicable

Communication to the Shareholders

(i) Financial Results:

The quarterly, half yearly and annual financial results of the Company are normally published in Business Standard (All editions) and the 'Pratidin' (Oriya daily) and also posted on the website of the Company (www.tatasteellp.com). The website also displays official news releases. The financial results are also posted on the Company's website at www.tatasteellp.com/quarterly-results/

All disclosures as required under the SEBI Listing Regulations are made to respective Stock Exchanges where the securities of the Company are listed. The same are also available on the Company's website at www.tatasteellp.com

(ii) Presentation to Institutional Investors or to Analysts:

The process of holding analyst calls or presentation to institutional investors has been integrated with the process of the holding company viz. Tata Steel Limited, to address investors' queries holistically. However, the Company does engages with shareholders from time to time to address the queries and concerns.

(iii) Company's Corporate Website:

The Company's website (www.tatasteellp.com) is a comprehensive reference on the Company's management, vision, mission, policies, corporate governance, corporate social responsibility, investor relations, operations, financials, news, etc. The website also displays other official releases of the Company. All price sensitive information and matters that are material to Shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed. All submissions to the Exchanges are made through their respective electronic online filing systems. The same are also available on the Company's website www.tatasteellp.com

The section on 'Investors' serves to inform the shareholders, by giving complete financial details, stock exchange compliances including shareholding patterns and updated credit ratings amongst others, corporate benefits, information relating to Stock Exchanges, details of Registrars & Transfer Agent and Frequently Asked Questions. Investors can also submit their queries by submitting 'Shareholder Query Form' and get feedback online.

Investor grievance and share transfer system:

The Company has a Board-level Stakeholders' Relationship Committee to examine and redress investors' complaints. The status on complaints and share transfers are reported to the entire Board.

Securities of the listed companies can be transferred only in dematerialized form w.e.f. April 1, 2019. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, mandated all listed companies to issue securities in dematerialized form only, while processing the service request of issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/ exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard. Also, share transactions in electronic form can be effected in a much simpler and faster manner. After a confirmation of a sale /purchase transaction from the broker, shareholders should approach the Depository Participant ('**DP**') with a request to debit or credit the account for the transaction. The DP will immediately arrange to complete the transaction by updating the account.

Shareholders are requested to communicate with TSR Consultants Private Limited, (formerly known as TSR Darashaw Limited), the Company's Registrars and Transfer Agent ('**RTA**') quoting their folio number or Depository Participant ID ('**DP ID**') and Client ID number, for any queries to their securities.

Shareholders are advised to refer the latest SEBI guidelines/ circular issued for all the holder holding securities in listed companies in physical form from time to time and keep their KYC details updated at all times, to avoid freezing their folio as prescribed by SEBI.

Certificates from the Practicing Company Secretary

As required under Regulation 34(3) and Schedule V, Part E of the SEBI Listing Regulations, the certificate given by Mr. P. V. Subramanian, Practicing Company Secretary (Membership No. ACS 4585, CP No. 2077), regarding compliance of conditions of the Company of corporate governance, is annexed to the Board's report.

As required by Clause 10(i) of Part C under Schedule V of the SEBI Listing Regulations, the Company has received a certificate from Mr. P. V. Subramanian, Practicing Company Secretary (Membership No. ACS 4585, CP No. 2077), certifying that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI or MCA or such other statutory authority.

CEO/CFO Certification

As required by Regulation 17(8) read with Schedule II Part B of the SEBI Listing Regulations, the Managing Director and Chief Financial Officer have given appropriate certifications to the Board of Directors of the Company.

Annual Certificate on Security Transfer

In terms of Regulation 40(9) and 61(4) of the SEBI Listing Regulations, certificates, have been issued by a Company Secretary in Practice, on annual basis, with respect to due compliance of share and security transfer formalities by the Company.

Reconciliation of Share Capital Audit

The Company Secretary in Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (**'NSDL'**) and Central Depository Services (India) Limited (**'CDSL'**) (collectively **'Depositories'**) and the total issued and listed capital of the Company. The audit confirms that the total paid-up capital of the Company is in agreement with the aggregate of the total number of shares in physical form and in dematerialised form (held with the Depositories).

The Audit Report is disseminated to the Stock Exchanges on a quarterly basis and is also available on our website at https://www.tatasteellp.com/stock-exchangefilings/reconciliation-of-share-capital-audit-report/

Details of non-compliance:

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years and no penalties and/or strictures have been imposed on the Company in this regard. There has been no instance of non-compliance with any legal requirements particularly with any requirement of the Corporate Governance Report, during the year under review.

Details of utilisation of funds

During the year under review, the Company did not raise any funds through qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations.

The Company has issued Non-Convertible Redeemable Preference Shares (NCRPS) in two tranches in FY2022-23, on private placement basis as per following details:

Tranche	Date of Allotment	Type	Face Value	No. of NCRPS	Total Amount
First	17.03.2022	0.01% NCRPS	₹100	10 (Ten) Crores	1,000 Crores
Second	30.03.2022	0.01% NCRPS	₹100	117 Crores	11,700 Crores

The aforesaid NCRPS shall be redeemed mandatorily at the end of 20 years from the date of allotment at a premium of ₹574.63 per NCRPS or earlier as per the terms of issue.

The Company affirms that there has been no deviation or variation in utilisation of proceeds of the listed NCRPS of the Company.

During the year under review, the Company did not raise any funds through qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations.

Related Party Transactions

All transactions entered into with the related parties as defined under the Act and Regulation 23 of the SEBI Listing Regulations, each as amended, during the year under review, were on an arm's length price basis and in the ordinary course of business. These have been approved by the Audit Committee and shareholders of the Company, where required, in terms of provisions of the SEBI Listing Regulations. Certain transactions which were repetitive in nature were approved through omnibus route by the Audit Committee. The Company has not entered into any materially significant related party transaction that have potential conflict with the interest of the Company at large. The Policy on Related Party Transactions as approved by the Board of Directors from time to time is uploaded on the Company's website at https://www.tatasteellp.com/corporate-governance/

During FY2022-23, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors apart from paying Director's remuneration. Further, the Directors have not entered into any contracts with the Company or its subsidiaries, which will give rise to material conflict with the interest of the Company.

The Board has received disclosures from KMPs and Members of Senior Management relating to material, financial and commercial transactions where they and/or their relatives have personal interest.

Policy for Determining Material Subsidiaries

The Company has formulated a Policy for Determining Material Subsidiaries and the same is available on the Company's website https://www.tatasteellp.com/storage/2021/09/Policy-on-determining-material-subsidiaries.pdf. The Company is in compliance with the provisions governing material subsidiaries.

Details of material subsidiary of the Company, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiary is as under:

SN	Subsidiaries whose total income / net worth exceeds 10% of the Group's total income/	Name of statutory auditors	Date of appointment of statutory auditors	Date of Incorporation	Place of Incorporation
1	Neelachal Ispat Nigam Limited (NINL)	Pricewaterhouse Coopers LLP	September 30, 2022	November 2, 1992	Orissa, India

In terms of the provisions of Regulation 24(1) of the Listing Regulations, the Company has appointed Mr. Srikumar Menon and Mr. Ansuman Das, Independent Directors of the Company on the Board of material subsidiary.

Further, the Company is in compliance with Regulation 24A of the Listing Regulations. The Secretarial Audit Report of NINL forms part of this report. The Report does not contain any qualification, reservation, adverse remark or disclaimer.

Vigil Mechanism

The Company has a Whistle Blower Policy that provides a formal mechanism for all employees of the Company to approach the Ethics Counsellor/ Chairman of the Audit Committee of the Company and make protective disclosures about the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Whistle Blower Policy is an extension of the Tata Code of Conduct, which requires every employee of the company to promptly report to the Management any actual or possible violation of the Code or an event he becomes aware of that could affect the business or reputation of the Company. The disclosures reported are addressed in the manner and within the time frames prescribed in the policy. Under the policy, each employee has an assured access to the Ethics Counsellor/ Chairman of the Audit Committee.

During the year under review, no person has been denied access to the Chairman of the Audit Committee. The details of the Vigil Mechanism are given in the Board's Report.

The Whistle Blower Policy is displayed on the website of the Company, viz, https://www.tatasteellp.com/storage/2021/10/WHISTLE-BLOWER-POLICY-FOR-DIRECTORS-EMPLOYEES.pdf

Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The disclosure regarding the complaints of sexual harassment are given in the Board's Report.

Consolidated fees paid to Statutory Auditors:

During FY 2022-2023, the total fees for all services paid by the Company and its subsidiary, on a consolidated basis, to Price Waterhouse & Co Chartered Accountants LLP, Statutory Auditors of the Company is as under:

Table O:

(₹ lakh)

Particulars	Amount
As auditors (Statutory Audit)	98.00
As auditors (Quarterly Audit)	40.00
For taxation matters	8.00
For other services	4.00
Out-of-pocket expenses	1.00
Total	**151.00**

Dematerialisation of Shares and liquidity

The Company's Equity Shares are tradable compulsorily in electronic form. We have established connectivity with both the depositories, i.e. NSDL and CDSL. The International Securities Identification Number ('**ISIN**') allotted to the Equity Shares of the Company under the Depository System is **INE674A01014**.

Accordingly, dematerialisation facility for the shares of the Company is available and it is mandatory for all the shareholders to convert their physical holdings into electronic holdings by dematerialisation.

Since Company's shares are listed on BSE Limited and National Stock Exchange of India Limited and are compulsorily traded in dematerialised form, these shares enjoy enough liquidity in the market. We have established connectivity with both the depositories, i.e. NSDL and CDSL.

As on March 31, 2023, 4,46,87,167 number of shares were held in dematerialised form which constitute 99.09% approx. of total number of subscribed shares.

Outstanding GD ₹/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any ADR/GDR during the year under review.

Designated e-mail address for investor services

To serve the investors better and as required under Regulation 46(2)(j) of the SEBI Listing Regulations, the designated e-mail address for investor complaints is investorcell@tatasteellp.com. The e-mail address for grievance redressal is monitored by the Company's Compliance Officer.

Investor Awareness

As part of good governance, we provide our investors facility to write queries regarding their rights and shareholdings and have provided details of persons to be contacted for this purpose. We encourage investors to visit our website for reading the documents and for availing the above facilities at www.tatasteellp.com

Legal proceedings in respect of title of shares

There are certain pending cases related to disputes over title to shares in which the Company has been made a party. However, these cases are not material in nature.

Suspense Escrow Demat Account

In terms of SEBI Circular dated January 25, 2022, the Company is required to transfer the Ordinary (equity) shares to 'Suspense Escrow Demat Account' on account of non-receipt of demat request from the investor within 120 days of issuance of the Letter of Confirmation by RTA for transmission / name deletion request.

Disclosure on commodity price risks and commodity hedging activities – Not applicable

Compliance with discretionary requirements

All mandatory requirements of the SEBI Listing Regulations have been complied with by the Company. The status of compliance with the discretionary requirements, as stated under Part E of Schedule II to the SEBI Listing Regulations are as under:

Maintenance of Chairman's office:

The Non-Executive Chairman has a separate office which is not maintained by the Company.

Shareholder Rights:

The half-yearly financial performance of the Company is sent to all the Members whose e-mail IDs are registered with the Company/Depositories. The results are also available on the Company's website at https://www.tatasteellp.com/quarterly-results/.

Modified opinion(s) in Audit Report:

The Auditors have expressed an unmodified opinion in their report on the financial statements of the Company.

Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:

The Company has separate posts of Chairperson and the Managing Director & Chief Executive Officer.

Reporting of Internal Auditor:

The Internal Auditor functionally reports to the Audit Committee.

Table P: Distribution of shareholding as on March 31, 2023:

Shareholding	Total No. of Shareholders as on March 31,		% of Total Shareholders as on March 31,		Total No. of Shares as on March 31,		% to Total Capital as on March 31,	
	2023	2022	2023	2022	2023	2022	2023	2022
1-500	64,791	72,342	96.66	96.83	38,85,202	41,49,319	8.61	8.23
501-1000	1,260	1,322	1.88	1.77	9,52,257	10,04,975	2.11	1.95
1001-2000	559	598	0.83	0.80	8,26,946	8,77,953	1.83	1.89
2001-3000	193	181	0.29	0.24	4,81,520	4,53,714	1.07	0.96
3001-4000	67	80	0.10	0.11	2,34,502	2,86,131	0.52	0.66
40001-5000	40	51	0.06	0.07	1,83,881	2,34,686	0.41	0.60
5001-10000	66	86	0.10	0.12	4,59,131	5,98,700	1.02	1.38
10001 and above	57	52	0.09	0.07	3,80,76,561	3,74,94,522	84.43	84.33
Total	67,033	74,712	100.00	100.00	4,51,00,000	4,51,00,000	100.00	100.00

Transfer of Unclaimed Dividend and Shares to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of the Act, read with Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('**Rules**'), the dividends, unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company are liable to be transferred to the IEPF. Accordingly, unclaimed dividends of shareholders for FY 2015-2016 lying in the unclaimed dividend account of the Company as on September 1, 2023 will be due for transfer to IEPF on the due date i.e. September 2, 2023. Further, the shares (excluding the disputed cases having specific orders of the Court, Tribunal or any Statutory Authority restraining such transfer) pertaining to which dividend remains unclaimed for a consecutive period of seven years from the date of transfer of the dividend to the Unpaid Dividend Account is also mandatorily required to be transferred to the IEPF Authority established by the Central Government.

The details of unclaimed dividends and shares transferred to IEPF within statutory timelines during FY2022-23 are as follows:

Financial Year	Amount of Unclaimed Dividend Transferred (₹)	No. of Shares Transferred
2014-15	36,26,050	14,632

The Company has sent individual communication to the concerned shareholders at their registered address, whose dividend remained unclaimed and whose shares were liable to be transferred to the IEPF by September 24, 2022. The communication was also published in national English and local Oriya newspapers.

Any person whose unclaimed dividend and shares has been transferred to the IEPF can claim their due amount from the IEPF Authority by making an electronic application in web-form IEPF-5. Upon submitting a duly completed form, shareholders are required to take print of the same and send physical copy duly signed along with requisite documents as specified in the form to the attention of the Nodal Officer, at the Registered Office of the Company.

The instructions for the web-form can be downloaded from our website at www.tatasteellp.com under 'unclaimed dividend' tab in 'investor' section and simultaneously from the website of Ministry of Corporate Affairs at www.iepf.gov.in

Table Q: The status of dividend remaining unclaimed is given hereunder:

Unclaimed Dividend	Status	Whether it can be claimed	Can be claimed from	Action to be taken
Up to and including the Financial Year 1996-97	Transferred to the General Revenue Account of the Central Government	Yes	Office of Registrar of Companies, Corporate Bhawan Plot No. 9, Sector 1, CDA, Cuttack: 753014	Claim to be forwarded in prescribed Form No. II of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978
For the Financial Years 1997-98 to 2014-2015	Transferred to the IEPF of the Central Government	Yes	Submit e-form IEPF 5 to the Registered Office of the Company addressed to the Company Secretary (Nodal Officer) along with complete documents.	IEPF Authority to pay the claim amount to the shareholder based on the verification report submitted by the Company and the documents submitted by the investor.
For the Financial Years 2015-2016 to 2022-23	Amount lying in respective Unpaid Dividend Accounts	Yes	TSR Consultants Private Limited (formerly TSR Darashaw Consultants Private Limited), Registrars and Transfer Agent	Letter on plain paper

The Company has hosted on its website the details of the unclaimed dividend/unclaimed shares/interest/principal amounts for the financial year 2022-23 as per the Notification No. G S R 352 (E) dated May 10, 2012 of Ministry of Corporate Affairs (as per Section 124 of the Companies Act, 2013, as amended).

Table R: Details of date of declaration of dividend & due date for transfer to IEPF

Year	Dividend per share (₹)	Date of Declaration	Due Date for transfer to IEPF
2015-16	10	July 26, 2016	September 02, 2023
2016-17	11	August 04, 2017	September 04, 2024
2017-18	20	July 18, 2018	August 21, 2025
2018-19	12.50	July 15, 2019	August 18, 2026
2019-20*	Nil	NA	NA
2020-21	5.00	August 5, 2021	September 08, 2028
2021-22	12.50	July 12, 2022	August 13, 2029

*No dividend was declared for the FY2019-20.

Shareholders are requested to get in touch with the RTA for encashing the unclaimed dividend/ interest/ principal amount, if any, standing to the credit of their account.

Nomination Facility

Shareholders whose shares are in physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under Section 72 of the Act, may submit to RTA the prescribed Forms SH-13/SH-14. Further, shareholders who want to opt out of the nomination, may submit Form ISR–3, after cancelling his/her existing nomination, if any, through Form SH-14. The Nomination Form can be downloaded from the Company's website at www.tatasteellp.com under the section 'Investor FAQs'.

Shares held in Electronic Form

Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, e-mail ids, nomination and power of attorney should be given directly to the DP.

Shares held in Physical Form

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, e-mail ids, nomination and power of attorney should be given to the Company's RTA i.e. TSR Consultants Private Limited (formerly TSR Darashaw Consultants Private Limited) in prescribed Form No. ISR-1 or other applicable form.

Updation of bank details for remittance of dividend/cash benefits in electronic form

SEBI vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 ('**Circular**'), which is applicable to all listed companies, mandated to update bank details of their shareholders holding shares in demat mode and/or physical form, to enable usage of the electronic mode of remittance i.e., National Automated Clearing House ('**NACH**') for distributing dividends and other cash benefits to the shareholders.

The Circular further states that in cases where either the bank details such as Magnetic Ink Character Recognition ('**MICR**') and Indian Financial System Code ('**IFSC**'), amongst others, that are required for making electronic payment are not available or the electronic payment instructions have failed or have been rejected by the bank, companies or their Registrars and Transfer Agents may use physical payment instruments for making cash payments to the investors. Companies shall mandatorily print the bank account details of the investors on such payment instruments.

Regulation 12 of the SEBI Listing Regulations, allows the Company to pay dividend by cheque or 'payable at par' warrants where payment by electronic mode is not possible. Shareholders to note that payment of dividend and other cash benefits through electronic mode has many advantages like prompt credit, elimination of fraudulent encashment/delay in transit amongst others. They are requested to opt for any of the above - mentioned electronic modes of payment of dividend and other cash benefits and update their bank details:

- In case of holdings in dematerialised form, by contacting their DP and giving suitable instructions to update the bank details in their demat account.
- In case of holdings in physical form, by informing the Company's RTA i.e., TSR Consultants Private Limited (formerly TSR Consultants Private Limited), through a signed request letter with details such as their Folio No(s), Name and Branch of the Bank in which they wish to receive the dividend, the Bank Account type, Bank Account Number allotted by their banks after implementation of Core Banking Solutions ('**CBS**') the 9 digit MICR Code Number and the 11 digit IFSC Code. This letter should be supported by cancelled cheque bearing the name of the first shareholder.

Shareholders to note that those who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other electronic means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/Bankers' cheque/demand draft to such Members.

Listing on Stock Exchanges

As on March 31, 2023, the Company has issued fully paid-up Equity Shares which are listed on BSE Limited and National Stock Exchange of India Limited in India. The annual listing fees has been paid to the respective stock exchanges.

Table S: ISIN and Stock Code details

Stock Exchanges	ISIN	Stock Code
BSE Limited ('BSE') Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra, India	INE674A01014	513010
National Stock Exchange of India Limited ('NSE') Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Mumbai - 400 051, Maharashtra, India	INE674A01014	TATASTLLP

Credit Rating

The Company has obtained the following list of credit ratings from the Credit Rating Agencies detailed below in Table T. Further details on credit rating are provided in the Board's Report. The above details are also available on our website at www.tatasteellp.com

Table T:

Credit Rating Agency		Summary of rating action	
		Instrument	Rating
1.	India Ratings and Research Private Limited	Term Loan	IND AA+/Positive
		Proposed Long Term Loan	IND AA+/ Positive
		Proposed Working Capital Facility	IND AA+/Positive/IND A1+
		Commercial Paper	IND A1+
2.	ICRA	Commercial Paper	[ICRA]A1+; Continues on Rating Watch with Developing Implications

Loans and Advances in which Directors are interested

The Company has not provided any loans and advances to any firms/companies in which Directors are interested.

Market Information

Table U:

Market Price Data - High, Low (based on daily closing price) and volume (no. of shares traded) during each month in FY2022-23, on BSE Limited and National Stock Exchange of India Limited

Month	BSE Ltd.			National Stock Exchange of India Ltd.		
	High (₹)	Low (₹)	Volume (No. of shares traded)	High (₹)	Low (₹)	Volume (No. of shares traded)
April 2022	849.90	704.45	4,69,923	780.53	753.79	25,54,620
May 2022	740.00	599.00	1,50,769	677.02	651.70	9,81,214
June 2022	679.00	532.00	1,00,744	617.87	596.05	7,33,041
July 2022	622.00	564.70	1,06,483	598.89	581.15	10,17,190
August 2022	647.85	595.10	1,57,725	627.20	610.28	8,08,115
September 2022	765.00	593.30	6,60,424	663.83	631.01	79,81,742
October 2022	644.05	600.00	1,75,070	625.83	610.51	13,86,265
November 2022	670.00	606.00	1,83,644	643.85	628.86	10,62,672
December 2022	691.55	600.00	1,72,544	669.51	649.28	11,27,957
January 2023	735.25	681.65	1,75,897	719.68	700.21	13,24,486
February 2023	731.05	609.20	95,465	669.00	649.83	7,37,716
March 2023	655.60	614.70	79,102	640.22	622.45	6,41,575
Yearly	735.25	609.20	3,69,606	660.42	639.66	2,03,56,593

Note: The Company's shares are regularly traded on BSE Limited and National Stock Exchange of India Limited, as is seen from the volume of shares indicated in the Table containing Market Information. No Shares were suspended for trading during the year under review.

Table V: Performance of the share price of the Company in comparison to broad - based indices like BSE and Nifty Sensex are given below:

Month	Closing Price of Equity Shares at BSE (₹)	BSE SENSEX	Closing Price of Equity Shares at NSE (₹)	Nifty 50
April 2022	714.35	57060.87	765.06	17102.55
May 2022	658.85	55566.41	661.52	16584.55
June 2022	575.90	53018.94	603.78	15780.25
July 2022	592.20	57570.25	588.50	17158.25
August 2022	624.75	59537.07	617.04	17759.3
September 2022	614.15	57426.92	645.38	17094.35
October 2022	617.45	60746.59	618.52	18012.2
November 2022	648.45	63099.65	637.00	18758.35
December 2022	676.75	60840.74	659.79	18105.3
January 2023	708.65	59549.9	710.55	17662.15
February 2023	611.65	58962.12	657.65	17303.95
March 2023	631.95	58991.52	633.04	17359.75

Secretarial Audit:

The Board of Directors has appointed Mr. P. V. Subramanian, Practicing Company Secretary (Membership No. ACS 4585, CP No. 2077), to conduct secretarial audit of the Company's records and documents for FY 2022-2023. The Secretarial Audit Report confirms that the Company has complied with all applicable provisions of the Companies Act 2013, Secretarial Standards, Depositories Act 2018, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015, each as amended and all other regulations and guidelines of SEBI as applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.

GREEN INITIATIVE:

The Company supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Integrated Report, Quarterly and Half-yearly results, to Shareholders at their e-mail address previously registered with the DPs and RTAs.

Shareholders who have not registered their e-mail addresses so far are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA, by sending a letter, duly signed by the first/sole holder quoting details of Folio No.

Plant locations

Steel Plant:

Industrial Area, Gamharia,
Jamshedpur,
Jharkhand 832108
Phone: 06577102349
E-mail: investorcell@tatasteellp.com
Website: www.tatasteellp.com
CIN: L27102OR1982PLC001091

Sponge Iron Plant:

P.O. Joda, Dist – Keonjhar, Odisha - 758 034.
Phone – 06767-284236, Fax-06767-278159/278129
E-mail: investorcell@tatasteellp.com
Website: www.tatasteellp.com
CIN: L27102OR1982PLC001091

Neelachal Ispat Nigam Limited

Kalinga Nagar Industrial Complex,
Duburi, Jajpur, Odisha - 755026
Registered Office
P.O. Joda, Dist – Keonjhar, Odisha - 758 034.
Phone – 06767-284236, Fax-06767-278159/278129
E-mail: investorcell@tatasteellp.com
Website: www.tatasteellp.com
CIN: L27102OR1982PLC001091

Corporate Office

Tata Centre, 14th Floor,
43, Jawaharlal Nehru Rd,
Kolkata 700071

Name, designation & address of Compliance Officer:

Mr. Sanakr Bhattacharya
Company Secretary & Compliance Officer
Tata Centre, 14th Floor,
43, Jawaharlal Nehru Rd,
Kolkata 700071
Phone – 06767-284236, Fax-06767-278159/278129
E-mail: Sankar.bhattacharya@tatasteellp.com

Stock Exchanges:

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.
Tel.: +91 22 2272 1233
Fax: +91 22 2272 1919
Website: www.bseindia.com

National Stock Exchange of India Limited

Exchange Plaza, Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051.
Tel.: +91 22 2659 8100
Fax: +91 22 2659 8120
Website: www.nseindia.com

Depository Services:

National Securities Depository Limited
Trade World, A Wing, 4th & 5th Floors,
Kamala Mills Compound, Lower Parel,
Mumbai – 400 013
Tel.: +91 22 2499 4200;
Fax: +91 22 2497 6351
E-mail: info@nsdl.co.in
Investor Grievance: relations@nsdl.co.in
Website: www.nsdl.co.in

Central Depository Services (India) Limited
Marathon Futurex, A-Wing, 25th Floor,
NM Joshi Marg, Lower Parel (East),
Mumbai – 400013.
Tel.: +91 22 2305 8640/8624/8639/8663
E-mail: helpdesk@cdslindia.com,
Investor Grievance: complaints@cdslindia.com
Website: www.cdslindia.com

Registrars & Share Transfer Agents:

TSR Consultants Private Limited (Formerly known as TSR Darashaw Consultants Private Limited)

CIN: U74999MH2018PTC307859
Unit: Tata Steel Limited Long Products Limited,
C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli
West, Mumbai, Maharashtra, 400083
Tel.: +91 810 811 8484, Fax: +91 22 6656 8494
Timings: Monday to Friday, 10 a.m. (IST) to 5.00 p.m. (IST)
E-mail: csg-unit@tcplindia.co.in
Website: https://www.tcplindia.co.in

For the convenience of investors based in the following cities, correspondence/ documents will also be accepted at the following branches/agencies of TSR Consultants Private Limited:

Bangalore
TSR Consultants Private Limited
C/O. Mr. D. Nagendra Rao
"Vaghdevi" 543/A, 7th Main,
3rd Cross, Hanumanthnagar, Bengaluru – 560019
Contact person: Mr. Shivanand M
Tel: +91- 80 2650 9004
Fax: +91-80 2558 0019
Email: tcplbang@tcplindia.co.in

Kolkata
TSR Consultants Private Limited
C/o. Link Intime India Private Limited
Vaishno Chamber, Flat No. 502 & 503
5th Floor, 6, Brabourne Road, Kolkata – 700001
Tel: +91-33-4008 1986
Email: tcplcal@tcplindia.co.in

New Delhi
TSR Consultants Private Limited
C/o. Link Intime India Private Limited
Noble Heights, 1st Floor, Plot No NH-2, C-1 Block, LSC,
Near Savitri Market, Janakpuri, New Delhi – 110058
Tel: +91-11-49411030
Email: tcpldel@tcplindia.co.in

Jamshedpur
TSR Consultants Private Limited
Bungalow No. 1, 'E' Road,
Northern Town, Bistupur, Jamshedpur – 831001
Tel: +91-657-2426 937
Email: tcpljsr@tcplindia.co.in

Ahmedabad
TSR Consultants Private Limited
C/o. Link Intime India Private Limited
5th Floor, 506 to 508, Amarnath Business Centre-1 (ABC-1)
Beside Gala Business Centre, Nr. St. Xavier's College Corner
Off. C.G. Road, Ellisbridge Ahmedabad - 380006
Tel: +91-79-2646 5179. Email: csg-unit@tcplindia.co.in

Details of Corporate Policies

Dividend Distribution Policy	https://www.tatasteellp.com/storage/2021/09/Dividend-Distribution-Policy_TSLP_Revised.pdf
Composition and Profile of the Board of Directors	https://www.tatasteellp.com/corporate-profile/management-profile/
Terms and conditions of appointment of Independent Directors	https://www.tatasteellp.com/storage/2021/09/Terms-and-Conditions-for-appointment-of-Independent-Director.pdf
Policy on Appointment and Removal of Directors	https://www.tatasteellp.com/storage/2021/09/Policy-on-appointment-and-removal-of-Directors.pdf
Familiarization Programme for Independent Directors	https://www.tatasteellp.com/corporate-governance/
Remuneration Policy of Directors, KMPs & Other Employees	https://www.tatasteellp.com/storage/2021/09/Remuneration-Policy-TSLP.pdf
Tata Code of Conduct	https://www.tatasteellp.com/storage/2021/10/Tata-Code-of-Conduct-2018.pdf
Criteria for Making Payments to Non-Executive Director	https://www.tatasteellp.com/storage/2021/09/Criteria-for-making-payments-to-NEDs.pdf
Corporate Social Responsibility Policy	https://www.tatasteellp.com/storage/2021/12/CSR-Policy-for-circulation.pdf
Code of Conduct for Non-Executive Directors	https://www.tatasteellp.com/storage/2021/09/COCFNED.pdf
Policy on Related Party Transactions	https://www.tatasteellp.com/storage/2022/04/Policy-on-Related-Party-Transactions.pdf
Policy on Determining Material Subsidiaries	https://www.tatasteellp.com/storage/2021/09/Policy-on-determining-material-subsidiaries.pdf
Whistle Blower Policy	https://www.tatasteellp.com/corporate-policies/
Code of Corporate Disclosure Practices	https://www.tatasteellp.com/storage/2021/09/Revised-PIT-Code.pdf
Policy on Determination of Materiality for Disclosure	https://www.tatasteellp.com/storage/2022/04/Policy-for-Determination-of-Materiality-for-Disclosures-1.pdf
Document Retention and Archival Policy	https://www.tatasteellp.com/storage/2021/09/DocumentRetentionPolicy.pdf
Prevention of Sexual Harassment (POSH) at Workplace Policy	https://www.tatasteellp.com/storage/2022/03/Communication-POSH-Policy-Guidelines.pdf
Reconciliation of Share Capital Audit Report	https://www.tatasteellp.com/reconciliation-of-share-capital-audit-report/

Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Code of Conduct

This is to confirm that the Company has adopted the Tata Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted the Tata Code of Conduct for the Non-Executive Directors. Both these Codes are available on the Company's website at www.tatasteellp.com

I confirm that the Company has in respect of the financial year ended March 31, 2023, received from the Senior Management Team of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Members of the Management one level below the Managing Director as on March 31, 2023.

Sd/-
Ashish Anupam
Managing Director
DIN: 08384201

Kolkata
April 25, 2023

Certificate Regarding Compliance of Conditions of Corporate Governance

To,
The Members
Tata Steel Long Products Limited

I have examined the compliance of conditions of Corporate Governance by Tata Steel Long Products Limited ("the Company") for the year ended on March 31, 2023 as stipulated in Regulations 17 to 27, Regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI Listing Regulations"].

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. My examination was limited to procedures and implementation thereof as adopted by the Company for ensuring the compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations to the extent applicable to the Company for the year ended on March 31, 2023.

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

P V SUBRAMANIAN
Company Secretary in Whole-time Practice
ACS No.: 4585 CP.No.: 2077
Peer Review Certificate No.: 1613/2021
UDIN: A004585E000170102

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Kolkata, April 25, 2023

Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) read with Schedule V Para-C clause 10(i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Tata Steel Long Products Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Tata Steel Long Products Limited** having CIN: L27102OR1982PLC001091 and having registered office at P.O. Joda, Keonjhar, Odisha-758034 (hereinafter referred to as "the Company") produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sl. No.	Name of Director	DIN	Date of appointment in Company
1.	Koushik Chatterjee	00004989	12/01/2019
2.	Sougata Ray	00134136	12/01/2019
3.	Srikumar Menon	00470254	15/07/2019
4.	Shashi Kant Maudgal	00918431	15/07/2019
5.	Ansuman Das	02845138	15/07/2019
6.	Narendran Viswanath Thachat	03083605	12/01/2019
7.	Meena Lall	05133322	16/08/2014
8.	Ashish Anupam	08384201	14/03/2019
9.	Neeta Karmakar	08730604	30/03/2020
10.	Debashish Bhattacharjee	00060737	13/10/2020

Ensuring the eligibility for appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

P V SUBRAMANIAN
Company Secretary in Whole-time Practice
ACS No.: 4585 CP.No.: 2077
Peer Review Certificate No.: 1613/2021
UDIN: A004585E000170080

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Kolkata, April 25, 2023

ANNEXURE - 4

Particulars of Remuneration

Part A: Information Pursuant to Section 197(2) of the Companies Act, 2013

[Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. **Ratio of the remuneration of each Director to the median remuneration of all the employees of the Company for FY2022-23 and % increase in remuneration of each Director / KMP of the Company FY2022-23 are as under:**

Name of Directors	% increase in remuneration over previous year	Ratio of remuneration to median remuneration of all employees[1]
Non-Executive Directors[2]		
Mr. T.V. Narendran	NA	NA
Mr. Koushik Chatterjee	NA	NA
Dr. Debashish Bhattacharjee	NA	NA
Mrs. Meena Lall	NA	NA
Independent Directors		
Prof. Sougata Ray	19.00	3.66
Dr. Ansuman Das	11.00	4.09
Mr. Srikumar Menon	15.00	3.40
Mr. Shashi Kant Maudgal	20.00	4.18
Ms. Neeta Karmakar	17.00	3.01
Executive Directors and KMP		
Mr. Ashish Anupam[3]	(-1.52)	97.52
Mr. Sanjay Kumar Shrivastav	1.52	27.62
Mr. Sankar Bhattacharya	15.24	10.63

Notes:

(1) The ratio of remuneration to median remuneration is based on remuneration paid during the period April 1,2022 to March 31, 2023.

(2) In line with the Internal guidelines of the Company, no payment is made towards commission to the Non-Executive Directors of the Company, who are in full-time employment with any other Tata Company and hence not stated.

(3) Includes the Commission/bonus approved by the Board of Directors for the Managing Director on April 25, 2023 for FY2022-23 (which will be paid to them on conclusion of the Annual General Meeting scheduled to be held on August 2, 2023).

2. **The percentage increase/(decrease) in the median remuneration of employees in the Financial Year 2022-23: 4.08 %**

3. **The number of permanent employees on rolls of the Company as on March 31,2023: 2,299**

4. **Comparison of average percentile increase in salary of employees other than the managerial personnel and the percentile increase in the managerial remuneration:** During the FY2022-23, the average percentage increase / (decrease) in salary of the Company's employees, excluding the Key Managerial Personnel **('KMP')** was (2.51%). **The total remuneration of KMPs for FY2022-23 was ₹ 666.61 as against ₹ 665.32 during the previous year, an increase of 0.19%.**

   However, considering the Commission / bonus approved by the Board of Directors for the Managing Director on April 25, 2023 for FY2022-23 (which will be paid to him on conclusion of the Annual General Meeting of 2023), the increase in managerial remuneration for the year is 0.19%.

5. **Affirmations:** It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.

On behalf of the Board of Directors

Sd/

T.V. Narendran

Chairman

DIN:0308360

Place: Kolkata

Date: April 25, 2023

ANNEXURE - 5

Form AOC-1

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

(Pursuant to Section 129(3) of the Companies Act, 2013 [Read with Rule 5 of the Companies (Accounts) Rules, 2014]

Part "A": Summary of Financial Information of Subsidiary Company

(₹ In Lakhs)

Sl. No.	Particulars	Details
1.	Date since when the subsidiary was acquired	July 4, 2022
2.	Start date of accounting period of subsidiary	April 01, 2022
3.	End date of accounting period of subsidiary	March 31, 2023
4.	Country	India
5.	Name of the company	Neelachal Ispat Nigam Limited (NINL)
6.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
7.	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Not Applicable
8.	Share Capital	1,36,572
9.	Reserves & Surplus	4,90,655
10.	Total Assets	13,44,923
11.	Total Liabilities	7,17,696
12.	Total Investments	55,675
13.	Turnover	1,64,555
14.	Profit before Taxation	(1,50,836)
15.	Provision for Taxation	(29,005)
16.	Profit after Taxation	(1,21,831)
17.	Proposed Dividend	-
18.	Ownership (%)	92.68

1. Names of subsidiaries which are yet to commence operations: Not Applicable

2. Names of subsidiaries which have been liquidated or sold or merged during the year: Not Applicable

Part – B - Joint Ventures and Associates

Statement Pursuant to Section 129(3) of the Companies Act,2013 related to Associate Companies and Joint Venture

The Company has no associate or joint venture company as on March 31, 2023.

For and on behalf of the board of directors

	T.V. Narendran	**Ashish Anupam**
Kolkata	Chairman	Managing Director
April 25, 2023	DIN: 03083605	DIN: 08384201

ANNEXURE - 6

Form No. MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023.

To,
The Members,
Tata Steel Long Products Limited.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Tata Steel Long Products Limited** (hereinafter called "**the Company**") for the financial year ended March 31, 2023 ("audit period"). Secretarial Audit was conducted in a manner that provided me a reasonable basis of evaluating the corporate conduct / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that, in my opinion, the Company, during the audit period covering the financial year ended on March 31, 2023 has complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period according to the provisions of:

1. The Companies Act, 2013 ("the Act") and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
   (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
   (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and
   (f) The Securities and Exchange of India (Depositories and Participants) Regulations, 2018.
6. Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India with respect to board and general meetings respectively.

   Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were ***not applicable*** to the Company during the audit period:

   (a) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
   (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
   (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
   (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

There are no Industry Specific Laws applicable to the Company.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other laws applicable to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in **Appendix-I**.

During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

I further report that:

(i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There has been no change in the composition of the Board of Directors of the Company during the period under review.

(ii) Adequate notice was given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting; and

(iii) Decisions at the Board Meetings were taken unanimously.

(iv) The Company has complied with the requirements of Regulation 3(5) and 3(6) of SEBI (PIT) Regulations, 2015, i.e. maintenance of Structured Digital Database (SDD) and submission of Compliance Certificate to the Stock Exchanges.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, including general laws, labour laws, competition law and environment laws.

I further report that, as informed to me, during the audit period the company has had the following specific events/updates:-

A. Scheme of Amalgamation(s)

(i) **Withdrawal of the Scheme of Amalgamation of Tata Metaliks Limited into and with the Company**

During the financial year under report, the Board of Directors of the Company considered and approved withdrawal of the Scheme of Amalgamation of Tata Metaliks Limited into and with Tata Steel Long |Products Limited, owing to significant changes in underlying business conditions of both the companies resulting in dilution of the inherent benefits which were initially envisaged.

(ii) **Fresh Scheme of Amalgamation of the Company into and with its parent company, Tata Steel Limited and their respective shareholders.**

The Board of Directors of the Company approved a Scheme of Amalgamation of the Company into and with its parent company, Tata Steel Limited and their respective shareholders at its meeting held on September 22, 2022.

The Board recommended an exchange ratio of 67 fully paid-up equity shares of Re.1/- each of Tata Steel Limited ("TSL") for every 10 fully paid-up equity shares of ₹ 10/- each held in the Company ("TSLPL").

This Scheme is subject to receipt of approval from the requisite majority of the shareholders of TSLPL and TSL, SEBI, NSE & BSE and such other approvals, permissions and sanctions of regulatory and other statutory or governmental authorities / quasi-judicial authorities as may be necessary as per applicable laws.

The stock exchanges have requested the Company for additional information on the Scheme and the Company has appropriately responded to the same.

B. Voluntary Liquidation of the Subsidiary Company

The petition seeking voluntary liquidation of TSIL Energy Limited ("TSIL"), a subsidiary of the Company, was approved by the Hon'ble NCLT, Cuttack Branch, vide its order dated May 09, 2022. TSIL now stands "dissolved".

This report is to be read with my letter of even date, which is annexed as **Appendix-II** and forms an integral part of this report.

P V SUBRAMANIAN
Company Secretary in Whole-time Practice
ACS No.: 4585 CP.No.: 2077
Peer Review Certificate No.: 1613/2021
Kolkata, April 25, 2023 UDIN: A004585E000170135

Appendix-I

(To the Secretarial Audit Report to the Members of Tata Steel Long Products Limited
for the financial year ended March 31, 2023)

List of laws applicable to the Company and its manufacturing plant:

Registered Office:

Situated at:- P.O. Joda, Dist. Keonjhar, Odisha-758034

Plant Locations

(i) **Steel Plant**

Industrial |Area, Gamharia, Jamshedpur,
Jharkhand 832108.

(ii) **Sponge Iron Plant**

P.O. Joda, Dist. Keonjhar, Odisha-758034.

Under the Major Group and Head:

a. **Labour Laws:-**

The Factories Act, 1948.
The Industrial Disputes Act, 1947
The Payment of Wages Act, 1936
The Minimum Wages Act, 1948
The Employees' State Insurance Act, 1948
The Employees Provident Funds and Miscellaneous Provisions Act, 1952
The Payment of Bonus Act, 1965
The Payment of Gratuity Act, 1972
The Contract Labour (Regulation & Abolition) Act, 1970
The Maternity Benefit Act, 1961
The Child and Adolescent Labour (Prohibition & Regulation) Act, 1986
The Industrial Employment (Standing Order) Act, 1946
The Employees' Compensation Act, 1923
The Equal Remuneration Act, 1976;
The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959; &
The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

b. **Environmental Laws:-**

Water (Prevention and Control of Pollution) Act, 1974.
Air (Prevention and Control of Pollution) Act, 1981.
Environment (Protection) Act, 1986
The Public Liability Insurance Act, 1991.
Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016.

P V SUBRAMANIAN
Company Secretary in Whole-time Practice
ACS No.: 4585 CP.No.: 2077
Peer Review Certificate No.: 1613/2021
UDIN: A004585E000170135

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Kolkata, April 25, 2023

Appendix-II

(To the Secretarial Audit Report to the Members of Tata Steel Long Products Limited
for the financial year ended March 31, 2023)

To,
The Members,
Tata Steel Long Products Limited.

My Secretarial Audit Report for the financial year ended 31/03/2023 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts reflected on secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

P V SUBRAMANIAN
Company Secretary in Whole-time Practice
ACS No.: 4585 CP.No.: 2077
Peer Review Certificate No.: 1613/2021
UDIN: A004585E000170135

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Kolkata, April 25, 2023

Secretarial Audit Report of Material Subsidiary

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Neelachal Ispat Nigam Limited
1st Floor, Annexe Building, IPICOL House,
Janpath, Bhubaneswar, Odisha-751022.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Neelachal Ispat Nigam Limited (hereinafter called "the Company") for the financial year ended 31st March 2023. The secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March 2023, according to the provisions of:

(i) The Companies Act, 2013 (the Act), and the Rules made thereunder.

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under.

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable during the audit period)**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act'):-

a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;**(Not applicable during the Audit Period)**

c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;**(Not applicable during the Audit Period)**

e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;**(Not applicable during the Audit Period)**

f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;**(Not applicable during the Audit Period)**

g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;**(Not applicable during the Audit Period)**

h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;**(Not applicable during the Audit Period)**

i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;**(Not applicable during the Audit Period)**

(vi) The other laws as may be applicable specifically to the Company are:

1. The Mines Act, 1952 and the rules, and regulations made thereunder.
2. Mines and Minerals (Development & Regulation) Act, 1957 and the rules made thereunder.
3. The Energy Conservation Act, 2001.
4. Air (Prevention and Control of Pollution) Act, 1981 and the rules and standards made thereunder.
5. Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975.
6. Environment Protection Act, 1986 and the rules, and notifications issued thereunder.
7. Factories Act, 1948 and allied State Laws.
8. The Explosives Act, 1984.
9. The Forest Conservation Act, 1980
10. Indian Boilers Act, 1923.
11. The National Green Tribunal Act, 2010

We have also examined compliance with the applicable clauses of Secretarial Standards (SS-1 & SS-2) issued by The Institute of Company Secretaries of India (ICSI).

During the period under review, as per the explanations and clarifications given to us by the Management, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above except the deviation mentioned in the Secretarial Audit Report provided for the first quarter of financial year 2022-23.

As at the end of financial year March 31, 2023, the Company has taken all corrective measures and complied all the statutory requirements as per companies Act, 2013. Further as at the end of financial year March 31, 2023, the Board and all statutory committees of the Board have been properly constituted as per Companies Act. 2013.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, Women Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Generally, notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that;

During the period under review, the company has taken following action, which has a major bearing on the status and affairs of the Company:

1. The Company has issued 57,81,25,000 nos. of Equity Shares of Rs. 10/- each at a premium of Rs. 54/- each on preferential basis through private placement and 45,70,00,000 nos. of Non-convertible Redeemable Preference Shares Rs. 100/- each through private placement basis to Tata Steel Long Products Limited.
2. The Company has issued 9,37,50,000 nos. of Equity Shares of Rs. 10/- each at a premium of Rs. 54/- each on preferential basis through private placement to Tata Steel Limited.
3. The Board has allotted 57,81,25,000 nos. of Equity Shares of Rs. 10/- each at a premium of Rs. 54/- each on preferential basis through private placement and 45,60,54,252 nos. of Non-convertible Redeemable Preference Shares Rs. 100/- each through private placement basis to Tata Steel Long Products Limited.
4. The Board has allotted 4,68,75,000 nos. of Equity Shares of Rs. 10/- each at a premium of Rs. 54/- each on preferential basis through private placement to Tata Steel Limited.
5. The Company has altered the provisions of the Memorandum of Association and Articles of Association of the Company in their Extra Ordinary General Meeting held on April 02, 2022. Further the Company has altered the provisions of the Memorandum of Association and Adopted the new set of Articles of Association of the Company as per the provisions of Companies Act, 2013 in their Annual General Meeting held on September 30, 2022.
6. The Company has enhanced the borrowing limit Under Section 180(1)(a) & 180(1)(c) by Special Resolution passed at the Annual General Meeting held on September 30, 2022.

For Saroj Ray & Associates
Company Secretaries
Sd/-

Place: Bhubaneswar
Date: April 25, 2023

CS Saroj Kumar Ray, FCS
Managing Partner
M No. 5098, CP No. 3770
Peer Review No. 976/2020
UDIN: F005098E000182132

(This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report)

Annexure A

To
The Members
Neelachal Ispat Nigam Limited
1st Floor, Annexe Building, IPICOL House,
Janpath, Bhubaneswar, Odisha-751022.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verifications were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, followed by the Company provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Saroj Ray & Associates
Company Secretaries
Sd/-

Place: Bhubaneswar
Date: April 25, 2023

CS Saroj Kumar Ray, FCS
Managing Partner
M No. 5098, CP No. 3770
Peer Review No. 976/2020
UDIN: F005098E000182132

ANNEXURE - 7

Particulars of Loans, Guarantees or Investments

[Pursuant to Section 186 of the Companies Act, 2013]

Amount outstanding as on March 31, 2023

(₹ In crores)

Particulars	Amount
Loans given	Nil
Guarantees given	Nil
Investments made	13,104.25

Loans, Guarantees given or Investments made during the Financial Year 2022-23

(₹ In crores)

Name of the Entity	Relation	Amount	Particulars of Loans, Guarantees given or Investments made	Purpose for which the loans, guarantees or investments are proposed to be utilized
Neelachal Ispat Nigam Limited	Subsidiary	4560.54	Investment in Preference Shares	Business Purpose
		8139.46	Investment in Equity Shares	

On behalf of the Board of Directors

Sd/

T.V. Narendran

Chairman

DIN: 03083605

Date: April 25, 2023

Place: Kolkata

ANNEXURE - 8

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

[Pursuant to Companies (Accounts) Rules, 2014]

A. Conservation of Energy

i. Steps taken or impact on conservation of energy.

1. **Initiative for Reduction of Specific Auxiliary Power consumption in Captive power plant, Sinter, DRI , Mill's, Steel melting shop plant area: -**
   - Power saving of 3581 KVAH/day at Blooming by installation and commissioning of 0.44 KV,700 KVAR rated Capacitor bank.
   - Power saving of 1100 KVAH/day at Captive power plant by installation and commissioning of 0.44 KV, total of 2600 KVAR rated Capacitor bank.
   - Power saving of 2238 KVAH/day at Steel melting shop, after reconditioning of 0.44 KV,400 KVAR rated Capacitor bank.
   - Power saving of 10,293 KVAH/day at Sinter by Installation and commissioning of 6.6 KV medium voltage drive in sinter tail ID fan and by installation and commissioning of 0.44 KV, total of 300 KVAR rated Capacitor bank.
   - Power saving of 5934 KVAH/day at DRI by Installation and commissioning of 13 Nos (160-90 KW) VVFD drive in DRI DE ID fan and ABC fan.
2. **~14% reduction in LDO consumption at Wire Rod Mill from FY 21-22 achieved through following major activities:**
   - Increase Blast furnace gas consumption through replacement of old pipeline at Pre-heating and Re-heating furnace area.
   - Spring Steel role Standard operating procedure modification.
   - Oil control valve replacement.
3. **~46% reduction in LDO consumption at Blooming Mill from FY 21-22 achieved through following major activities:**
   - 33% increase Blast furnace gas consumption.
   - Recuperator upgradation.
4. **~11% reduction in LDO consumption at Straight bar Mill from FY 21-22 achieved through following major activities:**
   - Furnace Upgradation and introduction of Oil Burner automation process at SBWM.
   - Recuperator modification.
5. **~6% reduction in Coal consumption at DRI from FY 21-22 achieved through following major activities:**
   - Reduction In coal spillage
   - Better quality of Iron ore used (Fete 65%).

ii. Steps taken by the Company for utilizing alternate sources of energy:

- ~18% Increase of waste heat recovery power Generation in DRI based WHRB from 162 MU in FY 21-22 to 192 MU in FY 22-23 by Economizer modules failure reduction through quarterly jet water flushing and maintaining feed water temperature 45 deg C, Replacement of economizer module design to SS Module, ID Fan and its duct restoration for stabilized ID FAN operations which also improved coke oven production stability, Steam traps and insulation restoration for efficient boiler efficiency.
- ~37% Increase of waste heat recovery power Generation in Coke-oven based WHRB from 149 MU in FY 21-22 to 205 MU in FY 22-23 by Sonic horn installation by replacing steam-based soot blowers, elbow duct cleaning and Maintenance of pressure parts Economizer tubes, Arresting of steam leakages and insulation restoration.

iii. Capital investment on energy conservation equipment:

During the FY 22-23, TSLP incurred a capital investment of about ~2.87 Cr for installation and Commissioning of VVFD at DRI, MV drive at sinter Plant and installation of Capacitor bank in Steel Melting Shop, Mills auxiliary power to improve Power Factor from 0.80 (avg.) to more than 0.99 (avg.).

B. Technology absorption:

i. **Efforts made towards technology absorption:**

- Installation of 17 no. LT VVFD drives.
- Installation of 6.6kV Medium voltage drives
- Installation of 7 no. Capacitor Banks.
- LED light and 44 no. IE3&IE2 grade Energy saving motor.

ii. **Benefit derived like product improvement, cost reduction, product development, import substitution etc. from key projects:**

The benefit derived through taking the steps for Energy Conservation are following:

- Coal consumption has been reduced by 6% at DRI Plant from FY 21-22 which resulted in a reduction of Production cost.
- Electrical Energy consumption has been reduced by ~21% at DRI, ~18% at Blooming mill Auxiliary Consumption from FY 21-22 which resulted in reduction in Production cost.
- TSLP Gamharia Unit won state champion Jharkhand title in large scale category from CII eastern region ENCON award 2022.

iii. **Information regarding imported technology (last three years):**

a) Technology imported : Nil

b) Year of import : Nil

c) Has technology been fully absorbed : Nil

d) If not fully absorbed, areas where this has not taken place, reasons there for and the plan of action: NA

iv. **Expenditure incurred on Research and Development:** NIL

C. Foreign Exchange Earnings and Outgo:

The details of foreign exchange earnings and outgo are as follows:

Foreign exchange earnings: ₹ 1.99 Crores

Outgo: ₹ 3,365 Crores

On behalf of the Board of Directors

Sd/
T.V. Narendran
Chairman
DIN: 03083605

Date: April 25, 2023
Place: Kolkata

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of
Tata Steel Long Products Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Tata Steel Long Products Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, 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 standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of carrying value of investments of ₹ 13,084.97 crores as on March 31, 2023, in Neelachal Ispat Nigam Limited, a subsidiary company. [Refer to Note 02.02 to the Standalone Financial Statements- "Use of estimates and critical accounting judgments- (vi) Impairment of Investments in subsidiary", Note 02.09 to the Standalone Financial Statements- "Investments in subsidiary" and Note 06 to the Standalone Financial Statements- "Investments"]. During the year, the Company has invested ₹ 8,139.46 crores in equity shares and ₹ 4,560.54 crores in non-cumulative redeemable preference shares (NCRPS) of the above-mentioned subsidiary. The Company has accounted for investment in equity shares at cost and investment in NCRPS are initially recorded at fair value and subsequently carried at amortised cost. Contractual cash flows from the NCRPS represent the principal (₹ 4,560.54 crores) plus accrued interest (₹ 384.97 crores) aggregating ₹ 4,945.51 crores as on March 31, 2023. Where an indication of impairment exists, the carrying value of investment is assessed for impairment and where applicable an impairment provision is recognised. The impairment assessment for above investments has been carried out by the management in accordance with Ind AS 36 and Ind AS 109, as applicable. The key inputs and judgements involved in the impairment assessment of investments include: • Cash flows forecast/incremental cash flows including assumptions on capacity expansion • Discount rates • Terminal growth rate • Economic and other specific factors incorporated in the impairment assessment. The assessment of carrying value of investments is a Key Audit Matter as the determination of recoverable value for impairment assessment involves significant management judgement and estimates.	Our audit procedures included the following: • We obtained an understanding from the management, assessed and tested the design and operating effectiveness of the Company's key controls over the impairment assessment. • We evaluated the appropriateness of the Company's accounting policy in respect of impairment assessment of investment in subsidiary. • We evaluated the Company's process regarding impairment assessment by involving auditor's valuation experts, to assist in assessing the appropriateness of the impairment assessment model, underlying assumptions relating to discount rate, terminal value, etc. • We evaluated the cash flow forecasts/ incremental cash flows by comparing them to the budgets and our understanding of the internal and external factors. • We checked the mathematical accuracy of the impairment assessment model and agreed the relevant data with the latest budgets, actual results and other supporting documents, as applicable. • We assessed the sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to impairment. • We discussed the key assumptions and sensitivities with those charged with governance. • We evaluated the appropriateness of the disclosures made in the Standalone Financial Statements. Based on the above procedures performed, we did not identify any significant exceptions in the management's impairment assessment in relation to the carrying value of investments in subsidiary.

Key audit matter	How our audit addressed the key audit matter
Recovery of expenses for Radhikapur (East) Coal Block [Refer to Note 08 to the Standalone Financial Statements] As at March 31, 2023, the Company has financial exposure in books aggregating ₹ 178.81 crores incurred in earlier years on the Radhikapur (East) Coal Block, which was deallocated pursuant to the Order of the Hon'ble Supreme Court of India in 2014. The Coal Mines (Special Provisions) Act, 2015 and subsequent amendments thereto, promulgated pursuant to the aforesaid Order, prescribes that the prior allottee (i.e. the Company), shall be compensated for the expenses incurred towards land and mine infrastructure. During the financial year 2020-21, the Ministry of Coal (MoC) has carried out an auction of the coal block and the coal block has been re-allotted to a successful bidder. According to an external legal opinion obtained by the Company, there is a high likelihood of the Company being compensated for the entire investments made for acquiring the land for the development of the coal block. The Company based on its assessment and along with the aforesaid opinion expects to recover the entire amount. This is considered to be a Key Audit Matter as significant judgements are involved regarding recoverability of the aforesaid amounts incurred which are largely subject to decision/approvals of the regulatory authorities.	Our audit procedures around recoverability of the expenses incurred included the following: • Evaluation of the design and testing of operating effectiveness of the related controls implemented by the management. • Tested a sample of expenses incurred on the coal block. • Obtained evidence supporting the correspondences of the Company with the MoC / Nominated Authority of MoC / Government agencies and the allotment to the successful bidder. • Obtained an updated understanding of the basis of the management's judgement on recoverability of expenses including inquiries with the Company's inhouse legal counsel and opinion from an independent external legal counsel. Based on the above work performed, we found the management's judgement on assessment of recoverability of the related expenses, to be reasonable.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Integrated Report, Board's Report along with its Annexures and Financial Highlights included in the Company's Annual Report (titled as 'Tata Steel Long Products Limited Integrated Report & Annual Accounts 2022-23') but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal 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 standalone 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
   - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

13. 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.

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

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

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

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

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

   (e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

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

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

The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33 to the standalone financial statements;

The Company was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable loss on long term contracts. The Company did not have long term derivative contracts. Refer Note 49 to the standalone financial statements.

There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023, except for amounts aggregating ₹ 0.06 crores, which according to the information and explanations provided by the management is held in abeyance due to pending legal cases. Refer Note 50 to the standalone financial statements.

(a) The management has represented that, to the best of its knowledge and belief and as disclosed in the notes to the standalone 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 [Refer Note 53(a) to the standalone financial statements];

(b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the standalone 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. [Refer Note 53(b) to the standalone financial statements]; and

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

The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

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

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

Pinaki Chowdhury
Partner
Kolkata — Membership Number: 057572
April 25, 2023 — UDIN: 23057572BGXVOS1291

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of Tata Steel Long Products Limited on the standalone financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Standalone 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 standalone financial statements of Tata Steel Long Products Limited ("the Company") as of March 31, 2023, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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 standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 standalone 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.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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

Pinaki Chowdhury
Partner
Membership Number: 057572
UDIN: 23057572BGXVOS1291

Kolkata
April 25, 2023

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Tata Steel Long Products Limited on the standalone financial statements as of and for the year ended March 31, 2023.

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

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

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 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 03 on Property, Plant and Equipment and Note 04 on Right-of-use assets to the standalone financial statements, are held in the name of the Company, except for the following immovable properties as stated in Note 03.06 to the standalone financial statements, whose title deeds are not held in the Company's name :

Description of property	Gross carrying value (₹ crore)	Net carrying value (₹ crore)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the Company
Freehold land	0.45	0.45	Bharat Minex Private Limited	No	April 9, 2019	Immovable properties were part of acquired steel business from Usha Martin Limited. The Company is in process of getting title deeds registered in the name of the Company
Freehold land	0.83	0.83	Usha Martin Limited	No	April 9, 2019	
Freehold land	0.21	0.21	Chandrakali Devi	No	April 9, 2019	
Freehold land	0.08	0.08	Bhagwan Singh	No	April 9, 2019	
Freehold land	0.02	0.02	Prem Nath Prasad	No	April 9, 2019	
Freehold land	0.07	0.07	Laljahari Devi	No	April 9, 2019	
Freehold land	0.08	0.08	Gopinath Pradhan	No	April 9, 2019	
Freehold buildings	0.71	0.32	Usha Martin Limited	No	July 3, 2019	
Right-of-use land	2.36	2.15	Usha Martin Limited	No	April 9, 2019	

(d) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use assets) or intangible assets during the year. Accordingly, the reporting under clause 3(i)(d) of the Order is not applicable to the Company.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone 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. 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 ₹ 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 books of account.

Further, the Company is yet to submit the returns or statements for the quarter ended March 31, 2023 to the banks and hence reporting under clause 3(ii)(b) of the Order to the extent it relates to the last quarter of the financial year is not applicable to the Company. [Also refer Note 52(a) to the standalone financial statements].

iii. (a) The Company has made investments in a company (subsidiary) and twelve mutual fund schemes during the year. 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 other than loan to ten employees. The Company did not stand guarantee or provided security to any Company/Firm/Limited Liability Partnership/Other party during the year. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans are as per the table given below:

Particulars	Loans (₹ crore)
Aggregate amount granted/ provided during the year - Others	0.05
Balance outstanding as at balance sheet date in respect of the above case - Others	0.03

[Also refer Note 54 to the standalone financial statements]

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

(c) In respect of the loans to employees, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

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

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

(f) The loans granted during the year, had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand. No amount of loans were granted to the promoters/ related parties.

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

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

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 products. We have broadly reviewed the same 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) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities. [Also, refer note 37.04 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund].

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of statutory dues referred to in sub-clause (a) as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (net of payments/ deposits) (₹ crores)	Amount paid / deposited (₹ crores)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	9.00	66.97	2014-15 2015-16 2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	27.13	264.74	2007-08, 2009-10 to 2012-13 and 2017-18	Assistant Commissioner of Income Tax
Central Sales Tax Act, 1957	Sales Tax	0.67	0.85	2005-06	Sales tax Tribunal
Central Sales Tax Act, 1957	Sales Tax	0.02	0.03	1987-88 1992-93 1998-99	Deputy Commissioner of Commercial Taxes
The Odisha Sales Tax Act, 1947	Sales Tax	0.02	0.07	1992-93 2000-01	Sales tax Tribunal
The Odisha Sales Tax Act, 1947	Sales Tax	0.06	0.06	1987-88 1989-90 1990-91 1988-89	Deputy Commissioner of Commercial Taxes
Customs Act, 1962	Customs Duty	33.11	-	2012-13	Customs, Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Custom Duty	0.34	0.07	2019-20	Commissioner Appeals, Customs
The Central Excise Act, 1944	Excise Duty	2.05	0.11	2011-12	Customs, Excise and Service Tax Appellate Tribunal
The Central Excise Act, 1944	Excise Duty	**	**	2019-20	Commissioner Appeals, GST & Central Excise
The Odisha Value Added Tax Act, 2004	Value Added Tax	0.07	0.18	2005-06	Commissioner of Commercial Taxes
The Odisha Entry Tax Act, 1999	Entry Tax	0.87	0.62	2006-07 2007-08	Sales Tax Tribunal
The Odisha Entry Tax Act, 1999	Entry Tax	1.03	0.57	2005-06	Deputy Commissioner of Commercial Taxes
Electricity Act, 2003	Cross Subsidy	7.44	-	2012-13	Appellate Tribunal for Electricity

**Amount below rounding off norm adopted in report.

The following matter has been decided in favour of the Company although the department has preferred appeal at higher levels:

Name of the statute	Nature of dues	Amount (net of payments/ deposits) (₹ crores)	Amount paid / deposited (₹ crores)	Period to which the amount relates	Forum where the dispute is pending
The Central Excise Act, 1944	Excise Duty	26.84	-	2006-07 2007-08	Customs, Excise and Service Tax Appellate Tribunal

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender, as applicable during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. [Also refer Note 15(iv) to the standalone financial statements].

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary, other than amounts aggregating ₹ 600 crores (raised through issuance of non-cumulative redeemable preference shares to its Holding Company, Tata Steel Limited) invested in its subsidiary, Neelachal Ispat Nigam Limited (NINL) through subscription of equity shares of NINL for meeting the fund requirements / obligations of NINL. The Company has no associate or joint venture. [Also refer Note 52(b) to the standalone financial statements].

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary. The Company has no associate or joint venture.

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, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

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

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, 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.

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 standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

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

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

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

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group has seven CICs as part of the Group as detailed in Note 55 to the standalone financial statements. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

xvii. The Company has incurred cash losses of ₹ 737.83 crores in the financial year and had not incurred cash losses 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) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios [Also refer Note 47 to the standalone financial statements], ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

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

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

Pinaki Chowdhury
Partner

Kolkata | Membership Number: 057572
April 25, 2023 | UDIN: 23057572BGXVOS1291

STANDALONE BALANCE SHEET

as at March 31, 2023

(₹ in Crores)

	Notes	As at March 31, 2023	As at March 31, 2022
I Assets			
Non-current assets			
(a) Property, plant and equipment	03	3,409.47	3,598.79
(b) Right-of-use assets	04	196.91	211.28
(c) Capital work-in-progress	03	87.26	57.52
(d) Goodwill	40	6.16	6.16
(e) Other intangible assets	05	247.25	264.44
(f) Advance against equity investment		-	1,210.00
(g) Financial assets			
(i) Investments in Equity Instruments of subsidiary	06(i)	8,139.46	-
(ii) Investments in Other Instrument of subsidiary	06(i)	4,945.51	-
(iii) Other Investments	06(i)	19.28	15.68
(iv) Loans	07	0.02	0.04
(v) Other financial assets	08	8.15	8.51
(h) Income tax assets (net)	21 (ii)	80.92	44.71
(i) Other non-current assets	09	20.85	21.25
Total non-current assets		**17,161.24**	**5,438.38**
Current assets			
(a) Inventories	10	1,365.14	1,350.09
(b) Financial assets			
(i) Investments	06 (ii)	547.66	8,077.62
(ii) Trade receivables	11	70.42	60.39
(iii) Cash and cash equivalents	12 (i)	112.91	4,558.91
(iv) Bank balances other than (iii) above	12 (ii)	940.70	2.20
(v) Loans	07	0.50	0.24
(vi) Derivative assets		1.12	-
(vii) Other financial assets	08	254.12	247.45
(c) Other current assets	09	155.35	76.99
Total current assets		**3,447.92**	**14,373.89**
Assets classified as held for sale	41	57.15	-
Total assets		**20,666.31**	**19,812.27**
II Equity and liabilities			
Equity			
(a) Equity share capital	13	45.10	45.10
(b) Other equity	14	2,014.30	3,155.37
Total equity		**2,059.40**	**3,200.47**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	14,667.83	13,391.55
(ii) Lease liabilities	04	75.82	80.07
(iii) Other financial liabilities	20	828.21	-
(b) Provisions	16	58.95	50.51
(c) Deferred tax liabilities (net)	17	204.75	148.70
Total non-current liabilities		**15,835.56**	**13,670.83**
Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	04	7.69	9.98
(ii) Derivative liabilities		2.70	1.71
(iii) Trade payables	18		
- total outstanding dues of micro and small enterprises		68.38	72.63
- total outstanding dues of creditors other than micro and small enterprises		2,067.37	2,297.20
(iv) Other financial liabilities	20	250.99	137.91
(b) Provisions	16	67.96	54.74
(c) Other current liabilities	19	252.36	312.90
(d) Current tax liabilities (net)	21 (i)	53.90	53.90
Total current liabilities		**2,771.35**	**2,940.97**
Total liabilities		**18,606.91**	**16,611.80**
Total equity and liabilities		**20,666.31**	**19,812.27**
Notes forming an integral part of the standalone financial statements	**1 to 61**		

This is the Standalone Balance Sheet referred to in our report of even date

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

For and on behalf of the Board of Directors

Pinaki Chowdhury
Partner
Membership No. 057572

T V Narendran
Chairman
DIN: 03083605

Ashish Anupam
Managing Director
DIN: 08384201

S K Shrivastav
Chief Financial Officer

Sankar Bhattacharya
Company Secretary

Place: Kolkata
Date: April 25, 2023

Place: Mumbai
Date: April 25, 2023

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2023

(₹ in Crores)

		Notes	Year ended March 31, 2023	Year ended March 31, 2022
I	Revenue from operations	22	7,464.07	6,801.63
II	Other income	23	634.46	137.51
III	**Total income (I + II)**		**8,098.53**	**6,939.14**
IV	**Expenses:**			
	Cost of materials consumed	24	5,468.80	3,929.61
	Changes in inventories of finished and semi finished goods	25	(82.27)	(99.14)
	Employee benefits expense	26	217.49	216.43
	Finance costs	27	1,387.00	109.96
	Depreciation and amortisation expense	28	347.66	319.58
	Other expenses	29	1,787.77	1,577.18
	Total expenses (IV)		**9,126.45**	**6,053.62**
V	**(Loss) / Profit before exceptional items (III - IV)**		**(1,027.92)**	**885.52**
VI	**Exceptional items**			
	Acquisition related expenditure	35	1.70	27.14
	Total exceptional items (VI)		**1.70**	**27.14**
VII	**(Loss) / Profit before taxes (V-VI)**		**(1,029.62)**	**858.38**
VIII	**Tax expenses:**			
	(1) Current tax		-	124.08
	(2) Deferred tax	17 (i)	55.87	104.43
	Total tax expense (VIII)		**55.87**	**228.51**
IX	**(Loss) / Profit for the year (VII- VIII)**		**(1,085.49)**	**629.87**
X	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit and loss			
	(a) Remeasurement (loss)/gain of the defined benefit plans		(0.94)	2.92
	(b) Income tax relating to above items		0.24	(0.73)
	(c) Gain / (loss) on changes in fair value of FVOCI equity instruments		3.60	(3.92)
	(d) Income tax relating to above items		(0.80)	0.99
	(ii) Items that will be reclassified subsequently to profit and loss			
	(a) Fair value changes of cash flow hedges		(1.69)	-
	(b) Income tax relating to above items		0.39	-
	Total other comprehensive income (X)		**0.80**	**(0.74)**
XI	**Total comprehensive income for the year (IX + X)** (Comprising (loss) / profit and other comprehensive income for the year)		**(1,084.69)**	**629.13**
XII	**Earnings / (loss) per equity share (face value of ` 10 each) :**	32		
	(1) Basic (in ₹)		(240.69)	139.66
	(2) Diluted (in ₹)		(240.69)	139.66
	Notes forming an integral part of the standalone financial statements	**1 to 61**		

This is the Standalone 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

For and on behalf of the Board of Directors

Pinaki Chowdhury
Partner
Membership No. 057572

T V Narendran
Chairman
DIN: 03083605

Ashish Anupam
Managing Director
DIN: 08384201

S K Shrivastav
Chief Financial Officer

Sankar Bhattacharya
Company Secretary

Place: Kolkata
Date: April 25, 2023

Place: Mumbai
Date: April 25, 2023

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

(A) Equity share capital

(₹ in Crores)

Particulars	Notes	Amount
As at April 1, 2021	13	45.10
Changes in equity share capital during the year		-
As at March 31, 2022		45.10
Changes in equity share capital during the year		-
As at March 31, 2023		**45.10**

(B) Other equity

(₹ in Crores)

Particulars	Notes	Reserves and surplus				Other reserves		Total
		General reserves	Securities premium	Retained earnings	Remeasure-ment gain / (loss) on de-fined benefit plans	Equity instruments through other comprehensive income	Cash flow hedge reserve	
As at April 1, 2021	14	900.00	1,449.99	192.02	(8.02)	14.80	-	2,548.79
Profit for the year		-	-	629.87	-	-	-	629.87
Changes in fair value of FVOCI equity instruments		-	-	-	-	(3.92)	-	(3.92)
Remeasurement gain / (loss) on defined benefit plans		-	-	-	2.92	-	-	2.92
Tax impact on items of other comprehensive income (OCI)		-	-	-	(0.73)	0.99	-	0.26
Transactions with the owners in their capacity as owners								
Dividend paid during the year	30(b)	-	-	(22.55)	-	-	-	(22.55)
Balance as at March 31, 2022	**14**	**900.00**	**1,449.99**	**799.34**	**(5.83)**	**11.87**	**-**	**3,155.37**
Loss for the year		-	-	(1,085.49)	-	-	-	(1,085.49)
Changes in fair value of FVOCI equity instruments		-	-	-	-	3.60	-	3.60
Remeasurement gain / (loss) on defined benefit plans		-	-	-	(0.94)	-	-	(0.94)
Change in fair value of hedging instruments		-	-	-	-	-	(1.69)	(1.69)
Tax impact on items of other comprehensive income (OCI)		-	-	-	0.24	(0.80)	0.39	(0.17)
Transactions with the owners in their capacity as owners								
Dividend paid during the year	30(b)	-	-	(56.38)	-	-	-	(56.38)
Balance as at March 31, 2023	**14**	**900.00**	**1,449.99**	**(342.53)**	**(6.53)**	**14.67**	**(1.30)**	**2,014.30**
Notes forming an integral part of the standalone financial statements	**1 to 61**							

This is the Statement of changes in equity referred to our report of even date

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

Pinaki Chowdhury
Partner
Membership No. 057572

Place: Kolkata
Date: April 25, 2023

For and on behalf of the Board of Directors

T V Narendran
Chairman
DIN: 03083605

Ashish Anupam
Managing Director
DIN: 08384201

S K Shrivastav
Chief Financial Officer

Sankar Bhattacharya
Company Secretary

Place: Mumbai
Date: April 25, 2023

STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

(₹ in Crores)

	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash flows from operating activities		
(Loss) / Profit before tax	(1,029.62)	858.38
Adjustments for:		
Depreciation and amortisation expense	347.66	319.58
Changes in fair value of financial assets / liabilities at fair value through profit or loss	(18.45)	(6.93)
Gain on cancellation of forward contracts	(14.21)	(0.11)
Dividend received from equity investments	(5.33)	(0.75)
Gain on sale of current investments	(117.85)	(9.19)
Loss on sale of non-current investments	-	0.06
Loss on disposal of property, plant and equipment	1.82	11.98
Interest income	(411.95)	(13.64)
Finance costs	1,387.00	109.96
Other non-cash items	(0.01)	0.96
Operating profit before working capital changes	**139.06**	**1,270.30**
Changes in operating assets and liabilities:		
(Increase) in Inventories	(15.05)	(536.91)
(Increase) in Non-current/current financial and non-financial assets	(96.13)	(31.34)
(Decrease) / Increase in Non-current/current financial and non-financial liabilities/provisions	(261.68)	1,184.63
Cash (used in) / generated from operations	**(233.80)**	**1,886.68**
Income taxes (paid)	(36.21)	(125.64)
Net cash (used in) / generated from operating activities	**(270.01)**	**1,761.04**
B. Cash flows from investing activities		
Purchase of capital assets	(159.08)	(91.92)
Sale of capital assets	7.53	1.31
Payments relating to a capital project that is classified as assets held for sale (Refer note 41)	(57.15)	-
Payments relating to business combination	(12.83)	(54.18)
Payment for acquisition (Refer note 38(a))	(11,490.00)	-
Sale / (Purchase) of current investments (net)	7,664.60	(8,064.74)
Advance against equity investment	-	(1,210.00)
Proceeds from disposal of non-current investments	-	1.00
Interest received	28.01	12.99
Dividend received from equity investments	5.33	0.75
Net cash (used in) investing activities	**(4,013.59)**	**(9,404.79)**

STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

(₹ in Crores)

		Year ended March 31, 2023	Year ended March 31, 2022
C. Cash flows from financing activities			
Repayment of borrowings (net)		-	(636.00)
Proceeds from issue of non-convertible redeemable preference shares		-	12,700.00
Finance costs paid (excluding interest towards lease liabilities)		(103.70)	(95.26)
Payment of lease liabilities		(8.50)	(13.62)
Interest paid on lease liabilities		(8.03)	(9.39)
Gain on cancellation of forward contracts		14.21	0.11
Dividend paid		(56.38)	(22.55)
Net cash (used in) / generated from financing activities		**(162.40)**	**11,923.29**
Net (decrease)/increase in cash and cash equivalents		(4,446.00)	4,279.54
Cash and cash equivalents at the beginning of the year (Refer Note 12(i))		4,558.91	279.37
Cash and cash equivalents at the end of the year (Refer Note 12(i))		**112.91**	**4,558.91**
Notes forming an integral part of the standalone financial statements	**1 to 61**		

This is the Standalone Statement of Cash Flows referred to our in report of even date

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

Pinaki Chowdhury
Partner
Membership No. 057572

Place: Kolkata
Date: April 25, 2023

For and on behalf of the Board of Directors

T V Narendran
Chairman
DIN: 03083605

Ashish Anupam
Managing Director
DIN: 08384201

S K Shrivastav
Chief Financial Officer

Sankar Bhattacharya
Company Secretary

Place: Mumbai
Date: April 25, 2023

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

1. Corporate information

Tata Steel Long Products Limited ('TSLPL' or 'the Company') is a public limited Company incorporated in India with its registered office at Joda, Odisha, India. The Company is a subsidiary of Tata Steel Limited. The equity shares of the Company are listed on two of the stock exchanges in India i.e., National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

The Company has presence across the entire value chain of steel manufacturing from mining and processing iron ore to producing and distributing steel based long products. The Company also has sponge iron manufacturing facility and captive power plants generating power from waste heat and thermal coal.

The standalone financial statements were approved and authorized for issue with the resolution of the Company's Board of Directors on April 25, 2023.

2. Significant accounting policies

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

2.01 Basis of accounting and preparation of financial statements

(i) Compliance with Ind AS

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

(ii) Historical Cost Convention

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

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value.
- assets held for sale — measured at fair value less cost to sell.
- 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 realised or intended to be sold or consumed in the normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realised within twelve months after the reporting period, or
- cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

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

All other liabilities are classified as non-current.

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

2.02 Use of estimates and critical accounting judgements

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgements, 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 standalone 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 recognised in the period in which the estimate is revised, and future periods impacted.

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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 standalone financial statements.

The areas involving critical estimates or judgements are:

(i) Employee Benefits (Estimation of Defined Benefit Obligation) - Refer Notes 02.17 and 37

Post-employment benefits represent obligation that will be settled in the future and require assumptions to project benefit obligations. Post-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, the investment and funding decisions made. The accounting requires the company to make assumptions regarding variables such as discount rate, rate of compensation increase and future mortality rates. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

(ii) Estimation of expected useful lives and residual values of property, plant and equipment - Refer Notes 02.03 and 03

Management reviews its estimate of useful life of property, plant & equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

(iii) Provision and Contingent liabilities - Refer Notes 02.20, 02.21, 16, and 33

A provision is recognised when the Company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities, as disclosed in Note 33, are not recognised in the financial statements. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcomes. In the normal course of business, the Company consults with legal counsel and certain other experts on matters related to litigations. The Company accrues a liability when it is determined that an adverse outcome is probable, and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible, or an estimate is not determinable, the matter is disclosed.

iv) Fair value measurements and valuation processes - Refer Notes 02.10, 2.11, 2.17, 8, 16, 31 and 37

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. When the fair value of assets and liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including Discounted Cash Flow Model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(v) Impairment - Refer Notes 02.07 and 40

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

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets. The Company has identified two CGUs - Integrated steel manufacturing plant at Gamharia and Sponge iron manufacturing plant at Joda.

(vi) Impairment of Investments in subsidiary - Refer Note 02.09 and 06(i)

The Company estimates the value in use / fair value less cost to sale based on future cash flows after considering current economic conditions and trends, estimated future

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operating results, growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows forecast /incremental cash flows are discounted using a suitable discount rate in order to calculate the present value.

(vii) Loss allowance for Expected Credit Losses – Refer Note 2.14 and 11

To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles of sales over past quarters before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The assumptions and estimates applied for determining the loss allowance are reviewed periodically.

2.03 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are recognised as an expense in the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation Method, Estimated Useful Lives and Residual Values

Depreciation on property, plant and equipment is calculated on a pro-rata basis using the straight-line method to allocate their 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 plant and machinery, furniture and fixtures and vehicles, in whose 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 estimated useful lives of property, plant and equipment are as under:

Category of assets	Useful life
Buildings	3 - 60 years
Plant and equipment and electrical installations	2 - 35 years
Furniture and fixtures	2 - 10 years
Office equipments	2 - 10 years
Vehicles	2- 8 years
Railway sidings	8 - 15 years

Mining assets are amortised over the useful life of the mine or lease period whichever is lower.

Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the item.

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. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the Statement of Profit or Loss within 'Other Income'/ 'Other Expenses'. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as 'Capital Advances' under other non- current assets and the cost of property, plant and equipment not ready to use are disclosed under 'Capital Work-in progress'.

2.04 Leases

The Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises 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 recognises the

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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 following lease payments:

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

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. 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 offices are recognised on a straight-line basis as an expense in Statement of Profit or Loss. Short-term leases are leases with a lease term of 12 months or less.

Variable lease payments that depend on output generated are recognised in Statement of Profit or Loss in the period in which the condition that triggers those payment occurs.

2.05 Intangible assets

(i) Railway sidings (constructed)

Railway sidings is included in the Balance Sheet as an intangible asset where it is clearly linked to long term economic benefits for the Company. In this case it is measured at cost of construction and then amortised on a straight-line basis over their estimated useful lives.

Railway sidings are amortised on a straight-line basis over their estimated useful lives i.e., 5 years.

(ii) Computer software (acquired)

Software for internal use, which is primarily acquired from third-party vendors is capitalised. It has a finite useful life and are stated at cost less accumulated amortization and accumulated impairment losses, if any. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of software includes license fees and cost of implementation/system integration services, where applicable.

Computer software are amortised over a period of 5 years. Amortisation method and useful lives are reviewed periodically including at each financial year end.

(iii) Mining rights (fair valued on acquisition)

Savings in the form of the differential in cost of acquisition of iron ore mined from the acquired mine and the cost incurred to acquire iron ore from the open market, adjusted for costs incurred to develop and maintain the acquired mine is accounted as intangible assets.

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

2.06 Research and Development

Research costs are expensed as incurred. Expenditure on development that do not meet the specified criteria for capitalisation under Ind AS 38 on 'Intangible Assets' are recognised as an expense as incurred.

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2.07 Impairment of non-financial assets

Upon acquisition of a new business, goodwill has been accounted for in terms of Ind AS 103. The goodwill so recognised is assessed annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are assessed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

2.08 Business combinations

The acquisition method of accounting is used to account for all business combinations related to acquisitions, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition is measured at:

- fair values of the assets transferred.
- liabilities incurred to the former owners of the acquired business.
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

2.09 Investments in subsidiary

Investments in equity shares of subsidiary is carried at cost less provision for impairment, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required, to its Recoverable Amount. The Recoverable Amount of an asset is the higher of its fair value less costs of disposal and its value in use.

The Investment in non-cumulative redeemable preference shares (NCRPS) of subsidiary is initially recognised at fair value. The cash flows from the NCRPS represent solely payments of principal and interest and are held by the Company within the business model to collect contractual cash flows. Accordingly, Investment in NCRPS is subsequently measured at amortised cost. Contractual cash flows from the NCRPS represent the principal plus the accrued interest.

2.10 Financial instruments

Financial assets and financial liabilities are recognised 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 recognised immediately in the Statement of Profit or Loss.

2.11 Investments (Other than Investments in Subsidiary) and Other Financial Assets

(i) Classification

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

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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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 Statement of Profit or Loss or other comprehensive income. For investments in debt instruments, this depends on the business model in which the investment is held.

For investments in equity instruments, this depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies the debt investments when and only when the business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction cost.

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instrument as amortised cost measurement categories. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognised in the Statement of Profit or Loss when the asset is derecognised or impaired.

Equity Instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other Income' 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 31 details how the Company determines whether there has been a significant increase in credit risk.

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

(iv) Derecognition of financial assets

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

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

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

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(v) Interest income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

(vi) Dividend Income

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established.

(vii) 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. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

(viii) Offsetting Financial Instruments

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

2.12 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.

2.13 Derivatives and hedging activities

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange fluctuations. The instruments are confined principally to forward foreign exchange contracts.

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Derivative Instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end

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of each reporting period, with changes included in 'Other Income'/ 'Other Expenses'.

Cash flow hedges that qualify for hedge accounting:

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

When option contracts are used to hedge forecast transactions, the Company designates only the intrinsic value of the options as the hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the options are recognised in the cash flow hedging reserve within equity. The changes in the time value of the options that relate to the hedged item ('aligned time value') are recognised within other comprehensive income in the costs of hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, as follows:

- Where the hedged item subsequently results in the recognition of a non-financial asset (such as inventory), both the deferred hedging gains and losses and the deferred time value of the option contracts or deferred forward points, if any, are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example through cost of materials consumed).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).

2.14 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.

2.15 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.

2.16 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of the

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reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

2.17 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. These are included in 'Retained Earnings' in the Statement of Changes in Equity.

Eligible employees (other than employees of coal mines and straight bar of Jamshedpur unit) of the Company receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the 'Tata Steel Long Product Limited Employees Provident Fund Trust'. The trust invests in specific designated instruments as prescribed by the Government. The remaining portion is contributed to the Government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate. The contributions made by the Company and the shortfall of interest, if any, are recognised as an expense in the Statement of Profit and Loss under employee benefits expense.

(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 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' within 'Current Provisions' in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

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2.18 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 standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised, or the deferred tax liability is settled.

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.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

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.

2.19 Inventories

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. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material.

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

2.20 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.

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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.

2.21 Provision for restoration and environmental costs

The Company has liabilities related to restoration of soil and other related works, which are due upon the closure of its mining site.

Such liabilities are estimated case-by-case based on available information, taking into account applicable local legal requirements. The estimation is made using existing technology, at current prices, and discounted using an appropriate discount rate where the effect of time value of money is material. Future restoration and environmental costs, discounted to net present value, are capitalised and the corresponding restoration liability is raised as soon as the obligation to incur such costs arises. Future restoration and environmental costs are capitalised in property, plant and equipment or mining assets as appropriate and are depreciated over the life of the related asset. The effect of time value of money on the restoration and environmental costs liability is recognised in the statement of profit and loss.

2.22 Revenue recognition

(i) Sale of goods and product scrap

Revenue from sale of goods and product scrap is recognised when the control over such goods have been transferred, being when the goods are delivered to the customers. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, risks of loss have been transferred to the customers, and either the customer has accepted the goods in accordance with the sales contract or the acceptance provisions have lapsed 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 fixed. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration. 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 90 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.

(ii) Sale of Power

Revenue from the sale of power is recognised when the control has been transferred to the customer, being when the power has been transmitted to the buyer as per the terms of contract with the customer. Revenue from sale of power is recognised based on the price specified in the agreement, which is fixed. No element of financing is deemed present as the sales are made with an agreed credit period of 30 days, which is consistent with the market practices. A receivable is recognised when the power has been transmitted as this is the point in time that the consideration is unconditional because only passage of time is required before payment is due.

(iii) Income from services

The Company acts as a conversion agent for conversion of iron ore into sponge iron and iron ore fines into Pellet. Revenue from services is recognised when the control has been transferred to the customer, being when the service is rendered to the buyer as per the terms of contract with the customer. A receivable is recognised when the converted pellets and sponge iron are despatched as this is the point in time that the consideration is unconditional because only passage of time is required before payment is due.

2.23 Government grants

Government grants are recognised at its fair value, where there is a reasonable assurance that such grants will be

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for the year ended March 31, 2023

received and compliance with the conditions attached therewith have been met.

Export incentives are recognised for when the right to receive the credit is established and when there does not exist any uncertainty as to its collection.

2.24 Foreign currency transactions and translation

(i) Functional and Presentation Currency

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

(ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. 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. The exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognised in Statement of Profit and Loss.

All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within 'Other Income'/ 'Other Expenses.' Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2.25 Non-current assets held for sale

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. The Company must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Where a disposal group represents a separate major line of business or geographical area of operations or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

2.26 Borrowings costs

Borrowings costs directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets is substantially ready for the intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

2.27 Earnings per share

(i) Basic Earnings per Share

Basic earnings per equity share is computed by dividing profit or loss attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted Earnings per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.28 Cash and cash equivalents

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

2.29 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. Refer Note 42 for segment information presented.

2.30 New and amended standards adopted by the Company.

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.31 New amendments issued but not effective.

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends certain accounting standards, and are effective 1 April 2023. The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as accounting policy already complies with the now mandatory treatment.

2.32 Rounding of amounts

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest crores (₹ 0,000,000) as per the requirement of Schedule III, unless otherwise stated.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

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

(₹ in Crores)

Carrying amounts of:	As at March 31, 2023	As at March 31, 2022
Freehold land	200.55	200.55
Freehold buildings	212.22	207.53
Plant and equipment	2,625.68	2,791.14
Furniture and fixtures	0.84	0.84
Electrical Installations	332.99	354.24
Office equipments	10.18	11.82
Vehicles	0.26	0.38
Mining lease and development	7.86	11.39
Railway Sidings	18.89	20.90
Total	**3,409.47**	**3,598.79**
Capital work-in-progress (Refer note 03.07)	99.82	57.52
Less: Classified as held for sale (Refer note 41)	(12.56)	-
Total	**87.26**	**57.52**

(₹ in Crores)

	Freehold land	Freehold buildings	Plant and equipment	Furniture and fixtures	Electrical Installations	Office equipments	Vehicles	Mining lease and development	Railway Sidings	Total
Cost/deemed cost										
Balance as at April 1, 2021	202.04	233.27	3,440.78	2.03	479.54	8.58	1.66	20.48	23.63	4,412.01
Additions during the year	-	15.75	29.29	0.07	1.84	12.09	-	-	4.31	63.35
Assets acquired under business combination (Refer Note 38(b))	-	3.79	1.96	-	0.69	0.01	-	-	-	6.45
Assets disposed / written off during the year	-	-	22.09	0.20	-	2.61	1.09	-	-	25.99
Other reclassifications	1.49	-	-	-	-	-	-	-	-	1.49
Balance as at March 31, 2022	**200.55**	**252.81**	**3,449.94**	**1.90**	**482.07**	**18.07**	**0.57**	**20.48**	**27.94**	**4,454.33**
Additions during the year	-	17.66	102.99	0.19	3.33	2.98	-	-	-	127.15
Assets disposed / written off during the year	-	-	8.26	-	-	0.15	-	-	-	8.41
Other reclassifications	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	**200.55**	**270.47**	**3,544.67**	**2.09**	**485.40**	**20.90**	**0.57**	**20.48**	**27.94**	**4,573.07**
Accumulated depreciation										
Accumulated depreciation as at April 1, 2021	-	31.53	460.79	0.94	80.13	4.74	0.94	5.68	4.64	589.39
Charge for the year	-	13.75	207.01	0.31	47.70	3.98	0.29	3.41	2.40	278.85
Depreciation on assets disposed / written off during the year	-	-	9.00	0.19	-	2.47	1.04	-	-	12.70
Accumulated depreciation as at March 31, 2022	**-**	**45.28**	**658.80**	**1.06**	**127.83**	**6.25**	**0.19**	**9.09**	**7.04**	**855.54**
Charge for the year	-	12.97	262.15	0.19	24.58	4.62	0.12	3.53	2.01	310.17
Depreciation on assets disposed / written off during the year	-	-	1.96	-	-	0.15	-	-	-	2.11
Accumulated depreciation as at March 31, 2023	**-**	**58.25**	**918.99**	**1.25**	**152.41**	**10.72**	**0.31**	**12.62**	**9.05**	**1,163.60**
Carrying amount										
Balance as at March 31, 2022	200.55	207.53	2,791.14	0.84	354.24	11.82	0.38	11.39	20.90	3,598.79
Balance as at March 31, 2023	**200.55**	**212.22**	**2,625.68**	**0.84**	**332.99**	**10.18**	**0.26**	**7.86**	**18.89**	**3,409.47**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Notes :

03.01 Refer Note 45 for information on property, plant and equipment hypothecated as security by the Company.

03.02 Depreciation on property, plant and equipment has been included under 'Depreciation and amortisation expense' in the Statement of Profit and Loss (Refer Note 28).

03.03 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.

03.04 Refer note 34 for disclosure of contractual commitments for the acquisition of property, plant and equipment

03.05 The Company has not revalued its property, plant and equipment (including right-of-use assets) and intangible assets during the current year and the previous year.

03.06 Title deeds of immovable properties not held in the name of the Company

Particulars	Description of item of property	Gross carrying value ₹ crores	Net carrying value ₹ crores	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since	Reason for not being held in the name of the company
As at March 31, 2023							
Property, plant and equipment	Freehold land	1.74	1.74	Refer table below	No	April 9, 2019	Immovable properties were part of acquired steel business from Usha Martin Limited. The Company is in process of getting title deeds registered in the name of the Company.
Property, plant and equipment	Freehold buildings	0.71	0.32	Usha Martin Limited	No	July 3, 2019	
Right-of-use assets (Refer Note 04)	Right-of-use land	2.36	2.15	Usha Martin Limited	No	April 9, 2019	
Total		**4.81**	**4.21**				
As at March 31, 2022							
Property, plant and equipment	Freehold land	26.34	26.34	Refer table below	No	April 9, 2019	
Property, plant and equipment	Freehold buildings	0.71	0.41	Usha Martin Limited	No	July 3, 2019	
Right-of-use assets (Refer Note 04)	Right-of-use land	2.36	2.22	Usha Martin Limited	No	April 9, 2019	
Right-of-use assets (Refer Note 04)	Right-of-use building	3.30	3.07	Usha Martin Limited	No	April 9, 2019	
Total		**32.71**	**32.04**				

Particulars	Description of item of property	Gross carrying value ₹ crores	Net carrying value ₹ crores	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since
As at March 31, 2023						
Property, plant and equipment	Freehold land	0.45	0.45	Bharat Minex Private Limited	No	April 9, 2019
Property, plant and equipment	Freehold land	0.83	0.83	Usha Martin Limited	No	April 9, 2019
Property, plant and equipment	Freehold land	0.21	0.21	Chandrakali Devi	No	April 9, 2019
Property, plant and equipment	Freehold land	0.08	0.08	Bhagwan Singh	No	April 9, 2019
Property, plant and equipment	Freehold land	0.02	0.02	Premnath Prasad	No	April 9, 2019
Property, plant and equipment	Freehold land	0.07	0.07	Laljahari Devi	No	April 9, 2019
Property, plant and equipment	Freehold land	0.08	0.08	Gopinath Pradhan	No	April 9, 2019
Total		**1.74**	**1.74**			

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Particulars	Description of item of property	Gross carrying value ₹ crores	Net carrying value ₹ crores	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since
As at March 31, 2022						
Property, plant and equipment	Freehold land	24.38	24.38	Bharat Minex Private Limited	No	April 9, 2019
Property, plant and equipment	Freehold land	0.83	0.83	Usha Martin Limited	No	April 9, 2019
Property, plant and equipment	Freehold land	0.88	0.88	Chandrakali Devi	No	April 9, 2019
Property, plant and equipment	Freehold land	0.08	0.08	Bhagwan Singh	No	April 9, 2019
Property, plant and equipment	Freehold land	0.02	0.02	Prem Nath Prasad	No	April 9, 2019
Property, plant and equipment	Freehold land	0.07	0.07	Laljahari Devi	No	April 9, 2019
Property, plant and equipment	Freehold land	0.08	0.08	Gopinath Pradhan	No	April 9, 2019
Total		**26.34**	**26.34**			

03.07 Details of Capital work-in-progress

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

(₹ 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	
As at March 31, 2023					
Projects in progress	76.73	1.41	-	9.12	87.26
Projects temporarily suspended	-	-	-	-	-
Total	**76.73**	**1.41**	**-**	**9.12**	**87.26**
As at March 31, 2022					
Projects in progress	45.11	1.00	9.97	1.44	57.52
Projects temporarily suspended	-	-	-	-	-
Total	**45.11**	**1.00**	**9.97**	**1.44**	**57.52**

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

(₹ in Crores)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at March 31, 2023					
Projects in progress					
Sustenance projects	6.41	-	-	-	6.41
Projects temporarily suspended	-	-	-	-	-
Total	**6.41**	**-**	**-**	**-**	**6.41**
As at March 31, 2022					
Projects in progress					
Sustenance projects	0.64	-	-	-	0.64
Projects temporarily suspended	-	-	-	-	-
Total	**0.64**	**-**	**-**	**-**	**0.64**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

04 Leases

(a) The Company as a lessee

The Company has lease contracts for various items of plant and equipment, vehicles, offices and leased land. Leases of plant and equipment generally have lease terms between 9 to 26 years, vehicles generally have lease terms upto 5 years, offices generally have lease terms between 12 months to 4 years and leases of land generally have lease terms between 30 years to 100 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. Leased assets may be used as security for borrowing purposes.

The Company also has certain leases of offices with lease term of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

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

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Right-of-use land	116.63	121.10
Right-of-use plant and equipment	77.56	86.17
Right-of-use buildings	0.19	3.47
Right-of-use vehicles	2.53	0.54
Total Right-of-use assets	**196.91**	**211.28**

(₹ in Crores)

	Right-of-use land	Right-of-use plant and equipment	Right-of-use buildings	Right-of-use vehicles	Total Right-of-use assets
Cost/deemed cost					
Balance as at April 1, 2021	132.95	119.12	4.21	-	256.28
Additions during the year	-	-	-	0.56	0.56
Other reclassifications	1.49	-	-	-	1.49
Balance as at March 31, 2022	**134.44**	**119.12**	**4.21**	**0.56**	**258.33**
Additions during the year	-	-	-	2.34	2.34
Assets disposed / written off during the period	-	-	3.30	-	3.30
Balance as at March 31, 2023	**134.44**	**119.12**	**0.91**	**2.90**	**257.37**
Accumulated depreciation					
Accumulated depreciation as at April 1, 2021	8.86	23.07	0.45	-	32.38
Charge for the year	4.48	9.88	0.29	0.02	14.67
Accumulated depreciation as at March 31, 2022	**13.34**	**32.95**	**0.74**	**0.02**	**47.05**
Charge for the year	4.47	8.61	0.24	0.35	13.67
Depreciation on assets disposed / written off during the year	-	-	0.26	-	0.26
Accumulated depreciation as at March 31, 2023	**17.81**	**41.56**	**0.72**	**0.37**	**60.46**
Carrying amount					
Balance as at March 31, 2022	121.10	86.17	3.47	0.54	211.28
Balance as at March 31, 2023	**116.63**	**77.56**	**0.19**	**2.53**	**196.91**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

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

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Balance as at beginning of the year	90.05	104.07
Additions during the year	2.34	0.56
Finance costs during the year	7.66	8.43
Lease payments during the year	(16.53)	(23.01)
Balance as at end of the year	**83.51**	**90.05**
Current lease liabilities	7.69	9.98
Non-current lease liabilities	75.82	80.07

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis -

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Less than one year	14.88	17.54
One to five years	53.66	51.81
More than five years	56.02	68.85
Total	**124.56**	**138.20**

(d) Following are the amounts recognised in the Statement of profit and loss

(₹ in Crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation expense on right-of-use assets (Refer Note 28)	13.67	14.67
Interest expense on lease liabilities (Refer Note 27)	7.66	8.43
Expense relating to short-term leases (included in other expenses)	2.20	2.19
Expense relating to variable lease payments not included in the measurement of the lease liability (included in other expenses) (Refer note (ii) below)	8.69	8.55
Total amount recognised in the Statement of profit and loss	**32.22**	**33.84**

(i) The Company does not have any leases of low value assets and subleases.

(ii) Some of the plant and equipment leases, in which the Company is a lessee, contain variable lease payments that are linked to output generated. Variable lease payments are used to link rental payments to output generated and reduce fixed costs. The breakdown of lease payment is as below:

(₹ in Crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Fixed payments	-	-
Variable payments	8.69	8.55
Total payments	**8.69**	**8.55**

Overall the variable payments constitute up to approximately 32 per cent of the Company's entire lease payments. The Company expects this ratio to be constant in future years.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

(iii) Extension and termination options are included in major leases contracts of the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable by both the Company and lessor.

(iv) There are no residual value guarantees in relation to any lease contracts.

(v) The Company had a total cash outflows of ₹ **16.53 crores** for leases for the year ended March 31, 2023 (March 31, 2022 : ₹ 23.01 crores).

(e) Refer Note 03.06 for title deeds of Right-of-use assets not held in the name of the Company.

05 Other intangible assets

(₹ in Crores)

Carrying amounts of:	As at March 31, 2023	As at March 31, 2022
Computer software (acquired)	0.90	1.19
Railway sidings (constructed)	-	-
Mining rights (acquired)	246.35	263.25
Total intangible assets	**247.25**	**264.44**

(₹ in Crores)

	Computer software (acquired)	Railway sidings (constructed)	Mining rights (acquired)	Total intangible assets
Cost/deemed cost				
Balance as at April 1, 2021	0.51	7.26	330.86	338.63
Additions during the year	1.13	-	-	1.13
Assets disposed / written off during the year	-	-	-	-
Balance as at March 31, 2022	**1.64**	**7.26**	**330.86**	**339.76**
Additions during the year	-	-	6.63	6.63
Assets disposed / written off during the year	-	-	-	-
Balance as at March 31, 2023	**1.64**	**7.26**	**337.49**	**346.39**
Accumulated amortisation				
Accumulated amortisation as at April 1, 2021	0.15	7.26	41.85	49.26
Charge for the year	0.30	-	25.76	26.06
Amortisation of assets disposed / written off during the year	-	-	-	-
Accumulated amortisation as at March 31, 2022	**0.45**	**7.26**	**67.61**	**75.32**
Charge for the year	0.29	-	23.53	23.82
Amortisation of assets disposed / written off during the year	-	-	-	-
Accumulated amortisation as at March 31, 2023	**0.74**	**7.26**	**91.14**	**99.14**
Carrying amount				
Balance as at March 31, 2022	1.19	-	263.25	264.44
Balance as at March 31, 2023	**0.90**	**-**	**246.35**	**247.25**

Notes

05.01 The amortisation has been included under 'Depreciation and Amortisation Expenses' in the Statement of Profit and Loss (Refer Note 28).

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023

06 Investments

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
(i) Non-current investments		
A. Investments carried at cost:		
(a) Investments in Equity Instruments of subsidiary		
(i) Unquoted		
Neelachal Ispat Nigam Limited		
1,272,154,735 (March 31, 2022: Nil) equity shares of ₹ 10 each fully paid up	**8,139.46**	**-**
B. Investments carried at amortised cost:		
(a) Investments in Other Instrument of subsidiary		
(i) Unquoted		
Neelachal Ispat Nigam Limited	**4,945.51**	**-**
456,054,252 (March 31, 2022: Nil) preference shares of ₹ 100 each fully paid up		
C. Investments carried at fair value through other comprehensive income:		
(a) Other Investments in equity shares		
(i) Unquoted		
Jamipol Limited	**19.28**	**15.68**
800,000 (March 31, 2022: 800,000) equity shares of ₹ 10 each fully paid up		
Total Non - current investments	**13,104.25**	**15.68**
(ii) Current Investments		
A.Investments carried at fair value through profit and loss:		
(a) Investment in liquid mutual funds -		
(i) Unquoted		
(1) Nippon India Liquid Fund - Direct Plan - Growth	51.49	905.26
(2) TATA Liquid Fund - Direct Plan - Growth	49.80	662.25
(3) HDFC Liquid Fund - Direct Plan - Growth	58.89	798.28
(4) UTI Liquid Cash Plan - Direct Plan - Growth	42.38	1,101.32
(5) Aditya Birla Sun Life Liquid Fund - Direct Plan - Growth	27.15	1,009.34
(6) Kotak Liquid Fund - Direct Plan - Growth	55.30	656.18
(7) IDFC Cash Fund - Direct Plan - Growth	57.19	487.16
(8) SBI Liquid Fund - Direct Plan - Growth	72.03	789.25
(9) Axis Liquid Fund - Direct Plan - Growth	51.71	956.32
(10) ICICI Prudential Liquid Fund - Direct Plan - Growth	56.62	712.26
(11) DSP Liquidity Fund - Direct Plan - Growth	25.10	-
Total current investments	**547.66**	**8,077.62**
Aggregate amount of unquoted investments	13,651.91	8,093.30
Investments carried at amortised cost	13,084.97	-
Investments carried at fair value through profit or loss (FVTPL)	547.66	8,077.62
Investments carried at fair value through other comprehensive income [Refer Note 31(b)(i)]	19.28	15.68

During the financial year ended March 31, 2023, the Company had invested in 0.01% Non-Convertible Redeemable Preference Shares ("NCRPS") of Neelachal Ispat Nigam Limited on private placement basis. 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 Issuer on a quarterly basis at 3-month intervals from the date of allotment.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023

The recoverable value of investments held in Neelachal Ispat Nigam Limited (NINL) has been assessed based on higher of fair value less costs to sell and value in use for the underlying businesses. The fair value less costs to sell model uses cash flow forecasts based on the most recently approved financial plan for FY24. Beyond FY24, the cash flow forecasts is based on strategic forecasts which cover a period i.e. estimated time to extract the total usable mineral reserves for mining business and six years for steel business and future projections taking the analysis out to perpetuity which includes capital expenditure for capacity expansion of steel making facilities from the current 1.1 MTPA to 4.56 MTPA by FY 29 as well as estimated EBITDA changes due to implementation of the expansion strategy and operating the assets. Key assumptions to the fair value less costs to sell model are changes to selling prices and raw material costs, steel demand, amount of capital expenditure needed for expansion of the existing facilities, EBITDA, and a post-tax discount rate of 10.10%. The estimates of capital expenditure for capacity expansion of steel making assets is based on management's internal estimates of implementing the expansion strategy.

For the fair value less costs to sell model, a 4.00% growth rate is used to extrapolate the cash flows beyond the specifically forecasted period of six years in respect of which strategic forecasts have been prepared. The outcome of the impairment assessment as on 31 March 2023 for investments held in NINL has not resulted in any impairment of investments.

The management has conducted sensitivity analysis including discount rate on the impairment assessment of the carrying value of investments held in NINL. The management believes that no reasonably possible change in any of the key assumptions used in the model would cause the carrying value of investments to materially exceed its recoverable value.

Refer Note 31 for information about fair value measurement, credit risk and market risk on investments.

07 Loans

(Unsecured, considered good unless stated otherwise)

(₹ in Crores)

	As at March 31, 2023		As at March 31, 2022	
	Non-current	Current	Non-current	Current
Loan to employees	0.02	0.50	0.04	0.24
	0.02	**0.50**	**0.04**	**0.24**

08 Other financial assets

(Unsecured, considered good unless stated otherwise)

(₹ in Crores)

		As at March 31, 2023		As at March 31, 2022	
		Non-current	Current	Non-current	Current
(a)	Interest accrued on deposits and loans	0.27	0.01	0.16	1.15
(b)	Security deposits				
	Considered good	7.03	3.48	7.50	3.01
	Credit impaired	-	0.23	-	0.23
	Less: Allowance for credit losses	-	(0.23)	-	(0.23)
(c)	Bank deposits with more than 12 months maturity				
	(pledged with government authorities)	0.85	-	0.85	-
(d)	Receivable against deallocation of coal block *	-	178.81	-	178.81
(e)	Others**	-	77.20	-	64.48
	Less: Others classified as held for sale (Refer note 41)	-	(5.38)	-	-
		8.15	**254.12**	**8.51**	**247.45**

* By judgement of September 24, 2014, the Hon'ble Supreme Court cancelled allocation of 214 coal blocks including Radhikapur (East) Coal Block ('RECB') which was allotted to the Company on February 7, 2006. The carrying amount in books as at March 31, 2023 towards amounts incurred by the Company on RECB, prior to de-allocation aggregates to ₹ **178.81 crores** (March 31, 2022: ₹ 178.81 crores). Pursuant to the judgement of the Hon'ble Supreme Court, Government of India promulgated Coal Mines (Special Provision) Act, 2015 (the 'Act') for fresh allocation of the coal mines through auction. In terms of the Act, the prior allottee would be compensated for expenses incurred towards land and mine infrastructure.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

The validity of the Act has been challenged by Federation of Indian Mineral Industries ('FIMI') in 2019 before the Hon'ble Supreme Court to the extent that the Act does not provide grant of just, fair and equitable compensation in a time bound manner to the prior allotees of the coal blocks. After much follow-up with the relevant authorities for recovery of compensation, the Company has filed an Interlocutory Application on December 15, 2022 before the Hon'ble Supreme Court in the pending writ of FIMI seeking to expedite disbursement of the compensation.

Based on assessment of the matter by the Company including evidence supporting the expenditure and claim and external legal opinion obtained by the Company, the aforesaid amount is considered good and fully recoverable.

** includes upfront amount ₹ **46.89** crores (March 31, 2022: ₹ 46.89 crores) paid to government authorities upon transfer of mining lease under Minerals (Transfer of Mining Lease Granted Otherwise than through Auction for Captive Purpose) Rules, 2016.

09 Other assets

(Unsecured, considered good unless stated otherwise)

(₹ in Crores)

		As at March 31, 2023		As at March 31, 2022	
		Non-current	Current	Non-current	Current
(a)	Capital advances	43.25	-	4.44	-
	Less: Capital advances classified as held for sale (Refer note 41)	(39.21)	-	-	-
(b)	Indemnification assets	-	2.29	-	2.29
(c)	Advances to related parties (Refer Note 36) *	-	0.00	-	0.24
(d)	Other loans and advances				
	(i) Advances with public bodies				
	Considered good	1.43	125.93	1.43	59.12
	Considered doubtful	6.09	-	6.09	-
	Less : Provision for doubtful advances	(6.09)	-	(6.09)	-
	(ii) Other advances and prepayments				
	Considered good	15.38	27.13	15.38	15.34
	Considered doubtful	-	12.56	-	12.56
	Less : Provision for doubtful advances	-	(12.56)	-	(12.56)
		20.85	**155.35**	**21.25**	**76.99**

* Amount below rounding off norms adopted by the company

10 Inventories

(lower of cost and net realisable value)

(₹ in Crores)

		As at March 31, 2023	As at March 31, 2022
(a)	Raw materials	919.89	979.27
(b)	Finished and semi-finished goods	383.98	301.71
(c)	Stores and spares	61.27	69.11
		1,365.14	**1,350.09**
Included above, goods-in-transit			
(a)	Raw materials	126.18	427.25
(b)	Finished and semi-finished goods	78.36	65.75
(c)	Stores and spares	5.42	5.75
		209.96	**498.75**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Notes:

(i) Value of inventories stated above is after provisions of ₹ **20.64 crores** (as at March 31, 2022 : ₹ 13.86 crores) for write-downs to net realisable value and provision for slow-moving and obsolete items.

(ii) Refer Note 45 for information on inventories hypothecated as security by the Company.

11 Trade receivables

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good	70.42	60.39
Unsecured, credit impaired	0.67	0.67
	71.09	**61.06**
Less : Allowance for expected credit loss	(0.67)	(0.67)
Total trade receivables	**70.42**	**60.39**
Trade receivables from related parties (Refer Note 36)	48.28	43.81
Trade receivables other than related parties	22.81	17.25
Less: Allowance for expected credit losses	(0.67)	(0.67)
	70.42	**60.39**

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

(₹ in Crores)

Particulars	Unbilled	Not due for payment	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	
As at March 31, 2023								
Undisputed, Considered good	-	44.22	25.27	0.93	-	-	-	70.42
Undisputed, Credit impaired	-	-	-	-	0.50	0.17	-	0.67
Disputed, Considered good	-	-	-	-	-	-	-	-
Disputed, Credit impaired	-	-	-	-	-	-	-	-
Total	**-**	**44.22**	**25.27**	**0.93**	**0.50**	**0.17**	**-**	**71.09**
Less: Allowance for credit losses								0.67
Total trade receivables								**70.42**
As at March 31, 2022								
Undisputed, Considered good	-	50.53	9.38	0.48	-	-	-	60.39
Undisputed, Credit impaired	-	-	-	0.50	0.17	-	-	0.67
Disputed, Considered good	-	-	-	-	-	-	-	-
Disputed, Credit impaired	-	-	-	-	-	-	-	-
Total	**-**	**50.53**	**9.38**	**0.98**	**0.17**	**-**	**-**	**61.06**
Less: Allowance for credit losses								0.67
Total trade receivables								**60.39**

(ii) Movements in allowance for credit losses of receivables is as below:

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	0.67	23.30
(Release) / Charge during the year	-	-
Utilised during the year	-	(22.63)
Balance at the end of the year	**0.67**	**0.67**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023

(iii) The Company considers its maximum exposure to credit risk with respect to customers (net of amount covered by letter of credit and allowance for credit losses) as at March 31, 2023 to be ₹ **70.42 crores** (March 31, 2022: ₹ 59.51 crores).

(₹ in Crores)

	Gross credit risk	Covered by letter of credit	Allowance for credit losses	Net credit risk
As at March 31, 2023				
Amount not yet due	44.22	-	-	44.22
One month overdue	10.26	-	-	10.26
Two months overdue	4.04	-	-	4.04
Three months overdue	10.65	-	-	10.65
Between three to six months overdue	0.32	-	-	0.32
Greater than six months overdue	1.60	-	0.67	0.93
	71.09	**-**	**0.67**	**70.42**
As at March 31, 2022				
Amount not yet due	50.53	0.88	-	49.65
One month overdue	7.69	-	-	7.69
Two months overdue	1.36	-	-	1.36
Three months overdue	0.10	-	-	0.10
Between three to six months overdue	0.23	-	-	0.23
Greater than six months overdue	1.15	-	0.67	0.48
	61.06	**0.88**	**0.67**	**59.51**

(iv) There is **one customer** whose balance represents more than 10% of total balance of Trade Receivables as at March 31, 2023 and March 31, 2022.

(v) There are no outstanding receivables due from directors or other officers of the Company.

(vi) Refer Note 31 for information about credit risk and market risk on receivables.

(vii) Refer Note 45 for information on Trade receivables hypothecated as security by the Company.

12 Cash and cash equivalents

(₹ in Crores)

		As at March 31, 2023	As at March 31, 2022
(i)	**Cash and cash equivalents**		
(a)	Balances with scheduled banks		
	(1) In current accounts	28.90	198.90
	(2) In fixed deposit accounts having original maturity of three months or less	84.00	4,360.00
(b)	Cash on hand	0.01	0.01
	Total Cash and cash equivalents	**112.91**	**4,558.91**
(ii)	**Bank balances other than (i) above**		
(a)	In Unclaimed Dividend Accounts @	2.08	2.20
(b)	In fixed deposit accounts (with original maturity of more than three months and maturing within twelve months from the balance sheet date) (Refer note (ii) below)	911.17	-
(c)	In current account (Refer note (iii) below)	27.45	-
		940.70	**2.20**
	@ Includes earmarked balances in unclaimed dividend accounts	2.08	2.20

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023

(i) There are no repatriation restrictions with regard to Cash and cash equivalents as at the year end of the current reporting period and previous period.

(ii) The fixed deposit represents the earmarked balance for the amount held back against the consideration payable for acquisition of Neelachal Ispat Nigam Limited ('NINL').

(iii) The current account in bank balance represents interest credit by bank in escrow account on fixed deposits of ₹ 911.17 crores.

13 Equity share capital

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

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Authorised share capital:		
75,000,000 fully paid equity shares of ₹ 10 each		
(As at March 31, 2022: 75,000,000 fully paid equity shares of ₹ 10 each)	75.00	75.00
Issued, subscribed and fully paid up :		
45,100,000 equity shares of ₹ 10 each	45.10	45.10
(As at March 31, 2022: 45,100,000 fully paid equity shares of ₹ 10 each)		
Fully paid equity shares	**45.10**	**45.10**

B Reconciliation of number of shares outstanding

	No. of equity shares	Amount ₹ in crores
Equity shares of ₹ 10 each		
As at April 1, 2021	4,51,00,000	45.10
Changes in equity share capital during the year	-	-
As at March 31, 2022	4,51,00,000	45.10
Changes in equity share capital during the year	-	-
As at March 31, 2023	**4,51,00,000**	**45.10**

C Shares held by holding company

	As at March 31, 2023		As at March 31, 2022	
	No. of equity shares	%	No. of equity shares	%
Fully paid equity shares				
Tata Steel Limited (Holding Company)	3,37,86,521	74.91%	3,37,86,521	74.91%
	3,37,86,521	**74.91%**	**3,37,86,521**	**74.91%**

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

	As at March 31, 2023		As at March 31, 2022	
	No. of equity shares	%	No. of equity shares	%
Fully paid equity shares				
Tata Steel Limited (Holding Company)	3,37,86,521	74.91%	3,37,86,521	74.91%
	3,37,86,521	**74.91%**	**3,37,86,521**	**74.91%**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023

E Details of shareholding of promoters

Sr. No.	Equity Shares held by promoters at year end	As at March 31, 2023			As at March 31, 2022		
	Promoter name*	Number of shares	% total shares	% Change during the financial year 2022-23	Number of shares	% total shares	% Change during the financial year 2021-22
1	Tata Steel Limited	3,37,86,521	74.91%	Nil	3,37,86,521	74.91%	Nil

* Considered as per the return/ documents filed by the Company for the respective years.

F Rights, preferences and restrictions attached to 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.

13 A Preference share capital

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

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Authorised Share Capital:		
1,530,000,000 Non-Convertible Redeemable Preference Shares of ₹ 100 each	15,300.00	15,300.00
(As at March 31, 2022: 1,530,000,000 Non-Convertible Redeemable Preference Shares of ₹ 100 each)		
Issued, subscribed and fully paid up :		
1,270,000,000 Non-Convertible Redeemable Preference Shares of ₹ 100 each	12,700.00	12,700.00
(As at March 31, 2022: 1,270,000,000 Non-Convertible Redeemable Preference Shares of ₹ 100 each)		

B Reconciliation of number of shares outstanding

	No. of preference shares	Amount ₹ in crores
Non-Convertible Redeemable Preference Shares of ₹ 100 each		
As at April 1, 2021	-	-
Changes in preference share capital during the year	1,27,00,00,000	12,700.00
As at March 31, 2022	1,27,00,00,000	12,700.00
Changes in preference share capital during the year	-	-
As at March 31, 2023	**1,27,00,00,000**	**12,700.00**

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 declares and pays 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 (ii) of Note 15 - Borrowings.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023

14 Other equity

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
General reserves	900.00	900.00
Securities premium	1,449.99	1,449.99
Retained earnings	(342.53)	799.34
Remeasurement (loss) on defined benefit plans	(6.53)	(5.83)
Equity instruments through other comprehensive income	14.67	11.87
Cash flow hedge reserve	(1.30)	-
Total	**2,014.30**	**3,155.37**

(₹ in Crores)

Particulars	Reserves and surplus			Other Reserves			Total
	General reserves [Refer (a) below]	Securities premium [Refer (b) below]	Retained earnings [Refer (c) below]	Remeasurement gain / (loss) on defined benefit plans [Refer (d) below]	Equity instruments through other comprehensive income [Refer (e) below]	Cash flow hedge reserve [Refer (f) below]	
Balance as at April 1, 2021	900.00	1,449.99	192.02	(8.02)	14.80	-	2,548.79
Profit for the year	-	-	629.87	-	-	-	629.87
Changes in fair value of FVOCI equity instruments	-	-	-	-	(3.92)	-	(3.92)
Remeasurement gain / (loss) on defined benefit plans	-	-	-	2.92	-	-	2.92
Tax impact on items of other comprehensive income (OCI)	-	-	-	(0.73)	0.99	-	0.26
Transactions with the owners in their capacity as owners							
Dividend paid during the year (Refer Note 30 (b))	-	-	(22.55)	-	-	-	(22.55)
Balance as at March 31, 2022	**900.00**	**1,449.99**	**799.34**	**(5.83)**	**11.87**	**-**	**3,155.37**
Loss for the year	-	-	(1,085.49)	-	-	-	(1,085.49)
Changes in fair value of FVOCI equity instruments	-	-	-	-	3.60	-	3.60
Remeasurement gain / (loss) on defined benefit plans	-	-	-	(0.94)	-	-	(0.94)
Change in fair value of hedging instruments	-	-	-	-	-	(1.69)	(1.69)
Tax impact on items of other comprehensive income (OCI)	-	-	-	0.24	(0.80)	0.39	(0.17)
Transactions with the owners in their capacity as owners							
Dividend paid during the year (Refer Note 30 (b))	-	-	(56.38)	-	-	-	(56.38)
Balance as at March 31, 2023	**900.00**	**1,449.99**	**(342.53)**	**(6.53)**	**14.67**	**(1.30)**	**2,014.30**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023

(a) General reserves

Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.

(b) 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, 2023	As at March 31, 2022
Balance at the beginning of the year	1,449.99	1,449.99
Balance at the end of the year	**1,449.99**	**1,449.99**

(c) 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.

(d) Remeasurement gain / (loss) on defined benefit plans

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

(e) Equity instruments through other comprehensive income

The Company has elected to recognise changes in the fair value of other investments in equity instruments (Other body corporates) in Other Comprehensive Income. These changes are accumulated within the "Equity instruments through other comprehensive income" reserve within equity. The Company transfers amounts from this reserve to Retained Earnings when the relevant equity shares are derecognised.

(f) Cash flow hedge reserve

(i) The cumulative effective portion of gain or losses arising from changes in fair value of hedging instruments designated as cash flow hedges are recognised in cash flow hedge reserve. Such changes recognised are reclassified to the Statement of Profit and Loss when the hedged item affects the profit or loss or are included as an adjustment to the cost of the related non-financial hedged item. The Company has designated certain foreign currency forward contracts as cash flow hedges in respect of foreign exchange risks.

(ii) During the year, ineffective portion of cash flow hedges recognised in the Statement of Profit and Loss amounted to ₹ **Nil** (March 31, 2022: ₹ Nil).

(iii) The amount recognised in cash flow hedge reserve (net of tax) is expected to impact the Statement of Profit and Loss as below:
within the next one year: loss of ₹ **1.30 crores** (March 31, 2022: ₹ Nil).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023

15 Borrowings

(₹ in Crores)

	As at March 31, 2023		As at March 31, 2022	
	Non current	Current	Non current	Current
A Secured borrowings				
(a) Term loan				
(i) From banks (Refer sub-note (i))	687.92	-	684.75	-
B Unsecured borrowings				
(a) Liability component of non-convertible preference shares (Refer sub-note (ii))	13,979.91	-	12,706.80	-
Total borrowings	**14,667.83**	**-**	**13,391.55**	**-**

Notes:

(i) (a) Details of secured term loan facilities from banks is as below:

(₹ in Crores)

Currency	Terms of repayment	Maturity date	Interest rate (floating rate)	As at March 31, 2023	As at March 31, 2022
Indian Rupee	Term loan is repayable in 20 semi - annual instalments. The Company has pre-paid 16 instalments (originally scheduled to be repaid by March 31, 2029)	March 31, 2031	12 month MCLR	687.92	684.75

(b) The above term loan is secured by first pari-passu charge over all present and future moveable and immovable tangible assets of the Company excluding moveable and immovable tangible assets of iron ore mines and land parcels of Joda unit of the Company.

(c) Maturity profile of borrowings is as below:

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Not later than one year or on demand	-	-
Later than one year but not two years	-	-
Later than two years but not three years	-	-
Later than three years but not four years	-	-
Later than four years but not five years	-	-
More than five years	689.00	689.00
	689.00	**689.00**
Unamortised upfront fees on borrowings	(1.08)	(4.25)
	687.92	**684.75**

(d) The term loan facility arrangements include financial covenants, which require compliance to certain debt-equity and debt coverage ratios. Additionally, certain negative covenants may limit the Company's ability to borrow additional funds or to incur additional liens, and/or provide for increased costs in case of breach. The Company has complied with these debt covenants.

(ii) During the financial year ended March 31, 2022, the Company had issued 0.01% Non-Convertible Redeemable Preference Shares ("NCRPS") to Tata Steel Limited on private placement basis. The NCRPS are mandatorily redeemable at the end of

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023

20 years from the date of allotment at premium of ₹ 574.63 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 on a quarterly basis at 3-month intervals from the date of allotment.

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

(₹ in Crores)

	Total
Debt as at April 1, 2022	13,391.55
Cash flows (Net)	-
Interest on liability component of non-convertible preference shares (Refer note 27)	1,273.11
Amortisation of upfront fees	3.17
Debt as at March 31, 2023	**14,667.83**
Debt as at April 1, 2021	1,320.15
Cash flows (Net)	12,064.00
Interest on liability component of non-convertible preference share capital (Refer note 27)	6.80
Amortisation of upfront fees	0.60
Debt as at March 31, 2022	**13,391.55**

(iv) The borrowings obtained by the company from banks have been applied for the purposes for which such borrowings were taken.

16 Provisions

(₹ in Crores)

	As at March 31, 2023		As at March 31, 2022	
	Non-current	Current	Non-current	Current
(a) Provision for employee benefits				
(i) Post-employment defined benefits	15.12	15.30	13.42	13.10
(ii) Compensated absences	15.77	1.30	15.49	0.86
(b) Other provisions (Refer note 43)				
(i) Provision for VAT, entry tax and sales tax	-	2.62	-	2.63
(ii) Provision for cross subsidy surcharge payable	-	7.44	-	6.01
(iii) Provision for interest on income tax	-	20.68	-	20.68
(iv) Provision for mine restoration costs and other activities	27.77	12.42	21.31	7.98
(v) Contingent liability recognised on business combination	0.29	-	0.29	-
(vi) Others (Provision in relation to Mines Development and Production Agreement)	-	8.20	-	3.48
Total provisions	**58.95**	**67.96**	**50.51**	**54.74**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023

17 Deferred tax liabilities (net)

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

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities	284.10	159.88
Deferred tax assets	(79.35)	(11.18)
Deferred tax liabilities (net)	**204.75**	**148.70**

The balances comprises temporary differences attributable to:

(₹ in Crores)

Balance as at March 31, 2023	Deferred tax liabilities/(assets) as at March 31, 2022	Recognised in profit or loss	Recognised in other comprehensive income	Deferred tax liabilities/(assets) as at March 31, 2023
Deferred tax liabilities				
(i) Property, plant and equipment and intangible assets	156.87	35.34	-	192.21
(ii) Redemption of non-convertible preference share investments	-	88.08	-	88.08
(iii) Fair valuation of equity instruments designated as FVOCI	3.01	-	0.80	3.81
	159.88	**123.42**	**0.80**	**284.10**
Deferred tax assets				
(i) Amount allowable on payment basis as per section 43B of the Income Tax Act, 1961	(5.33)	(0.64)	(0.24)	(6.21)
(ii) Amount allowable under the Income Tax Act, 1961 on deferred basis	(5.85)	(2.43)	(0.39)	(8.67)
(iii) On unabsorbed depreciation and carry forward of business losses	-	(64.48)	-	(64.48)
	(11.18)	**(67.55)**	**(0.63)**	**(79.35)**
Deferred tax liabilities (net)	**148.70**	**55.87**	**0.17**	**204.75**

(₹ in Crores)

Balances as at March 31, 2022	Deferred tax liabilities/(assets) as at March 31, 2021	Recognised in profit or loss	Recognised in other comprehensive income	Deferred tax liabilities/(assets) as at March 31, 2022
Deferred tax liabilities				
(i) Property, plant and equipment and intangible assets	98.91	57.96	-	156.87
(ii) Fair valuation of equity instruments designated as FVOCI	4.00	-	(0.99)	3.01
	102.91	**57.96**	**(0.99)**	**159.88**
Deferred tax assets				
(i) Amount allowable on payment basis as per section 43B of the Income Tax Act, 1961	(5.28)	(0.78)	0.73	(5.33)
(ii) Amount allowable under the Income Tax Act, 1961 on deferred basis	(3.75)	(2.10)	-	(5.85)
(iii) On unabsorbed depreciation and carry forward of business losses	(49.35)	49.35	-	-
	(58.38)	**46.47**	**0.73**	**(11.18)**
Deferred tax liabilities (net)	**44.53**	**104.43**	**(0.26)**	**148.70**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Note :

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

(ii) Reconciliation of income tax recognised in the Statement of Profit and Loss

(₹ in Crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Current tax		
On profit for current year	-	124.08
	-	**124.08**
Deferred tax		
In respect of the current year	55.87	104.43
	55.87	**104.43**
Total tax expense (Refer reconciliation below)	**55.87**	**228.51**

The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Crores)

	Year ended March 31, 2023	Year ended March 31, 2022
(Loss) / Profit before tax	(1,029.62)	858.38
Income tax expense calculated at enacted Income tax rate of **25.168%** (March 31, 2022 : 25.168%)	(259.13)	216.04
Effect of expenses that are not deductible in determining taxable profit	3.55	10.73
Effect of Net finance cost of NCRPS not deductible	223.53	-
Deferred tax liability recognised on redemption of NCRPS	88.08	-
Others	(0.16)	1.74
Income tax expense recognised in Statement of Profit and Loss	**55.87**	**228.51**

18 Trade payables

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Current		
(i) Total outstanding dues of micro and small enterprises (Refer Note (ii) below)	68.38	72.63
(ii) Total outstanding dues of creditors other than micro and small enterprises		
(a) Trade payables for supplies and services	2,018.09	2,244.21
(b) Trade payables for accrued wages and salaries	49.28	52.99
Total Trade Payables	**2,135.75**	**2,369.83**
Trade payable to related parties (Refer Note 36)*	1,558.27	1,805.25
Trade payable other than related parties	577.48	564.58
Total Trade Payables	**2,135.75**	**2,369.83**

* includes payable to Tata Steel Long Products Limited Superannuation Fund

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Notes:

(i) Ageing of trade payables is as below

(₹ in Crores)

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, 2023							
(i) MSME	-	68.38	-	-	-	-	68.38
(ii) Others	127.81	950.89	466.03	503.38	17.04	2.22	2,067.37
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**127.81**	**1,019.27**	**466.03**	**503.38**	**17.04**	**2.22**	**2,135.75**
As at March 31, 2022							
(i) MSME	-	72.63	-	-	-	-	72.63
(ii) Others	229.04	1,581.40	431.67	43.28	3.40	8.41	2,297.20
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**229.04**	**1,654.03**	**431.67**	**43.28**	**3.40**	**8.41**	**2,369.83**

(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 represented and made available MSME registration number and certificates.

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
(a) (i) The principal amount remaining unpaid to supplier as at end of the accounting year	68.38	72.63
(ii) Interest due thereon remaining unpaid to supplier as at end of the accounting year	-	-
(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;	0.02	0.70
(d) The amount of interest accrued and remaining unpaid at the end of the accounting year	1.06	1.04
(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.	-	-

Refer Note 31 for information about liquidity risk relating to Trade payables.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

19 Other current liabilities

(₹ in Crores)

		As at March 31, 2023	As at March 31, 2022
(a)	Advances from customers (Refer note below)	141.57	123.37
(b)	Other payables		
	(i) Employee recoveries and employer contributions	1.86	1.79
	(ii) Statutory liabilities (GST,TDS, etc.)	65.52	145.62
	(iii) EPCG indemnified liabilities	19.80	19.80
	(iv) Liabilities for renewable energy purchase obligation	23.61	22.32
Total other current liabilities		**252.36**	**312.90**

Note:

Amount of revenue recognised during the year ended March 31, 2023, from amounts included in the advances from customers outstanding at the beginning of the year is ₹ **118.98 crores** (March 31, 2022: ₹ 141.52 crores).

20 Other financial liabilities

(₹ in Crores)

		As at March 31, 2023		As at March 31, 2022	
		Non-current	Current	Non-current	Current
(a)	Interest payable				
	(i) Interest accrued but not due on borrowings	-	0.73	-	2.43
	(ii) Interest accrued on trade payables and others	-	5.06	-	5.54
(b)	Creditors for capital supplies and services	-	15.27	-	11.23
(c)	Unpaid dividends	-	2.08	-	2.19
(d)	Consideration kept in Escrow Account (Refer note (i) below)	828.21	113.45	-	-
(e)	Other credit balances (Refer note (ii) below)	-	114.40	-	116.52
Total Other financial liabilities		**828.21**	**250.99**	**-**	**137.91**

(i) The Company has completed the acquisition of NINL during the financial year. Out of the total consideration paid for acquisition ₹ 911.17 crores kept in Escrow Account held for resolution of the litigations and payment if required or release to the sellers at the expiry of the specified period.

(ii) Includes net amount payable to Usha Martin Limited (UML) ₹ **80.37 crores** (March 31, 2022: ₹ 93.20 crores) towards purchase consideration pursuant to the Business Transfer Agreement for acquisition of steel business.

21 (i) Current tax liabilities (net)

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Provision for tax [net of tax paid of ₹ **367.28 crores** (As at March 31, 2022: ₹ 367.28 crores)]	53.90	53.90
Total current tax liabilities (net)	**53.90**	**53.90**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

(ii) Income tax assets (Non current) (net)

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Advance tax and Tax Deducted at Source [net of provision of ₹ **263.10 crores** (As at March 31, 2022: ₹ 263.10 crores)]	80.92	44.71
Total non current tax assets (net)	**80.92**	**44.71**

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

22 Revenue from operations

(₹ in Crores)

		Year ended March 31, 2023	Year ended March 31, 2022
(a)	**Revenue from contracts with customers**		
	(i) Sale of products	6,627.00	6,315.87
	(ii) Sale of power	61.28	62.60
	(iii) Income from services	513.55	186.03
(b)	**Other operating revenue**		
	(i) Sale of product scrap	262.24	232.89
	(i) Export incentives	-	4.24
Revenue from operations		**7,464.07**	**6,801.63**

Notes:

(a) Reconciliation of revenue recognised with contract price

(₹ in Crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Contract price	7,487.81	6,835.12
Adjustment for:		
Refund liabilities	(23.74)	(33.49)
Revenue from operations	**7,464.07**	**6,801.63**

(b) Revenue from contracts with customers disaggregated on the basis of geographical region and major businesses

(₹ in Crores)

		India	Outside India	Total
(i)	Sale of products	**6,225.95**	**401.05**	**6,627.00**
		(5,802.55)	(513.32)	(6,315.87)
(ii)	Sale of power	**61.28**	**-**	**61.28**
		(62.60)	(-)	(62.60)
(iii)	Income from services	**513.55**	**-**	**513.55**
		(186.03)	(-)	(186.03)
Total revenue from contracts with customers		**6,800.78**	**401.05**	**7,201.83**
		(6,051.18)	(513.32)	(6,564.50)

Figures in brackets represents amount for the previous year

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023

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

(₹ in Crores)

	Year ended March 31, 2023	Year ended March 31, 2022
(i) Customer 1	1,079.64	950.40
(ii) Customer 2	916.71	533.11
	1,996.35	**1,483.51**

(d) Contract balances

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Trade receivables (Gross) (Refer Note 11)	71.09	61.06
Contract assets		
Contract assets	20.52	16.29
	91.61	**77.35**
Contract liabilities		
Advance from customers (Refer Note 19)	141.57	123.37

There has been no significant changes in the outstanding balances of contract assets and contract liabilities.

23 Other income

(₹ in Crores)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Interest income		
(i) Interest income earned on financial assets that are not designated at FVTPL		
- Non-convertible redeemable preference shares	384.97	-
- Bank deposits carried at amortised cost	20.76	10.89
- Other financial assets carried at amortised cost	6.22	2.75
(b) Dividend income		
(i) From equity investments *	5.33	0.75
(c) Net gain on fair value changes		
(i) Net gain on fair value changes of financial assets carried at FVTPL (Current)	18.45	6.93
(ii) Net gain on sale of current investments	117.85	9.19
(d) Gain on cancellation of forward contracts	14.21	0.11
(e) Liabilities no longer required written back	27.61	63.86
(f) Other non-operating income	39.06	43.03
Total other income	**634.46**	**137.51**

Note :

* Includes dividend on equity instruments designated as fair value through other comprehensive income held as at the reporting date, amounting to ₹ **5.33 crores** for the year ended March 31, 2023 (₹ 0.50 crores for the year ended March 31, 2022).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023

24 Cost of materials consumed

(₹ in Crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Opening stock	979.27	550.62
Add: Purchases of materials	5,409.42	4,358.26
	6,388.69	**4,908.88**
Less: Closing stock	919.89	979.27
Total cost of materials consumed	**5,468.80**	**3,929.61**

25 Changes in inventories of finished and semi-finished goods

(₹ in Crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Finished and semi-finished goods		
Opening stock	301.71	202.57
Less: Closing stock	383.98	301.71
Net decrease / (increase) in finished and semi-finished goods	**(82.27)**	**(99.14)**

26 Employee benefits expense

(₹ in Crores)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Salaries and wages	189.65	196.33
(b) Contribution to provident and other funds	18.58	12.57
(c) Staff welfare expenses	9.26	7.53
Total employee benefits expense	**217.49**	**216.43**

27 Finance costs

(₹ in Crores)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Interest expenses		
(i) Non-convertible redeemable preference shares (Refer Note 15)	1,273.11	6.80
(ii) Bank borrowings and others	101.15	93.15
(iii) Leases	7.66	8.43
(b) Unwinding of discount on provisions	1.06	0.87
(c) Other borrowing costs	4.02	0.71
Total finance costs	**1,387.00**	**109.96**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

28 Depreciation and amortisation expense

(₹ in Crores)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Depreciation of property, plant and equipment (Refer Note 03)	310.17	278.85
(b) Depreciation of right-of-use assets (Refer Note 04)	13.67	14.67
(c) Amortisation of intangible assets (Refer Note 05)	23.82	26.06
Total depreciation and amortisation expense	**347.66**	**319.58**

29 Other expenses

(₹ in Crores)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Consumption of stores and spare parts	524.35	437.07
(b) Fuel oil consumed	246.19	187.70
(c) Purchase of power	129.82	111.54
(d) Rent	1.91	5.48
(e) Repairs to buildings	22.44	25.18
(f) Repairs to machinery	207.81	152.72
(g) Insurance	14.09	11.21
(h) Rates and taxes	43.48	30.12
(i) Freight and handling charges	373.21	353.13
(j) Commission, discounts and rebates	1.08	1.09
(k) Packing and forwarding	9.47	9.75
(l) Royalty	109.29	134.98
(m) Conversion charges	4.40	1.08
(n) Other expenses		
(1) Legal and professional fees (Refer Note 29.01)	9.06	10.38
(2) Advertisement, promotion and selling expenses	0.39	0.28
(3) Travelling expenses	9.23	7.19
(4) Net Loss on foreign currency transactions	17.31	11.48
(5) Corporate social responsibility expenses (Refer Note 44)	7.72	2.99
(6) Loss on disposal of property plant and equipment	1.82	11.98
(7) Loss on disposal of non-current investments	-	0.06
(8) Other general expenses	54.70	71.77
Total other expenses	**1,787.77**	**1,577.18**

29.01 Payment to auditors

(₹ in Crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Auditors remuneration and out-of-pocket expenses		
(i) As auditors - statutory audit	0.98	0.85
(ii) As auditors - quarterly audits	0.40	0.33
(iii) As auditors - tax audit	0.08	0.08
(iv) For other services	0.04	0.12
(v) Auditors out-of-pocket expenses	0.01	0.05
	1.51	**1.43**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

30 Capital management

(a) 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 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, 2023	As at March 31, 2022
Equity share capital	45.10	45.10
Other equity	2,014.30	3,155.37
Total equity (A)	**2,059.40**	**3,200.47**
Non-current borrowings	14,667.83	13,391.55
Lease liabilities	83.51	90.05
Gross debt (B)	**14,751.34**	**13,481.60**
Total capital (A+B)	**16,810.74**	**16,682.07**
Gross debt as above	14,751.34	13,481.60
Less : Current investments	547.66	8,077.62
Less : Cash and cash equivalents	112.91	4,558.91
Less : Other balance with banks (including non-current earmarked balances)	2.93	3.05
Net debt (C)	**14,087.84**	**842.02**
Net debt to equity ratio[1]	**5.36**	**0.29**

Note :

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

(b) Dividend on equity shares

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Dividend declared and paid during the year		
Final dividend for the year ended March 31, 2022 of ₹ **12.50** (March 31, 2021 – ₹ 5) per fully paid share	56.38	22.55
Proposed dividend not recognised at the end of the reporting period	-	56.38

31 Disclosures on financial instruments

(a) Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk. In order to safeguard against any adverse effects on the financial performance of the Company, derivative financial instruments viz. foreign exchange forward contracts

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

are entered where considered appropriate to hedge foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

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 review and approve 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 and contract assets

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. Contract assets mainly relate to unbilled work in progress and have substantially the same characteristics as the trade receivables for the same type of contracts.

Outstanding customer receivables are regularly monitored and the shipments to customers are generally covered by letters of credit or other forms of credit assurance.

Other Financial Assets

Credit risk from balances with banks, term deposits, loans and investments is 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 31(b)(i). The credit risk relating to trade receivables is shown under Note 11.

(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. Furthermore, the Company has access to funds from debt markets through commercial paper programs. 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 unutilised fund based arrangement with banks for ₹ **1,334.84** crores (March 31, 2022: ₹ 878.25 crores). The Company has also Non-Fund based facilities with banks for ₹ **1,273.18** crores (March 31, 2022: ₹ 1,100.63 crores) which may be utilised at any time.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

b. Maturities of financial liabilities

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Company's derivative and non-derivative 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, 2023	Carrying value	Contractual cash flows	less than one year	between one to five years	More than five years
Financial liabilities					
Borrowings including interest obligations	687.92	1,108.48	58.22	232.88	817.38
Liability component of non-convertible preference shares (Refer note 15)	13,979.91	85,678.01	-	-	85,678.01
Lease liabilities	83.51	124.56	14.88	53.66	56.02
Trade payables	2,135.75	2,135.75	2,135.75	-	-
Derivative liabilities	2.70	2.70	2.70	-	-
Other financial liabilities	1,079.20	1,079.20	250.99	828.21	-
	17,968.99	**90,128.70**	**2,462.54**	**1,114.75**	**86,551.41**

(₹ in Crores)

As at March 31, 2022	Carrying value	Contractual cash flows	less than one year	between one to five years	More than five years
Financial liabilities					
Borrowings including interest obligations	684.75	1,118.68	52.36	209.46	856.86
Liability component of non-convertible preference shares (Refer note 15)	12,706.80	85,678.01	-	-	85,678.01
Lease liabilities	90.05	138.20	17.54	51.81	68.85
Trade payables	2,369.83	2,369.83	2,369.83	-	-
Derivative liabilities	1.71	1.71	1.71	-	-
Other financial liabilities	137.91	137.91	137.91	-	-
	15,991.05	**89,444.34**	**2,579.35**	**261.27**	**86,603.72**

(iii) Market risk

a. Foreign currency risk

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 (primarily US Dollars). 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, as per its risk management policy, uses forward contract derivative instruments primarily to hedge foreign exchange fluctuations.

USD in crores

	As at March 31, 2023	As at March 31, 2022
Financial assets		
Trade receivables	-	-
Net exposure to foreign currency risk (Assets)	-	-
Financial liabilities		
Trade payables	7.91	16.02
Derivatives		
Foreign exchange forward contracts	10.80	15.46
Net exposure to foreign currency risk (Liabilities)	**-**	**0.56**
Net exposure to foreign currency risk (Assets - Liabilities)	**-**	**(0.56)**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax and profit after tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all currencies other than US Dollars is not material.

(₹ in Crores)

	Impact on profit before tax		Impact on profit after tax	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Increase in rate of 1 USD against ₹ by 10%	-	(4.24)	-	(3.17)
Decrease in rate of 1 USD against ₹ by 10%	-	4.24	-	3.17

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.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax and profit after tax is affected through the impact on floating rate borrowings, as follows

(₹ in Crores)

	Impact on profit before tax		Impact on profit after tax	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Increase in interest rate by 100 basis points	(6.89)	(6.89)	(5.16)	(5.16)
Decrease in interest rate by 100 basis points	6.89	6.89	5.16	5.16

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

(iv) Securities Price risk

The Company is exposed to price risks arising from fair valuation of Company's investment in mutual funds. The carrying amount of the Company's investments designated as at fair value through profit or loss at the end of the reporting period (Refer Note no 6(ii)).

(₹ in Crores)

	Impact on profit before tax		Impact on profit after tax	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
NAV -Increase by 1%*	5.48	80.78	4.10	60.45
NAV -Decrease by 1%*	(5.48)	(80.78)	(4.10)	(60.45)

* Holding all other variables constant

Decrease in impact on profit before tax is on account of reduction in investments in mutual funds from ₹ 8,077.62 crores to ₹ 547.66 crores.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

(v) Commodity Price risk

Exposure to market risk with respect to commodity prices primarily arises from the Company's purchase of imported coal 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 the coal 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. However, steel prices follow the trend of commodity prices over a period and provide a natural hedge to the business.

Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. The Company, as per its risk management policy, uses forward contract derivative instruments primarily to hedge foreign exchange fluctuations.

(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 present the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2023 and March 31, 2022.

(₹ in Crores)

As at March 31, 2023	Amortised cost	Fair value through other comprehensive income	Derivative Instuments in hedging relationship	Derivative Instuments not in hedging relationship	Fair value through profit or loss	Total carrying value	Total fair value
Financial assets							
Investments in Mutual fund	-	-	-	-	547.66	547.66	547.66
Investments in Preferance Shares	4,945.51	-	-	-	-	4,945.51	4,294.38
Investment in body corporates	-	19.28	-	-	-	19.28	19.28
Trade receivables	70.42	-	-	-	-	70.42	70.42
Loans	0.52	-	-	-	-	0.52	0.52
Cash and cash equivalents	112.91	-	-	-	-	112.91	112.91
Other bank balances	940.70	-	-	-	-	940.70	940.70
Derivative assets	-	-	-	1.12	-	1.12	1.12
Other financial assets	262.27	-	-	-	-	262.27	262.27
Total	**6,332.33**	**19.28**	**-**	**1.12**	**547.66**	**6,900.39**	**6,249.26**
Financial liabilities							
Borrowings	14,667.83	-	-	-	-	14,667.83	12,040.88
Lease liabilities	83.51	-	-	-	-	83.51	83.51
Trade payables	2,135.75	-	-	-	-	2,135.75	2,135.75
Derivative liabilities	-	-	1.53	1.17	-	2.70	2.70
Other financial liabilities	1,079.20	-	-	-	-	1,079.20	1,079.20
Total	**17,966.29**	**-**	**1.53**	**1.17**	**-**	**17,968.99**	**15,342.04**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

(₹ in Crores)

As at March 31, 2022	Amortised cost	Fair value through other comprehensive income	Derivative Instuments in hedging relationship	Derivative Instuments not in hedging relationship	Fair value through profit or loss	Total carrying value	Total fair value
Financial assets							
Investments in Mutual fund	-	-	-	-	8,077.62	8,077.62	8,077.62
Investment in body corporates	-	15.68	-	-	-	15.68	15.68
Trade receivables	60.39	-	-	-	-	60.39	60.39
Loans	0.28	-	-	-	-	0.28	0.28
Cash and cash equivalents	4,558.91	-	-	-	-	4,558.91	4,558.91
Other bank balances	2.20	-	-	-	-	2.20	2.20
Other financial assets	255.96	-	-	-	-	255.96	255.96
Total	**4,877.74**	**15.68**	**-**	**-**	**8,077.62**	**12,971.04**	**12,971.04**
Financial liabilities							
Borrowings	13,391.55	-	-	-	-	13,391.55	13,391.55
Lease liabilities	90.05	-	-	-	-	90.05	90.05
Trade payables	2,369.83	-	-	-	-	2,369.83	2,369.83
Derivative liabilities	-	-	-	1.71	-	1.71	1.71
Other financial liabilities	137.91	-	-	-	-	137.91	137.91
Total	**15,989.34**	**-**	**-**	**1.71**	**-**	**15,991.05**	**15,991.05**

(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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

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. This is the case for derivative instruments.

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. This is the case for unlisted equity securities 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, 2023	Level 1	Level 2	Level 3	Total fair value
Financial assets				
Investment in mutual funds	547.66	-	-	547.66
Derivative assets	-	1.12	-	1.12
Investment in equity instruments at FVTOCI (Unquoted)	-	-	19.28	19.28
Total	**547.66**	**1.12**	**19.28**	**568.06**
Financial liabilities				
Derivative liabilities	-	2.70	-	2.70

(₹ in Crores)

As at March 31, 2022	Level 1	Level 2	Level 3	Total fair value
Financial assets				
Investment in mutual funds	8,077.62	-	-	8,077.62
Derivative assets	-	-	-	-
Investment in equity instruments at FVTOCI (Unquoted)	-	-	15.68	15.68
Total	**8,077.62**	**-**	**15.68**	**8,093.30**
Financial liabilities				
Derivative liabilities	-	1.71	-	1.71

Reconciliation of Level 3 fair value measurement is as below :

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Opening balance	15.68	19.60
Changes in fair value recognised in Other Comprehensive Income	3.60	(3.92)
Closing balance	**19.28**	**15.68**

Valuation technique used for Level 3 investments

Fair valuation of the equity investments as at March 31, 2023 have been determined using the market approach. Significant unobservable input used in the valuation was earnings multiple.

The increase / decrease of 1 earnings multiple (keeping other variables constant) would result into an increase / decrease in fair value by ₹ **2.40 crores** (March 31, 2022 : ₹ 2.48 crores) and ₹ **2.32 crores** (March 31, 2022 : ₹ 2.48 crores) respectively.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

(iii) Derivative financial instruments

Derivative instruments used by the Company are forward exchange contracts. These financial instruments are utilised to hedge future transactions and cash flows and are subject to hedge accounting under Ind AS 109 "Financial Instruments" wherever possible. 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.

The following table sets out the fair value of derivative assets / liabilities held by the Company as at the end of each reporting period

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Foreign currency forwards	1.58	1.71
Classified as:		
Non-current assets	-	-
Current assets	1.12	-
Non-current liabilities	-	-
Current liabilities	2.70	1.71

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:

(USD in Crores)

	As at March 31, 2023	As at March 31, 2022
Foreign currency forwards	12.35	15.46

32 Earnings per equity share

	Year ended March 31, 2023	Year ended March 31, 2022
Net (loss) / profit for the year (₹ in crores)	(1,085.49)	629.87
Weighted average number of equity shares outstanding during the year (Nos.)	4,51,00,000	4,51,00,000
Nominal value per equity share (₹)	10	10
Basic and diluted earnings per equity share (₹)	(240.69)	139.66

Note:

(i) The Company did not have any potentially dilutive securities in any of the period presented.

33 (a) Contingent liabilities: Claims against the Company not acknowledged as debts

(₹ in Crores)

		As at March 31, 2023	As at March 31, 2022
(a)	Income tax	0.11	1.59
(b)	Customs duty (Refer Note below)	33.49	33.49
(c)	Demand from suppliers	1.52	1.52
		35.12	**36.60**

Note:

The above includes demand received from Commissioner of Customs (Preventive) aggregating to ₹ 43.99 crores pertaining to the financial year 2012-13 on account of levy of additional customs duty on classification of the imported coal as bituminous coal as against the Company's classification as steam coal. The Company has filed an appeal against the aforesaid order in the Customs, Excise and Service Tax Appellate Tribunal, Kolkata. The Company had paid an amount of ₹ 10.88 crores and recognised the non-cenvatable portion of the duty and applicable interest as expense whereas cenvatable portion had been recognised as an advance in the year ended March 31, 2013, for which the Company has recognised a provision in the year ended March 31, 2021.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

(b) Contingent liabilities: Other matter for which the Company is contingently liable

(₹ in Crores)

		As at March 31, 2023	As at March 31, 2022
(i)	Renewable energy purchase obligation	6.33	6.33
(ii)	Excise Duty	30.41	30.41
		36.74	**36.74**

(c) Cross subsidy surcharge payable to power distribution companies

In 2012-13, the Company injected power to State Grid due to denial of permission for open access by Orissa Power Transmission Corporation Limited ("OPTCL") to supply power to the parent Company, Tata Steel Limited, beyond the period of invocation of section 11 of Electricity Act, 2003 by the Government of Odisha i.e., June, 2012. As a result, the Company could not meet the minimum stipulated criteria of 51% self-consumption of generated power as a captive power plant and the provisions of Cross Subsidy Surcharge under Electricity Act, 2003 became applicable. The Company filed a case before the Odisha Electricity Regulatory Commission ("OERC") for relief which was denied and consequently the Company had filed a case before Appellate Tribunal of Electricity ("ATE"). Appeal filed by the Company before ATE was allowed and the matter stands remitted back to the OERC for reconsideration afresh. On 01.02.2021, OERC directed NESCO to compute the quantum of electricity supplied to the State Grid afresh. Against this, TSLPL filed an Appeal before APTEL and got interim stay order on 31.3.2021. However, on 05.12.2022, APTEL admitted TSLPL's appeal but vacated the interim stay granted earlier. The matter is at present pending before APTEL for further hearing. As a matter of prudence, pending finalisation of the matter, an amount of ₹ 7.44 crores (Including delayed payment surcharge) has been provided in the books.

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

34 Estimated amounts of contracts remaining to be executed on capital account (Property, plant and equipment) and not provided for is ₹ **78.84 crores** (As at March 31, 2022: ₹ 77.12 crores) net of advances of ₹ **2.71 crores** (As at March 31, 2022: ₹ 3.60 crores.)

35 Exceptional items

Acquisition related expenditure

Acquisition related expenditure represents expenses incurred on stamp duty and registration fees for a portion of land parcels and buildings transferred in the name of the Company, which were part of the acquired business from Usha Martin Limited.

36 Related party transaction

A List of related parties

Name of the related Party	Relationship
Tata Sons Private Limited	Company having significant influence in the Parent Company
Where control exists	
Tata Steel Limited	Holding Company
Neelachal Ispat Nigam Limited (w.e.f. July 04, 2022) (Refer note 46)	Subsidiary Company
TSIL Energy Limited (upto September 25, 2021)	Wholly owned Subsidiary Company

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023

Name of the related Party	Relationship
Others with whom transactions have taken place during the current or previous year	
The Tata Pigments Limited (Subsidiary of Tata Steel Utilities and Infrastructure Services Limited)	Fellow Subsidiary
Kalimati Global Shared Services Limited (Subsidiary of Tata Steel Utilities and Infrastructure Services Limited)	
The Indian Steel and Wire Products Limited	
Tata Metaliks Limited	
Tata Steel Utilities and Infrastructure Services Limited	
The Siam Industrial Wire Company Ltd. (Subsidiary of T S Global Holdings Pte Ltd.)	
Tata International Metals (Asia) Limited	
Tata Steel Global Procurement Company Pte. Ltd.	
Tata Steel Foundation	
Tata Steel Mining Limited	
TM International Logistics Limited	Joint venture with Tata Steel Limited
mjunction services limited	
Jamipol Limited (Joint venture of fellow subsidiary)	
Tata BlueScope Steel Private Limited (Joint Venture of fellow subsidiary)	
Tata NYK Shipping PTE limited	
TKM Global Logistic Limited (Joint venture with Joint venture of Tata Steel Limited)	
Tata International Limited	Subsidiary and Joint venture of Tata Sons Private Limited
Tata Communication Limited	
Tata 1mg Healthcare Solutions Private Limited	
Tata Limited	
Tata Asset Management Private Limited	
Tata Consultancy Services Limited	
Tata AIG General Insurance Company Limited	
Mr. Ashish Anupam	Key Management personnel - Managing Director (MD)
Mr. T V Narendran	Key Management personnel -Non- Executive Director (NED)
Mr. Koushik Chatterjee	
Mrs. Meena Lall	
Mr. Debashish Bhattacharjee	
Dr. Sougata Ray	
Mr. Ansuman Das	
Mr. Srikumar Menon	
Mr. Shashi Kant Maudgal	
Mrs. Neeta Karmakar	
Tata Steel Long Products Limited Employee Provident Fund Trust	Post Employment Benefit Plans (PEBP) as per Ind AS 24
Tata Steel Long Products Limited Superannuation Fund	
Tata Steel Long Products Limited Gratuity Fund	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023

B Particulars of transactions during the year

(₹ in Crores)

Name of the related party	Nature of relationship	Year ended 31 March, 2023	Year ended 31 March, 2022
Tata Steel Limited	Holding Company	378.79	308.01
Tata International Limited	Subsidiary of Tata Sons Private Limited	270.16	249.06
The Siam Industrial Wire Company Ltd.	Fellow subsidiary	-	159.79
Tata International Metals (Asia) Limited	Fellow subsidiary	-	0.27
Tata Metaliks Limited	Fellow subsidiary	-	82.56
Neelachal Ispat Nigam Limited	Subsidiary Company	128.33	-
Total - Sale of goods		**777.28**	**799.69**
Tata Steel Limited	Holding Company	54.14	61.94
Total - Sale of power		**54.14**	**61.94**
Tata Steel Limited	Holding Company	603.27	233.84
Neelachal Ispat Nigam Limited	Subsidiary Company	0.15	-
Total - Services rendered		**603.42**	**233.84**
Tata Steel Limited	Holding Company	1,306.39	1,509.07
Tata Steel Global Procurement Company Pte. Ltd.	Fellow subsidiary	2,710.09	1,902.12
The Indian Steel and Wire Products Limited	Fellow subsidiary	4.35	5.24
Tata Steel Mining Limited	Fellow subsidiary	61.09	55.02
Tata BlueScope Steel Private Limited	Joint venture of Fellow subsidiary	1.05	1.65
Jamipol Limited	Joint venture of Fellow subsidiary	26.90	30.29
Tata Limited	Subsidiary of Tata Sons Private Limited	0.41	-
Total - Purchase of goods		**4,110.28**	**3,503.39**
Tata Steel Limited	Holding Company	15.44	0.03
Tata Steel Global Procurement Company Pte. Ltd.	Fellow subsidiary	(3.05)	0.37
Tata International Limited	Subsidiary of Tata Sons Private Limited	13.60	-
TM International Logistics Limited	Joint venture of Tata Steel Limited	-	4.33
Total - Reimbursement of expenses		**25.99**	**4.73**
Tata Steel Limited	Holding Company	0.05	-
Tata Metaliks Limited	Fellow subsidiary	0.05	-
Total - Purchase of property, plant and equipment		**0.10**	**-**
Tata Steel Limited	Holding Company	38.11	28.68
Tata Steel Utilities and Infrastructure Services Limited	Fellow subsidiary	0.04	0.24
The Tata Pigments Limited	Fellow subsidiary	-	0.13
The Indian Steel and Wire Products Limited	Fellow subsidiary	0.01	0.04
Tata Steel Foundation	Fellow subsidiary	1.55	0.23
Tata Sons Private Limited	Company having significant influence	-	14.90
Tata Consultancy Services Limited	Subsidiary of Tata Sons Private Limited	3.17	1.35
Tata AIG General Insurance Company Limited	Joint venture of Tata Sons Private Limited	9.75	10.11
Tata Communication Limited	Subsidiary of Tata Sons Private Limited	3.50	2.63
TM International Logistics Limited	Joint venture of Tata Steel Limited	65.54	28.67
TKM Global Logistic Limited	Joint venture of Joint venture with Tata Steel Limited	0.08	11.54

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023

(₹ in Crores)

Name of the related party	Nature of relationship	Year ended 31 March, 2023	Year ended 31 March, 2022
mjunction services limited	Joint venture of Tata Steel Limited	1.67	1.20
Kalimati Global Shared Services Limited	Fellow subsidiary	0.06	-
Tata 1mg Healthcare Solutions Private Limited	Step down subsidiary of Tata Sons Private Limited	0.07	-
Tata Asset Management Private Limited	Subsidiary of Tata Sons Private Limited	0.08	-
Total - Services received		**123.63**	**99.72**
Jamipol Limited	Joint venture of Fellow subsidiary	5.33	0.50
Total - Dividend income		**5.33**	**0.50**
Tata Steel Limited	Holding Company	42.23	16.89
Total - Dividend paid		**42.23**	**16.89**
Mr. Ashish Anupam	MD	4.66	4.85
Total - Short term employee benefits		**4.66**	**4.85**
Mr. Ashish Anupam	MD	0.13	0.12
Total - Post employment benefits		**0.13**	**0.12**
Sitting fees	Non- Executive Directors	**0.20**	**0.28**
Commission	Non- Executive Directors	**0.50**	**0.70**
Tata Steel Limited	Holding Company	-	12,700.00
Total - Issue of non-convertible redeemable preference shares		**-**	**12,700.00**
Neelachal Ispat Nigam Limited	Subsidiary Company	8,139.46	-
Total - Equity Instruments of subsidiary		**8,139.46**	**-**
Neelachal Ispat Nigam Limited	Subsidiary Company	4,560.54	-
Total - Investments in Other Instrument of subsidiary		**4,560.54**	**-**
Tata Steel Limited	Holding Company	1,273.11	6.80
Total - Interest expense recognised		**1,273.11**	**6.80**
Neelachal Ispat Nigam Limited	Subsidiary Company	384.97	-
Total - Interest income recognised		**384.97**	**-**
Tata Steel Long Products Limited Employee Provident Fund Trust	PEBP	4.78	4.49
Tata Steel Long Products Limited Superannuation Fund	PEBP	3.74	3.45
Tata Steel Long Products Limited Gratuity Fund	PEBP	3.99	4.08
Total - Contribution made		**12.51**	**12.02**

C Balances outstanding

(₹ in Crores)

Name of the related party	Relationship	As at March 31, 2023	As at March 31, 2022
Tata Steel Limited	Holding company	48.01	43.77
The Siam Industrial Wire co. Ltd	Fellow subsidiary	-	0.01
Tata International Limited	Subsidiary of Tata Sons Private Limited	-	0.03
Neelachal Ispat Nigam Limited	Subsidiary Company	0.27	-
The Indian Steel & Wire Products Ltd *	Fellow subsidiary	0.00	-
Total - Trade receivables		**48.28**	**43.81**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023

(₹ in Crores)

Name of the related party	Relationship	As at March 31, 2023	As at March 31, 2022
Tata Steel Limited	Holding company	20.03	-
Total - Financial assets		**20.03**	**-**
Tata Steel Limited	Holding company	885.11	569.44
Tata Steel Global Procurement Company Pte. Ltd.	Fellow subsidiary	651.15	1,206.69
Tata Steel Utilities and Infrastructure Services Limited	Fellow subsidiary	0.02	0.02
The Indian Steel and Wire Products Limited	Fellow subsidiary	0.01	0.67
Tata Steel Mining Limited	Fellow subsidiary	7.02	5.77
Tata Sons Private Limited	Company having significant influence	-	14.90
mjunction services limited	Joint venture of Tata Steel Limited	0.57	0.17
TKM Global Logistic Limited	Joint venture of Joint venture with Tata Steel Limited	-	0.01
TM International Logistics Limited	Joint venture of Tata Steel Limited	6.74	-
Tata BlueScope Steel Private Limited	Joint venture of Fellow subsidiary	0.21	-
Jamipol Limited	Joint venture of Fellow subsidiary	2.55	3.59
Tata Communication Limited	Subsidiary of Tata Sons Private Limited	0.41	0.39
Tata Consultancy Services Limited	Subsidiary of Tata Sons Private Limited	-	0.01
Tata Limited	Subsidiary of Tata Sons Private Limited	0.18	
Kalimati Global Shared Services Limited *	Fellow subsidiary	0.00	-
Total - Trade payables for supplies and services		**1,553.97**	**1,801.66**
Tata Steel Long Products Limited Employee Provident Fund Trust	PEBP	1.36	1.30
Tata Steel Long Products Limited Superannuation Fund	PEBP	0.30	0.30
Tata Steel Long Products Limited Gratuity Fund	PEBP	1.23	(0.90)
Total - Payable / (contribution in advance) to PEBP		**2.89**	**0.70**
Tata International Limited *	Subsidiary of Tata Sons Private Limited	0.00	0.10
TM International Logistics Limited	Joint venture of Tata Steel Limited	-	0.14
Total - Advances paid		**0.00**	**0.24**
Tata Metaliks Limited	Fellow subsidiary	-	0.03
Total - Advances received		**-**	**0.03**
Jamipol Limited (At cost)	Joint venture of Fellow subsidiary	0.80	0.80
Total - Investments		**0.80**	**0.80**
Tata Steel Limited	Holding Company	13,979.91	12,706.80
Total - Non-convertible preference shares		**13,979.91**	**12,706.80**
Neelachal Ispat Nigam Limited	Subsidiary Company	8,139.46	-
Total - Investments in Equity Instruments of subsidiary		**8,139.46**	**-**
Neelachal Ispat Nigam Limited	Subsidiary Company	4,945.51	-
Total - Investments in Other Instrument of subsidiary		**4,945.51**	**-**
Mr. Ashish Anupam	MD	4.00	3.29
Total-Trade payables for accrued wages and salaries		**4.00**	**3.29**

* Amount below rounding off norms adopted by the company

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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37 Employee benefits

37.01 - Post employment defined contribution plans

(₹ in Crores)

		Year ended March 31, 2023	Year ended March 31, 2022
Amount recognised in the Statement of Profit and Loss			
(i)	Provident fund contribution*	0.13	0.12
(ii)	Superannuation fund@	3.74	3.45
		3.87	**3.57**

* Contribution towards provident fund for certain employees is made to the recognised state managed funds. 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 Standalone Statement of Profit and Loss.

@ The Company has a superannuation plan for the benefit of its employees. This benefit is defined contribution scheme as the Company does not carry any further obligations apart from the contributions made which are recognised as expense under 'Contribution to Provident and Other Funds' in Note 26.

37.02 - 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 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service.

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 and the Company is expected to make regular contributions to the Trust. The fund is managed by an insurance Company and the assets are invested in their conventional group gratuity product. The fund provides a capital guarantee of the balance accumulated and declares interest periodically that is credited to the fund account. The Trust assets managed by the fund manager are highly liquid in nature and the company do not expect any significant liquidity risks. The Trust is responsible for investment of assets of the Trust as well as day to day administration of the scheme.

(ii) Long term service award

Eligible employees of the Company rendering services for more than twenty years will receive long service award on all causes of exit as per the Company's policy. The cost of providing benefits under this plan is determined by actuarial valuation using the projected unit credit method by independent qualified actuaries at the year end.

(iii) Ex-MD Pension and Post Retirement Medical Benefit

The Board of Directors of the Company grants approval for provisions of special retirement benefits to Managing Directors. The retirement benefit includes indexed monthly pension which is reviewed in every three years and medical benefits. The benefits in short are called as Ex-MD pension and Post Retirement Medical Benefit (PRMB). Both the benefit schemes are available to the spouses of concern MDs.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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The said benefits are not contractual obligation of the Company. The provisions of the above benefits can only be given after signing the agreement containing the no-compete clause. The liabilities are not funded by the Company and disclosed as defined benefit plan.

(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, 2023	As at March 31, 2022
a.	Opening defined benefit obligation	56.79	58.18
b.	Acquired through business combination (Refer Note 38(b))	-	0.66
c.	Current service cost	4.12	4.15
d.	Interest cost	3.75	3.58
e.	Remeasurement (gains)/losses	(0.28)	(3.67)
f.	Benefits paid	(6.31)	(6.18)
g.	Acquisitions (credit)/cost	0.19	0.07
Closing defined benefit obligation		**58.26**	**56.79**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023

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

(₹ in Crores)

		As at March 31, 2023	As at March 31, 2022
a.	Opening fair value of plan assets	57.69	58.60
b.	Interest income	3.87	3.65
c.	Remeasurement gains/(losses)	(0.05)	(0.23)
d.	Contributions from the employer	1.55	2.12
e.	Benefits paid	(6.23)	(6.52)
f.	Acquisitions (credit)/cost	0.19	0.07
Closing fair value of plan assets		**57.02**	**57.69**

(iii) Reconciliation of fair value of assets and obligations

(₹ in Crores)

		As at March 31, 2023	As at March 31, 2022
a.	Fair value of plan assets	57.02	57.69
b.	Present value of obligation	58.26	56.79
		1.24	**(0.90)**
c.	Amount recognised in the Balance Sheet		
	- Retirement benefit obligations - Non-current	1.24	-
	- Prepaid Gratuity - Other non-financial current assets	-	0.90
		1.24	**0.90**

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

(₹ in Crores)

		Year ended March 31, 2023	Year ended March 31, 2022
Employee benefit expenses			
a.	Current service cost	4.12	4.15
b.	Net interest expense	(0.12)	(0.07)
		4.00	**4.08**
Other Comprehensive income			
a.	Return on plan assets excluding amount included in employee benefits expense	0.05	0.23
b.	Actuarial (gain)/loss arising from changes in financial assumptions	(0.65)	(0.11)
c.	Actuarial (gain)/loss arising from changes in experience adjustments	0.37	(3.56)
		(0.23)	**(3.44)**
Total defined benefit costs		**3.77**	**0.64**

(v) The plan assets of the Company relating to Gratuity are managed through a trust and 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, 2023	As at March 31, 2022
Category of Plan Assets:	In %	In %
Funded with LIC	**100%**	**100%**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023

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

		As at March 31, 2023	As at March 31, 2022
a.	Discount rate (per annum)	7.20% / 7.10%	6.50% / 7.20%
b.	Expected rate of salary increase (per annum)	8.00%	8.00%
c.	Mortality rate	Indian Assured Lives Mortality (2006-08) ult.	Indian Assured Lives Mortality (2006-08) ult.
d.	Withdrawal rate		
	- Ages from 20-25	1.00% For all age group	1.00% For all age group
	- Ages from 25-30		
	- Ages from 30-35		
	- Ages from 35-50		
	- Ages from 50-55		
	- Ages from 55-65		

(vii) The weighted average duration of the defined benefit plan obligation representing average duration for active members is 6 to 13 years (As at March 31, 2022: 7 to 12 years).

(viii) The Company expects (best estimate) to contribute ₹ **Nil** (previous year : ₹ 1.00 crore) 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 1% in the assumptions used.

(₹ in Crores)

Assumption		As at March 31, 2023	As at March 31, 2022
a.	Discount rate increase by 1%	Decrease by 5.72	Decrease by 5.20
b.	Discount rate decrease by 1%	Increase by 5.71	Increase by 6.14
c.	Expected salary growth increase by 1%	Increase by 5.55	Increase by 5.96
d.	Expected salary growth decrease by 1%	Decrease by 5.71	Decrease by 5.17

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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023

B. Long term service award (Unfunded)

(i) Reconciliation of opening and closing balances of obligation

(₹ in Crores)

		As at March 31, 2023	As at March 31, 2022
a.	Opening defined benefit obligation	0.71	0.68
b.	Acquired through business combination (Refer Note 38(b))	-	0.02
c.	Current service cost	0.04	0.04
d.	Interest cost	0.05	0.04
e.	Remeasurement (gains)/losses	(0.01)	(0.03)
f.	Benefits paid	(0.08)	(0.04)
Closing defined benefit obligation		**0.71**	**0.71**

(ii) Reconciliation of fair value of assets and obligations

(₹ in Crores)

		As at March 31, 2023	As at March 31, 2022
a.	Fair value of plan assets	-	-
b.	Present value of obligation	0.71	0.71
		0.71	**0.71**
c.	Amount recognised in the Balance Sheet		
	- Retirement benefit obligations - Non-current	0.66	0.65
	- Retirement benefit obligations - Current	0.05	0.06
		0.71	**0.71**

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

(₹ in Crores)

		Year ended March 31, 2023	Year ended March 31, 2022
Employee benefit expenses			
a.	Current service cost	0.04	0.04
b.	Net interest expense	0.05	0.04
		0.09	**0.08**
Other Comprehensive income			
a.	Actuarial (gain)/loss arising from changes in financial assumptions	(0.01)	(0.02)
b.	Actuarial (gain)/loss arising from changes in experience adjustments	0.00	(0.01)
		(0.01)	**(0.03)**
Total defined benefit costs		**0.08**	**0.05**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023

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

		As at March 31, 2023	As at March 31, 2022
a.	Discount rate (per annum)	7.20%	7.00%
b.	Expected rate of salary increase (per annum)	Not applicable	Not applicable
c.	Mortality rate	Indian Assured Lives Mortality (2006 - 2008) Ult.	Indian Assured Lives Mortality (2006 - 2008) Ult.
d.	Withdrawal rate		
	- Ages from 20-25	1.00% For all age group	1.00% For all age group
	- Ages from 25-30		
	- Ages from 30-35		
	- Ages from 35-50		
	- Ages from 50-55		
	- Ages from 55-65		

(v) The weighted average duration of the defined benefit plan obligation representing average duration for active members is **10 years.** (As at March 31, 2022: 12 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 assumption 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 assumption used.

(₹ in Crores)

Assumption		As at March 31, 2023	As at March 31, 2022
a.	Discount rate increase by 1%	Decrease by 0.06	Decrease by 0.06
b.	Discount rate decrease by 1%	Increase by 0.07	Increase by 0.07

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.

C. Ex-MD Pension (Unfunded)

(i) Reconciliation of opening and closing balances of obligation

(₹ in Crores)

		As at March 31, 2023	As at March 31, 2022
a.	Opening defined benefit obligation	12.80	12.20
b.	Interest cost	0.87	0.80
c.	Remeasurement (gains)/losses	1.11	0.50
d.	Benefits paid	(0.79)	(0.70)
Closing defined benefit obligation		**13.99**	**12.80**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
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(ii) Reconciliation of fair value of assets and obligations

(₹ in Crores)

		As at March 31, 2023	As at March 31, 2022
a.	Fair value of plan assets	-	-
b.	Present value of obligation	13.99	12.80
		13.99	**12.80**
c.	Amount recognised in the Balance Sheet		
	- Retirement benefit obligations - Non-current	13.18	12.14
	- Retirement benefit obligations - Current	0.81	0.66
		13.99	**12.80**

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

(₹ in Crores)

		Year ended March 31, 2023	Year ended March 31, 2022
Employee benefit expenses			
a.	Net interest expense	0.87	0.80
		0.87	**0.80**
Other Comprehensive income			
a.	Actuarial (gain)/loss arising from changes in financial assumptions	(0.31)	(0.37)
b.	Actuarial (gain)/loss arising from changes in experience adjustments	1.42	(0.55)
c.	Actuarial (gain)/loss arising from changes in demographic assumptions	-	1.42
		1.11	**0.50**
Total defined benefit costs		**1.98**	**1.30**

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

		As at March 31, 2023	As at March 31, 2022
a.	Discount rate (per annum)	7.20%	7.00%
b.	Pension inflation rate (per annum)	6.00%	6.00%
c.	Mortality rate	LIC (2012-15) Annuitants ultimate	LIC (2012-15) Annuitants ultimate
d.	Withdrawal rate - The effects of mortality and withdrawal have been factored by constructing a Multiple Decrement Table taking into account the above mortality table.		

(v) The weighted average duration of the defined benefit plan obligation representing average duration for active members is **11 years.** (As at March 31, 2022: 12 years).

(vi) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate and pension inflation 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.

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(₹ in Crores)

Assumption		As at March 31, 2023	As at March 31, 2022
a.	Discount rate increase by 1%	Decrease by 1.39	Decrease by 1.32
b.	Discount rate decrease by 1%	Increase by 1.65	Increase by 1.58
c.	Pension inflation rate increase by 1%	Increase by 1.65	Increase by 1.58
d.	Pension inflation rate decrease by 1%	Decrease by 1.41	Decrease by 1.40

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.

D. PRMB (Unfunded)

(i) Reconciliation of opening and closing balances of obligation

(₹ in Crores)

		As at March 31, 2023	As at March 31, 2022
a.	Opening defined benefit obligation	0.69	0.69
b.	Interest cost	0.04	0.04
c.	Remeasurement (gains)/losses	0.07	0.05
d.	Benefits paid	(0.13)	(0.09)
Closing defined benefit obligation		**0.67**	**0.69**

(ii) Reconciliation of fair value of assets and obligations

(₹ in Crores)

		As at March 31, 2023	As at March 31, 2022
a.	Fair value of plan assets	-	-
b.	Present value of obligation	0.67	0.69
		0.67	**0.69**
c.	Amount recognised in the Balance Sheet		
	- Retirement benefit obligations - Non-current	0.06	0.63
	- Retirement benefit obligations - Current	0.61	0.06
		0.67	**0.69**

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

(₹ in Crores)

		Year ended March 31, 2023	Year ended March 31, 2022
Employee benefit expenses			
a.	Net interest expense	0.04	0.04
		0.04	**0.04**
Other Comprehensive income			
a.	Actuarial (gain)/loss arising from changes in financial assumptions	(0.01)	(0.01)
b.	Actuarial (gain)/loss arising from changes in experience adjustments	0.08	0.03
c.	Actuarial (gain)/loss arising from changes in demographic assumptions	-	0.03
		0.07	0.05
Total defined benefit costs		**0.11**	**0.09**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

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

		As at March 31, 2023	As at March 31, 2022
a.	Discount rate (per annum)	7.20%	7.00%
b.	Medical cost - % of annual entitlement utilised (per annum)	20.00%	20.00%
c.	Mortality rate	LIC Annuitants (2012-15) Ultimate	LIC Annuitants (2012-15) Ultimate
d.	Withdrawal rate - The effects of mortality and withdrawal have been factored by constructing a Multiple Decrement Table taking into account the above mortality table.		

(v) The weighted average duration of the defined benefit plan obligation representing average duration for active members is **9 years.** (As at March 31, 2022: 9 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.

(₹ in Crores)

	Assumption	As at March 31, 2023	As at March 31, 2022
a.	Discount rate increase by 1%	Decrease by 0.05	Decrease by 0.05
b.	Discount rate decrease by 1%	Increase by 0.06	Increase by 0.06

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.

E. Provident fund

Eligible employees (except certain employees covered under Note 37.01) of the Company receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the 'Tata Sponge Employees Provident Fund Trust'. The trust invests in specific designated instruments as prescribed by the Government. The remaining portion is contributed to the Government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

The Actuary has carried out year-end actuarial valuation of plan's liabilities and interest rate guarantee obligations as at the Balance Sheet date using Projected Unit Credit Method and Deterministic Approach as outlined in the Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, the Company has recognised/(reversed) interest rate guarantee shortfall amounting to ₹ **0.34 crores** (March 31, 2022 : ₹ (5.03) crores) in the Statement of Profit and Loss and also recognised excess of liabilities over trust assets amounting to ₹ **1.17 crores** (March 31,2022: ₹ Nil) . Further during the year, the Company's contribution of ₹ **5.11 crores** (March 31, 2022: ₹ 4.49 crores) to the Provident Fund Trust has been expensed under the 'Contribution to Provident and Other Funds' in Note 26. Additionally, during the year ended March 31, 2023, the Company contributed ₹ **0.54 crores** to the trust, which has been expensed under the 'Contribution to Provident and Other Funds' in Note 26. (March 31, 2022: ₹ 1.95 crores.)

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for the year ended March 31, 2023

Disclosures given hereunder are restricted to the information available as per the Actuary's Report.

		As at March 31, 2023	As at March 31, 2022
a.	Discount rates	7.20%	7.20%
b.	Expected yield on plan assets	7.55%	7.50%
c.	Guaranteed Interest Rate	8.15%	8.10%

37.03 - Other contributions

(i) **Employees Pension Scheme -** Total amount charged to the Statement of Profit and Loss for the year ₹ **3.50 crores** (March 31, 2022: ₹ 3.45 crores).

(ii) **Employees State Insurance -** Total amount charged to the Statement of Profit and Loss for the year ₹ **0.04 crore** (March 31, 2022: ₹ 0.07 crore).

Contribution to these schemes are made by the Company as per the statute.

37.04

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

38 (a) Acquisition of Neelachal Ispat Nigam Limited

The Company on July 4, 2022 completed the acquisition of Neelachal Ispat Nigam Limited ("NINL") for a total consideration of ₹ **12,100.00 crores** as per the terms and conditions of Share Sale and Purchase Agreement (SPA) executed on March 10, 2022.

As part of the transaction, following have been completed -

- Acquisition of 0.01%, 456,054,252 Non-Convertible Redeemable Preference Shares ('NCRPS') of face value of ₹100/- each aggregating to ₹ **4,560.54 crores.**
- Acquisition of 484,375,000 equity shares of face value ₹ 10/- each aggregating to ₹ **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 ₹ **4,439.46 crores.**

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

The Company has further invested ₹ 600 crores in the equity shares of NINL after acquisition, towards capital expenditure, initial working capital and operating cost to restart the plant. The Company's holding in NINL's equity shares is 92.68% as on March 31, 2023.

(b) Pursuant to the Transfer Agreement ('Agreement') entered into between the Company and Usha Martin Limited ('UML') on December 14, 2020, the Company acquired the Wire Mill from UML on June 30, 2021. In terms of the Agreement, the Company

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

purchased Wire Mill business through exchange of the bright bar assets acquired from UML originally upon acquisition of steel business on April 9, 2019.

39 The Board of Directors of the Company and Tata Steel Limited ("the Parent Company") approved the Scheme for Amalgamation of the Company into the Parent Company ("the Scheme") at their respective meetings held on September 22, 2022. The Board of Directors recommended an exchange ratio of 67 fully paid-up equity shares of Re. 1 each of the Parent Company for every 10 fully paid-up equity shares of ₹ 10 each held in the Company. The Company had submitted the Scheme to Stock Exchanges on October 11, 2022 and received no objection/ no adverse observations from the National Stock Exchange of India Limited and BSE Limited respectively vide letters dated March 31, 2023. The Company has subsequently filed the Scheme with the Hon'ble National Company Law Tribunal ("NCLT"), Cuttack Bench on April 05, 2023 for approval.

40 Goodwill

A. Movement in goodwill during the year

(₹ in Crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance	6.16	5.66
Add : Additions during the year due to acquisitions (Refer Note 38(b))	-	0.50
Closing balances	**6.16**	**6.16**

B. Impairment tests for goodwill

The Goodwill of ₹ **6.16 crores** (March 31, 2022: ₹ 6.16 crores) represents the goodwill accounted on the acquisition of Steel Business (CGU) from Usha Martin Limited. The entire goodwill as mentioned above is attributable to the aforesaid acquired business CGU i.e. Integrated steel manufacturing plant. There were no impairment indicators as at the year end.The outcome of the impairment assessment as on 31 March 2023 has not resulted in any impairment of goodwill.

41 Assets classified as held for sale

To optimise available crude steel production, Company had initiated the construction of 0.5 MTPA Special Bar and Wire Rod-Combi Mill. However, due to strategic reasons the Board of directors of the Company decided to transfer the mill (project) to The Indian Steel & Wire Products Ltd (ISWP) along with all the Capital advances, Capital Work in Progress etc. within next twelve months. Therefore, the Company recorded the above mentioned assets [Capital Advances ₹ 39.21 crores, Capital work in progress ₹ 12.56 crores and Deposits ₹ 5.38 crores] as 'held for sale' in accordance with Ind AS 105: Non-current Assets Held for Sale and Discontinued Operations.

The Company has measured 'the Assets' at lower of carrying value and fair value less costs to sell amounting to ₹ **57.15 crores** (March 31, 2022 : ₹ Nil). The fair value of 'the Assets' were determined as fair value of other assets (consideration approximating the cost) to be received against 'the Assets'. This is a level 3 measurement as per the hierarchy set out in fair value measurement disclosures (Refer Note 31(b)(ii)).

42 Segment reporting

The Company has prepared Consolidated Financial Statements ("CFS"). Accordingly, Segment related note has been provided in CFS in accordance with the provisions of Ind AS 108: "Operating Segments".

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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43 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)

	VAT, entry tax and sales tax	Cross subsidy surcharge	Interest on income tax	Mines restoration and other activities	Contingent liability recognised on business combination	Others
Carrying amount as at beginning of the year	**2.63**	**6.01**	**20.68**	**29.29**	**0.29**	**3.48**
	(2.63)	(6.01)	(20.68)	(27.89)	(0.29)	(11.67)
Add : Provision made during the year	**-**	**1.43**	**-**	**11.35**	**-**	**4.72**
	(-)	(-)	(-)	(1.40)	(-)	(-)
Less : Amount paid during the year	**-**	**-**	**-**	**0.45**	**-**	**-**
	(-)	(-)	(-)	(-)	(-)	(-)
Less : Amount reversed during the year	**0.01**	**-**	**-**	**-**	**-**	**-**
	-	(-)	(-)	(-)	(-)	(8.19)
Carrying amount as at the end of the year (Refer Note (16(b))	**2.62**	**7.44**	**20.68**	**40.19**	**0.29**	**8.20**
	(2.63)	(6.01)	(20.68)	(29.29)	(0.29)	(3.48)
Nature of obligation	VAT, entry tax and sales tax including interest thereon	Cross subsidy surcharge payable to power distribution companies	Interest on income tax	Activities to be performed at the time of final mine closure or during the mining	Demand for electricity charges and labour related matters on acquired steel business	Provision in relation to Mines Development and Production Agreement
Expected timing of resultant outflow	On decision by competent authority			Upon closure of mines or during the mining	On decision by competent authority	
Indication of uncertainty about those outflows	The above matters are under dispute with authorities			None	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.			None	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	Nil	Nil	Nil	Nil	Nil

(figures in brackets represents amount for the previous year)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

44 Expenditure on corporate social responsibility

(₹ in Crores)

Sr. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
a.	Amount required to be spent by the Company on Corporate Social Responsibility (CSR) activities	7.70	2.96
b.	Amount spent during the year	7.73	2.99
	Amount of shortfall for the year	-	-
	Amount of cumulative shortfall for the year	-	-

Revenue expenditure charged to the Statement of Profit and Loss in respect of CSR activities undertaken during the year is ₹ **7.73 crores**, (paid in cash) as compared to ₹ 2.99 crores for the year ended March 31, 2022 (paid in cash)

c. CSR expenditure incurred through related parties of the Company for the year ended March 31, 2023 is ₹ **1.83 crores**. (March 31, 2022 : ₹ 0.23 crores)

d. There are no ongoing CSR projects and no expenditure was incurred during the year on any ongoing project. The Company does not propose to carry forward any amount spent beyond the statutory requirement.

45 Assets hypothecated as security

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

(₹ in Crores)

		Year ended March 31, 2023	Year ended March 31, 2022
Non-current assets			
First charge (against term loan from banks)			
(i)	Property, plant and equipment	3,384.83	3,571.07
(ii)	Leased assets	116.40	119.42
		3,501.23	**3,690.49**
Current assets			
First charge (against working capital requirement from Banks)			
(i)	Inventories	1,365.14	1,350.09
(ii)	Trade receivables	70.42	60.39
(iii)	Cash and cash equivalents	112.91	4,558.91
(iv)	Other balances with banks	2.08	2.20
(v)	Loans	0.50	0.24
(vi)	Other financial assets	254.12	247.45
(vii)	Other current assets	155.35	76.99
		1,960.52	**6,296.27**

Notes:

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

(b) Refer Note 52 for disclosure relating to total amount of security (charge created) towards working capital facilities and term loan, as on March 31, 2023.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

46 Details relating to Company's subsidiary are as follows.

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Company	
			As at March 31, 2023	As at March 31, 2022
Neelachal Ispat Nigam Limited	Manufacturing of steel	India	93.15%*	Nil

The Company on July 4, 2022 had completed the acquisition of Neelachal Ispat Nigam Limited ("NINL") for a total consideration of ₹ 12,100.00 crores as per the terms and conditions of Share Sale and Purchase Agreement (SPA) executed on March 10, 2022.

* Represents ownership based on share capital.

47 Ratios

Sr. No.	Particulars	March 31, 2023	March 31, 2022	% Change	
(a)	Current ratio (times)	1.25	4.90	(74.49)%	Refer sub-note (i)
(b)	Debt-equity ratio (times)	5.61	4.65	20.65%	
(c)	Debt service coverage ratio (times)	5.26	9.00	(41.56)%	Refer sub-note (ii)
(d)	Return on equity ratio (%)	-41.27%	21.74%	(63.01)%	Refer sub-note (iii)
(e)	Inventory turnover ratio (in days)	66	58	13.79%	
(f)	Trade receivables turnover ratio (in days)	3	4	(12.09)%	
(g)	Trade payables turnover ratio (in days)	112	118	(4.82)%	
(h)	Net capital turnover ratio (in days)	297	297	(0.18)%	
(i)	Net profit ratio (%)	-14.54%	9.26%	(23.80)%	
(j)	Return on capital employed (%)	2.11%	9.27%	(7.16)%	
(k)	Return on investment (%)	4.37%	3.50%	0.87%	

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 after tax + Finance cost + Depreciation and amortisation + Other non cash expenditure)	Debt service =(Interest and Lease Payments + Principal Repayments)
(d)	Return on equity ratio	Profit 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 after tax	Total revenue from operations

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

		Numerator	Denominator
(j)	Return on capital employed	Earnings before interest and taxes (Profit before taxes + Finance cost)	Average Capital employed Capital employed = Total equity + Borrowings + Lease liabilities + Deferred tax liabilities
(k)	Return on investment	Net gain/(loss) on sale/fair value changes of mutual funds	Time weighted average investments in mutual funds

Notes:

(i) Current ratio has decreased due to investment in Neelachal Ispat Nigam Limited from the proceeds of NCRPS which were invested in short term deposits during FY22.

(ii) Debt service coverage ratio has decreased due to lower profitability during the year.

(iii) Return on equity has decreased due to increase in finance cost on account of interest on NCRPS.

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

49 The Company was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards as it does not have any material foreseeable loss on long term contracts. The Company did not have long term derivative contracts.

50 There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except for amounts aggregating to ₹ **0.06 crores** as at March 31, 2023 (March 31, 2022 : ₹ 0.06 crores) which is held in abeyance due to pending legal cases.

51 The Company has not granted loans to its promoters, directors, key managerial personnel (KMP) and the other related parties (as defined under the Companies Act, 2013) which are repayable on demand or without specifying any terms or period of repayment or any other loans or advance in the nature of loans.

52 (a) The Company has sanctioned working capital limits from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with the banks are in agreement with the books of accounts for year ended March 31, 2023 and March 31, 2022. The returns for the quarter ended March 31, 2023, are not yet due, which would be appropriately filed by the Company within the due date. Total amount of security (charge created), towards working capital facilities and term loan, as on March 31, 2023 is ₹ **1,585.00 crores** (March 31, 2022 ₹ 1,585.00 crores) and ₹ **2,900.00 crores** (March 31, 2022 ₹ 2,900.00 crores) respectively.

(b) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary, other than amounts aggregating ₹ 600 crores (raised through issuance of non-cumulative redeemable preference shares to its Holding Company, Tata Steel Limited) invested in its subsidiary, Neelachal Ispat Nigam Limited (NINL) through subscription of equity shares of NINL for meeting the fund requirements / obligations of NINL. The Company has no associate or joint venture.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

53 (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) The Company has not received any fund 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 other than investment of ₹ **12,700 crores** (March 31, 2022: NIL) during the year towards acquisition of Neelachal Ispat Nigam Limited ("NINL"), [which thereby became a subsidiary of the Company (Refer Note 46)] / subscription to shares of NINL, out of funds received (through issuance of non-convertible redeemable preference shares) from the parent company, Tata Steel Limited.

The acquisition, inter alia, provides inorganic growth for the Company to grow in long products business and leverage the captive mines of NINL.The acquisition was made in accordance with the process run by Department of Investment and Public Asset Management, Government of India and other applicable regulatory requirements.

With the above and given the transaction involves no camouflage to hide any beneficiaries, no further disclosures, in this regard, are required.

54 The Company has made investments in a company (subsidiary) and twelve mutual fund schemes during the year. 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 other than loan to ten employees. The Company did not stand guarantee or provided security to any Company/Firm/Limited Liability Partnership/Other party during the year. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans are as per the table given below:

(₹ in Crores)

	Loans
Aggregate amount granted/ provided during the financial year	
- Others	0.05
Balance outstanding as at March 31, 2023 in respect of the above case	
- Others	0.03

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

56. 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

57 The Company has not raised loans during the year on the pledge of securities held in its subsidiary.

58 The Company has incurred cash loss of ₹ **737.83 crores** during the current financial year (FY 2022 – Nil).

59 The Company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.

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

61 The Company has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017.

Signatures to Notes 1 to 61

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

Pinaki Chowdhury
Partner
Membership No. 057572

Place: Kolkata
Date: April 25, 2023

For and on behalf of the Board of Directors

T V Narendran
Chairman
DIN: 03083605

Ashish Anupam
Managing Director
DIN: 08384201

S K Shrivastav
Chief Financial Officer

Sankar Bhattacharya
Company Secretary

Place: Mumbai
Date: April 25, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of
Tata Steel Long Products Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Tata Steel Long Products Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), (refer Note 1 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2023, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group, as at March 31, 2023, of consolidated total comprehensive income (comprising of loss and other comprehensive income), consolidated changes in equity and its consolidated 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 Consolidated Financial Statements" section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Business Combination- Purchase Price Allocation (PPA) on acquisition of Neelachal Ispat Nigam Limited. [Refer to Note 2.03 to the consolidated financial statements- "Use of estimates and critical accounting judgments- (ix) Allocation of consideration over the fair value of assets and liabilities acquired in a business combination", Note 2.09 to the consolidated financial statements- "Business Combinations" and Note 38 to the consolidated financial statements- "Business Combinations"]. On July 4, 2022, Tata Steel Long Products Limited completed the acquisition of Neelachal Ispat Nigam Limited for a total consideration of ₹ 12,100.00 crores in accordance with the process run by Department of Disinvestment & Public Asset Management (DIPAM), Government of India.	Our audit procedures included the following: • We obtained an understanding from the management, assessed and tested the design and operating effectiveness of the Holding Company's key controls over the accounting of business combination. • We evaluated the appropriateness of the Holding Company's accounting policy in respect of business combination. • We evaluated the competence, capabilities and objectivity of the management's expert, obtained an understanding of the work of the expert, and evaluated the appropriateness of the expert's work as audit evidence. • We involved our valuation expert ("auditor's expert") to review the PPA reports including the work done by management's experts to assess reasonableness of the underlying key assumptions used in determining the fair value of assets and liabilities as at the acquisition date.

Key audit matter	How our audit addressed the key audit matter
The Group determined the acquisition to be business combination in accordance with Ind AS 103, "Business Combinations" which requires the identified assets and liabilities be recognised at fair value at the date of acquisition with the excess of consideration over fair value of recognised assets and liabilities as goodwill. The Group appointed independent professional valuers ("management's expert") to perform valuation of assets for the purpose of PPA. The PPA exercise was completed resulting in the Group recognising goodwill of ₹ 1,195.69 crores. Significant assumptions and estimates were used by the management with the assistance of management's expert in the determination of the fair values of the identified assets and liabilities in the transaction and thus we consider this area to be a Key Audit Matter.	• We evaluated the competence, capabilities and objectivity of the auditor's expert, and the adequacy of the work performed by the auditor's expert. • We also assessed the Group's determination of the fair value of the remaining assets and liabilities having regard to the completeness of assets and liabilities identified and the reasonableness of any underlying assumptions in their respective valuations. • We also verified the management's computation of goodwill. Based on the above work performed, we noted that the PPA have been performed in accordance with Ind AS 103. We also assessed the appropriateness of the disclosures made in the consolidated financial statements and found it reasonable.

Key audit matter	How our audit addressed the key audit matter
Assessment of carrying amount of goodwill related to the acquisition during the year of Neelachal Ispat Nigam Limited, a subsidiary company. [Refer to Note 2.03(vi) to the consolidated financial statements- "Use of estimates and critical accounting judgments - Impairment of Goodwill", Note 2.03(vii) to the consolidated financial statements- "Use of estimates and critical accounting judgments - Goodwill Arising on Consolidation" and Note 40 to the consolidated financial statements- "Goodwill"]. The Group has a goodwill balance of ₹ 1,195.69 crores as at March 31, 2023 relating to the above-mentioned subsidiary. The Group carries Goodwill at cost less impairment losses, if any, and tests the same for impairment atleast annually or when events occur which indicate that the recoverable amount of the Cash Generating Unit ("CGU") is less than the carrying amount of Goodwill. The Group has identified the subsidiary as a separate CGU for the purpose of impairment assessment and has estimated its recoverable amount based on discounted cash flows forecast for steel business/ incremental cash flows from mining business of the CGU which requires judgement in respect of certain key inputs such as assumptions on discount rates, sales volume and sales prices, cost to produce/ extract, capital expenditure, EBITDA/ton, etc. This has been determined to be a Key Audit Matter as the determination of recoverable amount involves significant management judgement.	Our procedures included the following: • We obtained an understanding from the management, assessed and tested the design and operating effectiveness of the Holding Company's key controls over the impairment assessment of goodwill. • We evaluated the appropriateness of the Group's accounting policy in respect of impairment assessment of Goodwill. • We evaluated the Holding Company's process regarding impairment assessment by involving auditor's valuation experts, to assist in assessing the appropriateness of the impairment assessment model, underlying assumptions relating to discount rate, terminal value, etc. • We evaluated the cash flow forecasts/ incremental cash flows by comparing them to the budgets and our understanding of the internal and external factors. • We checked the mathematical accuracy of the impairment assessment model and agreed the relevant data with the latest budgets, actual results and other supporting documents, as applicable. • We assessed the sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to impairment. • We discussed the key assumptions and sensitivities with those charged with governance. • We evaluated the appropriateness of the disclosures made in the consolidated financial statements. Based on the above procedures performed, we did not identify any significant exceptions in the management's impairment assessment of the carrying amount of goodwill related to the above mentioned subsidiary.

Key audit matter	How our audit addressed the key audit matter
Recovery of expenses for Radhikapur (East) Coal Block [Refer to Note 08.02 to the consolidated financial statements] As at March 31, 2023, the Holding Company has financial exposure in books aggregating ₹ 178.81 crores incurred in earlier years on the Radhikapur (East) Coal Block, which was deallocated pursuant to the Order of the Hon'ble Supreme Court of India in 2014. The Coal Mines (Special Provisions) Act, 2015 and subsequent amendments thereto, promulgated pursuant to the aforesaid Order, prescribes that the prior allottee (i.e. the Holding Company), shall be compensated for the expenses incurred towards land and mine infrastructure. During the financial year 2020-21, the Ministry of Coal (MoC) has carried out an auction of the coal block and the coal block has been re-allotted to a successful bidder. According to an external legal opinion obtained by the Holding Company, there is a high likelihood of the Holding Company being compensated for the entire investments made for acquiring the land for the development of the coal block. The Holding Company based on its assessment and along with the aforesaid opinion expects to recover the entire amount. This is considered to be a Key Audit Matter as significant judgements are involved regarding recoverability of the aforesaid amounts incurred which are largely subject to decision/approvals of the regulatory authorities.	Our audit procedures around recoverability of the expenses incurred included the following: • Evaluation of the design and testing of operating effectiveness of the related controls implemented by the management. • Tested a sample of expenses incurred on the coal block. • Obtained evidence supporting the correspondences of the Holding Company with the MoC / Nominated Authority of MoC / Government agencies and the allotment to the successful bidder. • Obtained an updated understanding of the basis of the management's judgement on recoverability of expenses including inquiries with the Holding Company's inhouse legal counsel and opinion from an independent external legal counsel. Based on the above work performed, we found the management's judgement on assessment of recoverability of the related expenses, to be reasonable.

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Integrated Report, Board's Report along with its Annexures and Financial Highlights included in the Holding Company's Annual Report (titled as 'Tata Steel Long Products Limited Integrated Report & Annual Accounts 2022-23') but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

8. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated 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 Holding Company has adequate internal financial controls with reference to consolidated 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
    - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
    - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

12. 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.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

14. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), 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 matter specified in paragraph 3(xxi) of CARO 2020.

15. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

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

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

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

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

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

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

        i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer Note 33 to the consolidated financial statements.

        ii. The Group was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable loss on long term contracts. The Group did not have long term derivative contracts. Refer Note 48 to the consolidated financial statements.

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2023, except for amounts aggregating to Rs 0.06 crores, which according to the information and explanations provided by the management is held in abeyance due to pending legal cases. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary of the Holding Company during the year ended March 31, 2023. Refer Note 49 to the consolidated financial statements.

        iv. (a) The respective Managements of the Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, and as disclosed in the notes to the consolidated financial statements, no funds (which are material either individually or in the aggregate) 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 or by its subsidiary 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries [Refer Note 51(a) to the consolidated financial statements.]

(b) The respective Managements of the Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, other than as disclosed in the notes to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company or its subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or its subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries [Refer Note 51(b) to the consolidated financial statements.]

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The dividend declared and paid during the year by the Holding Company is in compliance with Section 123 of the Act. The subsidiary company has not declared/paid any dividend during the year.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Group, is applicable to the Group, only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

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

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

Pinaki Chowdhury
Partner
Membership Number: 057572
UDIN: 23057572BGXVOT6738

Kolkata
April 25, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 15(f) of the Independent Auditor's Report of even date to the members of Tata Steel Long Products Limited on the consolidated financial statements for the year ended March 31, 2023

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

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Tata Steel Long Products Limited (hereinafter referred to as "the Holding Company") and its subsidiary company, which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary company, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to consolidated financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 the respective 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 consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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 consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 consolidated 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 Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control 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 control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in

accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control 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 Holding Company, its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Pinaki Chowdhury
Partner
Membership Number: 057572
UDIN: 23057572BGXVOT6738

Kolkata
April 25, 2023

Annexure B to Independent Auditors' Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Tata Steel Long Products Limited on the consolidated financial statements as of and for the year ended March 31, 2023.

As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following companies have given qualification or adverse remarks in their CARO report on the standalone statutory financial statements of the respective companies:

Sl. No.	Name of the Company [included in the Consolidated Financial Statements (CFS) referred to in Note 01 to the CFS]	CIN	Relationship with the Holding Company	Date of the respective auditors' report	Paragraph number in the respective CARO reports
1.	Tata Steel Long Products Limited	L27102OR1982PLC001091	Holding Company	April 25, 2023	(i)(c), ix(e), xvii
2.	Neelachal Ispat Nigam Limited	U27109OR1982PLC001050	Subsidiary	April 25, 2023	(i)(c), ii(a), ii(b), vii(a), ix(a), ix(c), xvii

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

Pinaki Chowdhury
Partner
Membership Number: 057572
UDIN: 23057572BGXVOT6738

Kolkata
April 25, 2023

CONSOLIDATED BALANCE SHEET

as at March 31, 2023

(₹ in Crores)

		Notes	As at March 31, 2023
I	**Assets**		
	Non-current assets		
	(a) Property, plant and equipment	03	5,732.85
	(b) Right-of-use assets	04	814.88
	(c) Capital work-in-progress	03	234.68
	(d) Goodwill	40	1,201.85
	(e) Other intangible assets	05	8,716.02
	(f) Financial assets		
	(i) Investments	06(i)	19.28
	(ii) Loans	07	0.02
	(iii) Other financial assets	08	41.24
	(g) Income tax assets (net)	21 (ii)	84.11
	(h) Other non-current assets	09	21.23
	Total non-current assets		**16,866.16**
	Current assets		
	(a) Inventories	10	2,335.97
	(b) Financial assets		
	(i) Investments	06(ii)	1,104.40
	(ii) Trade receivables	11	195.78
	(iii) Cash and cash equivalents	12 (i)	136.09
	(iv) Bank balances other than (iii) above	12 (ii)	944.10
	(v) Loans	07	0.50
	(vi) Derivative assets		1.12
	(vii) Other financial assets	08	264.77
	(c) Other current assets	09	319.43
	Total current assets		**5,302.16**
	Assets classified as held for sale	41	57.15
	Total assets		**22,225.47**
II	**Equity and liabilities**		
	Equity		
	(a) Equity share capital	13	45.10
	(b) Other equity	14 (i)	913.10
	Equity attributable to owners of the Company		**958.20**
	Non-controlling interests	14 (ii)	**429.65**
	Total equity		**1,387.85**
	Liabilities		
	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	15	14,667.83
	(ii) Lease liabilities	04	80.90
	(iii) Other financial liabilities	20	828.21
	(b) Provisions	16	139.01
	(c) Deferred tax liabilities (net)	17	1,287.07
	Total non-current liabilities		**17,003.02**
	Current liabilities		
	(a) Financial liabilities		
	(i) Lease liabilities	04	8.72
	(ii) Derivative liabilities		2.70
	(iii) Trade payables	18	
	- total outstanding dues of micro and small enterprises		134.42
	- total outstanding dues of creditors other than micro and small enterprises		2,774.11
	(iv) Other financial liabilities	20	284.21
	(b) Provisions	16	147.97
	(c) Other current liabilities	19	428.57
	(d) Current tax liabilities (net)	21 (i)	53.90
	Total current liabilities		**3,834.60**
	Total liabilities		**20,837.62**
	Total equity and liabilities		**22,225.47**
Notes forming an integral part of the consolidated financial statements		**1 to 61**	

This is the Consolidated Balance Sheet referred to in our report of even date

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

Pinaki Chowdhury
Partner
Membership No. 057572

For and on behalf of the Board of Directors

T V Narendran
Chairman
DIN: 03083605

Ashish Anupam
Managing Director
DIN: 08384201

S K Shrivastav
Chief Financial Officer

Sankar Bhattacharya
Company Secretary

Place: Kolkata
Date: April 25, 2023

Place: Mumbai
Date: April 25, 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2023

(₹ in Crores)

		Notes	Year ended March 31, 2023
I	Revenue from operations	22	8,991.78
II	Other income	23	304.13
III	**Total income (I + II)**		**9,295.91**
IV	**Expenses:**		
	Cost of materials consumed	24	6,853.19
	Changes in inventories of finished and semi finished goods	25	(389.36)
	Employee benefits expense	26	390.60
	Finance costs	27	1,387.44
	Depreciation and amortisation expense	28	715.77
	Other expenses	29	2,874.60
	Total expenses (IV)		**11,832.24**
V	**(Loss) / Profit before exceptional items (III - IV)**		(2,536.33)
VI	**Exceptional items**		
	Acquisition related expenditure	35	1.70
	Total exceptional items (VI)		**1.70**
VII	**(Loss) / Profit before taxes (V-VI)**		(2,538.03)
VIII	**Tax expenses:**		
	(1) Current tax		-
	(2) Deferred tax	17 (i)	(234.18)
	Total tax expense (VIII)		**(234.18)**
IX	**(Loss) / Profit for the year (VII- VIII)**		(2,303.85)
X	**Other comprehensive income**		
	(i) Items that will not be reclassified to profit and loss		
	(a) Remeasurement (loss)/gain of the defined benefit plans		(6.98)
	(b) Income tax relating to above items		1.76
	(c) Gain / (loss) on changes in fair value of FVOCI equity instruments		3.60
	(d) Income tax relating to above items		(0.80)
	(ii) Items that will be reclassified subsequently to profit and loss		
	(a) Fair value changes of cash flow hedges		(1.69)
	(b) Income tax relating to above items		0.39
	Total other comprehensive income (X)		**(3.72)**
XI	**Total comprehensive income for the year (IX + X)**		(2,307.57)
	(Comprising (loss) / profit and other comprehensive income for the year)		
XII	**Loss for the year attributable to**		
	Owners of the Company		(2,248.47)
	Non-controlling interests		(55.38)
			(2,303.85)
XIII	**Total comprehensive income for the year attributable to**		
	Owners of the Company		(2,251.90)
	Non-controlling interests		(55.67)
			(2,307.57)
XIV	**Earnings / (loss) per equity share (face value of ₹ 10 each) :**	32	
	(1) Basic (in ₹)		(498.55)
	(2) Diluted (in ₹)		(498.55)
Notes forming an integral part of the consolidated financial statements		**1 to 61**	

This is the Consolidated 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

Pinaki Chowdhury
Partner
Membership No. 057572

For and on behalf of the Board of Directors

T V Narendran
Chairman
DIN: 03083605

Ashish Anupam
Managing Director
DIN: 08384201

S K Shrivastav
Chief Financial Officer

Sankar Bhattacharya
Company Secretary

Place: Kolkata
Date: April 25, 2023

Place: Mumbai
Date: April 25, 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

(A) Equity share capital

(₹ in Crores)

Particulars	Notes	Amount
As at April 1, 2022	13	45.10
Changes in equity share capital during the year		-
As at March 31, 2023		**45.10**

(B) Other equity

(₹ in Crores)

Particulars	Notes	Attributable to owners						Non-controlling interests	Total
		Reserves and surplus			Other reserves				
		General reserves	Securities premium	Retained earnings	Remeasurement gain / (loss) on defined benefit plans	Equity instruments through other comprehensive income	Cash flow hedge reserve		
Balance as at April 01, 2022	14	900.00	1,449.99	799.34	(5.83)	11.87	-	-	3,155.37
Addition relating to acquisition		-	-	-	-	-	-	251.32	251.32
Adjustment for changes in ownership interests		-	-	66.00	-	-	-	234.00	300.00
Loss for the year		-	-	(2,248.47)	-	-	-	(55.38)	(2,303.85)
Other comprehensive income		-	-	-	(4.92)	2.80	(1.30)	(0.29)	(3.71)
Transactions with the owners in their capacity as owners									
Dividend paid during the year	30(b)	-	-	(56.38)	-	-	-	-	(56.38)
Balance as at March 31, 2023	14	900.00	1,449.99	(1,439.51)	(10.75)	14.67	(1.30)	429.65	1,342.75
Notes forming an integral part of the consolidated financial statements	**1 to 61**								

This is the Consolidated Statement of changes in equity referred to our report of even date

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

Pinaki Chowdhury
Partner
Membership No. 057572

Place: Kolkata
Date: April 25, 2023

For and on behalf of the Board of Directors

T V Narendran
Chairman
DIN: 03083605

Ashish Anupam
Managing Director
DIN: 08384201

S K Shrivastav
Chief Financial Officer

Sankar Bhattacharya
Company Secretary

Place: Mumbai
Date: April 25, 2023

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

(₹ in Crores)

		Year ended March 31, 2023
A.	**Cash flows from operating activities**	
	Loss before tax	(2,538.03)
	Adjustments for:	
	Depreciation and amortisation expense	715.77
	Changes in fair value of financial assets / liabilities at fair value through profit or loss	(20.51)
	Gain on cancellation of forward contracts	(14.21)
	Dividend received from equity investments	(5.33)
	Gain on sale of current investments	(121.14)
	Loss on disposal of property, plant and equipment	1.82
	Interest income	(39.15)
	Finance costs	1,387.44
	Other non-cash items	0.01
	Operating (loss) before working capital changes	**(633.33)**
	Changes in operating assets and liabilities:	
	(Increase) in inventories	(628.70)
	(Increase) in Non-current/current financial and non-financial assets	(357.09)
	Increase in Non-current/current financial and non-financial liabilities/provisions	42.21
	Cash (used in) operations	**(1,576.91)**
	Income taxes (paid)	(38.62)
	Net cash (used in) operating activities	**(1,615.53)**
B.	**Cash flows from investing activities**	
	Purchase of capital assets	(221.12)
	Sale of capital assets	7.53
	Payments relating to a capital project that is classified as assets held for sale (Refer note 41)	(57.15)
	Payments relating to current business combination (net of cash acquired) (Refer note 38)	(9,812.08)
	Payments relating to past business combination	(12.83)
	Sale of current investments (net)	7,114.04
	Fixed deposits placed with Banks (net)	(8.51)
	Interest received	40.54
	Dividend received from equity investments	5.33
	Net cash (used in) investing activities	**(2,944.25)**

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

(₹ in Crores)

	Year ended March 31, 2023
C. Cash flows from financing activities	
Proceeds from issue of equity shares by Neelachal Ispat Nigam Limited	300.00
Finance costs paid (excluding interest towards lease liabilities)	(103.77)
Payment of lease liabilities	(8.70)
Interest paid on lease liabilities	(8.40)
Gain on cancellation of forward contracts	14.21
Dividend paid	(56.38)
Net cash generated from financing activities	**136.96**
Net (decrease) in cash and cash equivalents	(4,422.82)
Cash and cash equivalents at the beginning of the year	4,558.91
Cash and cash equivalents at the end of the year (Refer Note 12(i))	**136.09**
Notes forming an integral part of the consolidated financial statements **1 to 61**	

This is the Consolidated Statement of Cash Flows referred to our in report of even date

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

Pinaki Chowdhury
Partner
Membership No. 057572

Place: Kolkata
Date: April 25, 2023

For and on behalf of the Board of Directors

T V Narendran
Chairman
DIN: 03083605

Ashish Anupam
Managing Director
DIN: 08384201

S K Shrivastav
Chief Financial Officer

Sankar Bhattacharya
Company Secretary

Place: Mumbai
Date: April 25, 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

1. Corporate information

Tata Steel Long Products Limited ('TSLPL' or 'the Holding Company') is a public limited Company incorporated in India with its registered office at Joda, Odisha, India. The Holding Company is a subsidiary of Tata Steel Limited. The Holding Company has a subsidiary Neelachal Ispat Nigam Limited (NINL) (Refer Note 38 and Note 45).

The Holding Company and its subsidiary (collectively referred to as 'the Group') have presence across the entire value chain of steel manufacturing from mining and processing iron ore to producing and distributing steel based long products.

The equity shares of the Holding Company are listed on two of the stock exchanges in India i.e., National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

The consolidated financial statements were approved and authorised for issue with the resolution of the Holding Company's Board of Directors on April 25, 2023.

2. Significant accounting policies

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

2.01 Basis of accounting and preparation of financial statements

(i) Compliance with Ind AS

TSLPL on July 4, 2022 has completed the acquisition of NINL [refer note 38] for a total consideration of ₹ 12,100.00 crores as per the terms and conditions of Share Sale and Purchase Agreement (SPA). The Company has prepared the consolidated financial statements with the acquisition of NINL from July 4, 2022 [refer note 38]. Accordingly, figures for the year ended March 31, 2022 are not applicable and not provided with in accordance with applicable accounting standards. For the purposes of disclosure of opening balance/movement during the year as required as per the relevant accounting standard / Schedule III and Other pronouncements, opening balance (April 1, 2022) has been considered as balances of TSLPL as on March 31, 2022, from the audited standalone financial statements.

(ii) Historical Cost Convention

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

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value.
- assets held for sale — measured at fair value less cost to sell.
- defined benefit plans — plan assets measured at fair value.

(iii) Current versus Non-current Classification

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

An asset is classified as current when it is:

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

All other assets are classified as non-current.

A liability is classified as current when:

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

All other liabilities are classified as non-current.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

2.02 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Holding Company and entities controlled by the Holding Company i.e., its subsidiaries. Control is achieved when the Holding Company is exposed to or has rights to the variable returns of the entity and the ability to affect those returns through its power to direct the relevant activities of the entity.

The results of subsidiaries acquired or disposed off during the year are included in the consolidated statement of Profit and Loss from the effective date of acquisition or up to the effective date of disposal, as appropriate. Wherever necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

Intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by acquisition basis. Subsequent to acquisition, the carrying value of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interests having a deficit balance.

2.03 Use of estimates and critical accounting judgements

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgements, 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 recognised 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 (estimation of defined benefit obligation) - Refer Notes 02.17 and 37

Post-employment benefits represent obligation that will be settled in the future and require assumptions to project benefit obligations. Post-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 Group 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.

(ii) Estimation of expected useful lives and residual values of property, plant and equipment - Refer Notes 02.04 and 03

Management reviews its estimate of useful life of property, plant & equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

(iii) Provision and Contingent liabilities - Refer Notes 02.20, 02.21, 16, and 33

A provision is recognised when the Group 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. Contingent liabilities, as disclosed in Note 33, are not recognised in the financial statements. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcomes. In the normal course of business, the Group consults with legal counsel and certain other experts on matters related to litigations. The Group accrues a liability when it is determined that an adverse outcome is probable, and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible, or an estimate is not determinable, the matter is disclosed.

(iv) Fair value measurements and valuation processes - Refer Notes 02.10 2.17, 8, 16, 31 and 37

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including Discounted Cash Flow Model and Comparable Company Method. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(v) Impairment - Refer Notes 02.08 and 40

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

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets. The Group has identified three CGUs - Integrated steel manufacturing plant at Gamharia, Neelachal Ispat Nigam Limited and Sponge iron manufacturing plant at Joda.

(vi) Impairment of Goodwill – Refer note 40

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the combination. Cash generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit's value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying value of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying value of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

(vii) Goodwill Arising on Consolidation - Refer note 38 and 40

Goodwill is initially recognised at cost and is subsequently measured at cost less impairment losses, if any. Refer note 02.03(vi) for Impairment of Goodwill.

(viii) Loss allowance for Expected Credit Losses – Refer note 11

To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles of sales over past quarters before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The assumptions and estimates applied for determining the loss allowance are reviewed periodically.

(ix) Allocation of consideration over the fair value of assets and liabilities acquired in a business combination - Refer Notes 02.09 and 38

Assets and liabilities acquired pursuant to business combination are stated at the fair values determined

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as of the date of acquisition. The carrying values of assets acquired are determined based on estimate of a valuation carried out by independent professional valuers appointed by the Group. The values have been assessed based on the technical estimates of useful lives of tangible assets and benefits expected from the use of intangible assets. Other assets and liabilities were recorded at values that were expected to be realised or settled respectively.

2.04 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are recognised as an expense in the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation Method, Estimated Useful Lives and Residual Values

Depreciation on property, plant and equipment is calculated on a pro-rata basis using the straight-line method to allocate their 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 plant and machinery, furniture and fixtures and vehicles, in whose 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 estimated useful lives of property, plant and equipment are as under:

Category of assets	Useful life
Buildings	3 - 60 years
Plant and equipment and electrical installations	2 - 35 years
Furniture and fixtures	1 - 10 years
Office equipments	2 - 10 years
Vehicles	1- 8 years
Railway sidings	8 - 35 years

Mining assets are amortised over the useful life of the mine or lease period, whichever is lower.

Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the item.

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. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the Consolidated Statement of Profit and Loss within 'Other Income'/'Other Expenses'. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as 'Capital Advances' under other non- current assets and the cost of property, plant and equipment not ready to use are disclosed under 'Capital Work-in progress'.

2.05 Leases

The Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises 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 Group recognises the lease payments

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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 following lease payments:

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

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 Group, 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. 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 offices are recognised on a straight-line basis as an expense in Consolidated 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 recognised in Consolidated Statement of Profit and Loss in the period in which the condition that triggers those payment occurs.

2.06 Intangible assets

(i) Railway sidings (constructed)

Railway sidings is included in the Balance Sheet as an intangible asset where it is clearly linked to long term economic benefits for the Group. In this case it is measured at cost of construction and then amortised on a straight-line basis over their estimated useful lives.

Railway sidings are amortised on a straight-line basis over their estimated useful lives i.e. 5 years.

(ii) Computer software (acquired)

Software for internal use, which is primarily acquired from third-party vendors is capitalised. It has a finite useful life and are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of software includes license fees and cost of implementation/system integration services, where applicable.

Computer software are amortised over a period of 5 years. Amortisation method and useful lives are reviewed periodically including at each financial year end.

(iii) Mining rights (fair valued on acquisition)

Savings in the form of the differential in cost of acquisition of iron ore mined from the acquired mine and the cost incurred to acquire iron ore from the open market, adjusted for costs incurred to develop and maintain the acquired mine is accounted as intangible assets.

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

2.07 Research and Development

Research costs are expensed as incurred. Expenditure on development that do not meet the specified criteria under Ind AS 38 on 'Intangible Assets' are recognised as an expense as incurred.

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2.08 Impairment of non-financial assets

Upon acquisition of a new business, goodwill has been accounted for in terms of Ind AS 103. The goodwill so recognised is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

2.09 Business Combinations

Acquisition of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in each business combination is measured at the aggregate of the acquisition date fair values of assets transferred, liabilities incurred by the Group to the former owners of the acquiree and equity interests issued by the Group in exchange for control of the acquiree.

Acquisition related costs are recognised in the Consolidated Statement of Profit and Loss.

Goodwill arising on acquisition is recognised as an asset and measured at cost, being the excess of the consideration transferred in the business combination over the Group's interest in the net fair value of the identifiable assets acquired, liabilities assumed, and contingent liabilities recognised, as applicable. Where the fair value of the identifiable assets and liabilities exceed the cost of acquisition, after re-assessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve on consolidation.

Once control has been achieved, any subsequent acquisitions where the Group does not originally hold hundred percent interest in a subsidiary are treated as an acquisition of shares from non-controlling shareholders. The identifiable net assets are not subject to further fair value adjustments and the difference between the cost of acquisition of the non-controlling interest and the net book value of the additional interest acquired is adjusted in equity.

2.10 Financial instruments

Financial assets and financial liabilities are recognised when the Group 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 recognised immediately in the Consolidated Statement of Profit and Loss.

2.11 Investments and Other Financial Assets

(i) Classification

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through Consolidated Statement of Profit and Loss), and
- those to be measured at amortised cost.

The classification depends on the Group'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 Consolidated Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this depends on the business model in which the investment is held.

For investments in equity instruments, this depends on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies the debt investments when and only when the business model for managing those assets changes.

(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 Consolidated Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at transaction cost.

Debt Instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instrument as amortised cost measurement categories. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised or impaired.

Equity Instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Consolidated Statement of Profit and Loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other Income' in the Consolidated Statement of Profit and Loss.

(iii) Impairment of financial assets

The Group 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 31 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

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

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset.

Where the Group 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 financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

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(vi) Dividend Income

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in Consolidated Statement of profit or loss when the right to receive payment is established.

(vii) Fair Value of Financial Instruments

In determining the fair value of financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

(viii) Offsetting Financial Instruments

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

2.12 Financial liabilities and equity instruments

(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Group 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 Group 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 Consolidated Statement of Profit and Loss.

(iii) De-recognition of financial liabilities

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

2.13 Derivatives and hedging activities

In the ordinary course of business, the Group uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange fluctuations. The instruments are confined principally to forward foreign exchange contracts.

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Derivative Instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period, with changes included in 'Other Income'/'Other Expenses'.

Cash flow hedges that qualify for hedge accounting:

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

When option contracts are used to hedge forecast transactions, the Group designates only the intrinsic value of the options as the hedging instrument.

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Gains or losses relating to the effective portion of the change in intrinsic value of the options are recognised in the cash flow hedging reserve within equity. The changes in the time value of the options that relate to the hedged item ('aligned time value') are recognised within other comprehensive income in the costs of hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, as follows:

- Where the hedged item subsequently results in the recognition of a non-financial asset (such as inventory), both the deferred hedging gains and losses and the deferred time value of the option contracts or deferred forward points, if any, are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example through cost of materials consumed).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).

2.14 Trade Receivables

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

2.15 Trade Payables

Trade payables represent liabilities for goods and services provided to the Group 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.

2.16 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

2.17 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 Consolidated Balance Sheet.

(ii) Post-employment Benefits

(a) Defined Benefit Plans

The liability or asset recognised in the Consolidated 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 Consolidated Statement of Profit and Loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. These are included in 'Retained Earnings' in the Consolidated Statement of Changes in Equity.

Eligible employees (except certain employees) of the Group receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Group contributes a portion to own trusts. The trust invests in specific designated instruments as prescribed by the Government. The remaining portion is contributed to the Government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Group has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate. The contributions made by the Group and the shortfall of interest, if any, are recognised as an expense in the Consolidated Statement of Profit and Loss under employee benefits expense.

(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 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' within 'Current Provisions' in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

2.18 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

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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. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

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.

2.19 Inventories

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 comprises 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. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material.

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

2.20 Provisions and Contingent liabilities

Provisions are recognised when the Group 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 Group or a present obligation that arises from past events where it is either not probable that an outflow of resources

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embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

2.21 Provision for restoration and environmental costs

The Group has liabilities related to restoration of soil and other related works, which are due upon the closure of its mining site.

Such liabilities are estimated case-by-case based on available information, taking into account applicable local legal requirements. The estimation is made using existing technology, at current prices, and discounted using an appropriate discount rate where the effect of time value of money is material. Future restoration and environmental costs, discounted to net present value, are capitalised and the corresponding restoration liability is raised as soon as the obligation to incur such costs arises. Future restoration and environmental costs are capitalised in property, plant and equipment or mining assets as appropriate and are depreciated over the life of the related asset. The effect of time value of money on the restoration and environmental costs liability is recognised in the Consolidated Statement of Profit and Loss.

2.22 Revenue recognition

(i) Sale of goods and product scrap

Revenue from sale of goods and product scrap is recognised when the control over such goods have been transferred, being when the goods are delivered to the customers. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, risks of loss have been transferred to the customers, and either the customer has accepted the goods in accordance with the sales contract or the acceptance provisions have lapsed or the Group has objective evidence that all criteria for acceptance have been satisfied. Revenue from these sales are recognised based on the price specified in the contract, which is generally fixed. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration. No element of financing is deemed present as the sales are made against the receipt of advance or with an agreed credit period of upto 90 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.

(ii) Sale of Power

Revenue from the sale of power is recognised when the control has been transferred to the customer, being when the power have been transmitted to the buyer as per the terms of contract with the customer. Revenue from sale of power is recognised based on the price specified in the agreement, which is fixed. No element of financing is deemed present as the sales are made with an agreed credit period of 30 days, which is consistent with the market practices. A receivable is recognised when the power have been transmitted as this is the point in time that the consideration is unconditional because only passage of time is required before payment is due.

(iii) Income from services

The Group acts as a conversion agent for conversion of iron ore into sponge iron and iron ore fines into pellets and provides marketing and sales support services for facilitating sales of sponge iron products. Revenue from services is recognised when the control has been transferred to the customer, being when the service is rendered to the buyer as per the terms of contract with the customer. A receivable is recognised when the converted pellets are despatched or sponge iron products are sold as this is the point in time that the consideration is unconditional because only passage of time is required before payment is due.

2.23 Government grants

Government grants are recognised at its fair value, where there is a reasonable assurance that such grants will be received and compliance with the conditions attached therewith have been met.

Export incentives are recognised when the right to receive the credit is established and when there does not exist any uncertainty as to its collection.

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2.24 Foreign currency transactions and translation

(i) Functional and Presentation Currency

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

(ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. 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. The exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognised in the Consolidated Statement of Profit and Loss.

All other foreign exchange gains and losses are presented in the Consolidated Statement of Profit and Loss on a net basis within 'Other Income'/'Other Expenses'. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2.25 Non-current assets held for sale

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. The Group must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

2.26 Borrowings costs

Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the period in which they are incurred.

2.27 Earnings per share

(i) Basic Earnings per Share

Basic earnings per equity share is computed by dividing profit or loss attributable to owners of the Holding Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted Earnings per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.28 Cash and cash equivalents

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.29 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. Refer Note 42 for segment information presented.

2.30 New and amended standards adopted by the Company.

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.31 New amendments issued but not effective.

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends certain accounting standards, and are effective 1 April 2023. The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications. These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as accounting policy already complies with the now mandatory treatment.

2.32 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores (₹ 0,000,000) as per the requirement of the Schedule III, unless otherwise stated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

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

(₹ in Crores)

Carrying amounts of:	As at March 31, 2023
Freehold land	200.69
Freehold buildings	431.71
Plant and equipment	4,691.73
Furniture and fixtures	1.84
Electrical Installations	332.99
Office equipments	18.98
Vehicles	0.29
Mining lease and development	7.86
Railway Sidings	46.76
Total	**5,732.85**
Capital work-in-progress (Refer note 03.06)	247.24
Less: Classified as Held for Sale (Refer note 41)	(12.56)
Total	**234.68**

(₹ in Crores)

	Freehold land	Freehold buildings	Plant and equipment	Furniture and fixtures	Electrical Installations	Office equipments	Vehicles	Mining lease and development	Railway Sidings	Total
Cost/deemed cost										
Balance as at April 01, 2022	200.55	252.81	3,449.94	1.90	482.07	18.07	0.57	20.48	27.94	4,454.33
Additions during the year	-	17.66	120.97	1.24	3.33	12.38	-	-	-	155.58
Assets acquired under business combination (Refer Note 38)	0.14	226.60	2,253.54	0.02	-	0.07	0.05	-	30.14	2,510.56
Assets disposed / written off during the year	-	-	8.26	-	-	0.15	-	-	-	8.41
Balance as at March 31, 2023	**200.69**	**497.07**	**5,816.19**	**3.16**	**485.40**	**30.37**	**0.62**	**20.48**	**58.08**	**7,112.06**
Accumulated depreciation										
Accumulated depreciation as at April 01, 2022	-	45.28	658.80	1.06	127.83	6.25	0.19	9.09	7.04	855.54
Charge for the year	-	20.08	467.62	0.26	24.58	5.29	0.14	3.53	4.28	525.78
Depreciation on assets disposed / written off during the year	-	-	1.96	-	-	0.15	-	-	-	2.11
Accumulated depreciation as at March 31, 2023	**-**	**65.36**	**1,124.46**	**1.32**	**152.41**	**11.39**	**0.33**	**12.62**	**11.32**	**1,379.21**
Carrying amount										
Balance as at March 31, 2023	**200.69**	**431.71**	**4,691.73**	**1.84**	**332.99**	**18.98**	**0.29**	**7.86**	**46.76**	**5,732.85**

Notes :

03.01 Refer Note 44 for information on property, plant and equipment hypothecated as security by the Group.

03.02 Depreciation on property, plant and equipment has been included under 'Depreciation and amortisation expense' in the Consolidated Statement of Profit and Loss (Refer Note 28).

03.03 On transition to Ind AS, the Group had chosen to carry forward previous GAAP carrying amount and accordingly the net carrying amount on transition date was considered as the deemed cost.

03.04 Refer note 34 for disclosure of contractual commitments for the acquisition of property, plant and equipment

03.05 The Group has not revalued its property, plant and equipment (including right-of-use assets) and intangible assets during the current year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

03.06 Details of Capital work-in-progress

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

(₹ 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	
As at March 31, 2023					
Projects in progress	85.44	2.82	0.21	146.07	234.54
Projects temporarily suspended	-	-	-	0.14	0.14
Total	**85.44**	**2.82**	**0.21**	**146.21**	**234.68**

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

(₹ in Crores)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at March 31, 2023					
Projects in progress					
Improvement projects	-	98.09	-	-	98.09
Sustenance projects	23.41	23.48	-	-	46.89
Projects temporarily suspended	-	-	-	-	-
Total	**23.41**	**121.57**	**-**	**-**	**144.98**

₹ 121.57 crores represent amount in relation to the Subsidiary (NINL). Operations of NINL were shut since March 2020 and the capital projects got delayed as detailed above. Post acquisition of the Company by the Holding Company, the new management has made a detailed assessment, inter alia, involving external technical experts as applicable and expects the projects to be completed as detailed in the table above.

04 Leases

(a) The group as a lessee

The Group has lease contracts for various items of plant and equipment, vehicles, offices, leased land. Leases of plant and equipment generally have lease terms between 9 to 26 years, vehicles generally have lease terms upto 5 years, offices generally have lease terms between 12 months to 5 years and leases of land generally have lease terms between 30 years to 100 years. Generally, the Group 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. Leased assets may be used as security for borrowing purposes.

The Group also has certain leases of offices, plant and machinary with lease term of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(b) Following are the changes in carrying value of right of use assets

(₹ in Crores)

	As at March 31, 2023
Right-of-use land	732.49
Right-of-use plant and equipment	77.56
Right-of-use buildings	2.30
Right-of-use vehicles	2.53
Total Right-of-use assets	**814.88**

(₹ in Crores)

	Right-of-use land	Right-of-use plant and equipment	Right-of-use buildings	Right-of-use vehicles	Total Right-of-use assets
Cost/deemed cost					
Balance as at April 01, 2022	**134.44**	**119.12**	**4.21**	**0.56**	**258.33**
Additions during the year	-	-	2.21	2.34	4.55
Assets acquired under business combination (Refer Note 38)	622.97	-	-	-	622.97
Assets disposed / written off during the year	-	-	3.30	-	3.30
Balance as at March 31, 2023	**757.41**	**119.12**	**3.12**	**2.90**	**882.55**
Accumulated depreciation					
Accumulated depreciation as at April 01, 2022	13.34	32.95	0.74	0.02	47.05
Charge for the year	11.58	8.61	0.34	0.35	20.88
Depreciation on assets disposed / written off during the year	-	-	0.26	-	0.26
Accumulated depreciation as at March 31, 2023	**24.92**	**41.56**	**0.82**	**0.37**	**67.67**
Carrying amount					
Balance as at March 31, 2023	**732.49**	**77.56**	**2.30**	**2.53**	**814.88**

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

(₹ in Crores)

	As at March 31, 2023
Balance as at beginning of the year	90.05
Additions during the year	4.55
Acquired under business combination (Refer Note 38)	4.09
Finance costs during the year	8.03
Lease payments during the year	(17.10)
Balance as at end of the year	**89.62**
Current lease liabilities	8.72
Non-current lease liabilities	80.90

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis -

(₹ in Crores)

	As at March 31, 2023
Less than one year	15.91
One to five years	58.13
More than five years	81.85
Total	**155.89**

(d) Following are the amounts recognised in the Statement of profit and loss

(₹ in Crores)

	Year ended March 31, 2023
Depreciation expense on right-of-use assets (Refer Note 28)	20.88
Interest expense on lease liabilities (Refer Note 27)	8.03
Expense relating to short-term leases (included in other expenses)	2.20
Expense relating to variable lease payments not included in the measurement of the lease liability (included in other expenses) (Refer note (ii) below)	8.69
Total amount recognised in the Statement of profit and loss	**39.80**

(i) The Group does not have any leases of low value assets and subleases.

(ii) Some of the plant and equipment leases, in which the Group is a lessee, contain variable lease payments that are linked to output generated. Variable lease payments are used to link rental payments to output generated and reduce fixed costs. The breakdown of lease payment is as below:

(₹ in Crores)

	Year ended March 31, 2023
Fixed payments	-
Variable payments	8.69
Total payments	**8.69**

Overall the variable payments constitute up to approximately 31 per cent of the Group's entire lease payments. The Group expects this ratio to be constant in future years.

(iii) Extension and termination options are included in major leases contracts of the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable by both the Group and lessor.

(iv) There are no residual value guarantees in relation to any lease contracts.

(v) The Group had a total cash outflows of ₹ **17.10 crores** for leases for the year ended March 31, 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

05 Other intangible assets

(₹ in Crores)

Carrying amounts of:	As at March 31, 2023
Computer software (acquired)	2.66
Railway sidings (constructed)	-
Mining rights (acquired)	8,713.36
Total intangible assets	**8,716.02**

(₹ in Crores)

	Computer software (acquired)	Railway sidings (constructed)	Mining rights (acquired)	Total intangible assets
Cost/deemed cost				
Balance as at April 01, 2022	1.64	7.26	330.86	339.76
Additions during the year	2.06	-	6.63	8.69
Assets acquired under business combination (Refer note 38)	-	-	8,612.00	8,612.00
Assets disposed / written off during the year	-	-	-	-
Balance as at March 31, 2023	**3.70**	**7.26**	**8,949.49**	**8,960.45**
Accumulated amortisation				
Accumulated amortisation as at April 01, 2022	0.45	7.26	67.61	75.32
Charge for the year	0.59	-	168.52	169.11
Amortisation of assets disposed / written off during the year	-	-	-	-
Accumulated amortisation as at March 31, 2023	**1.04**	**7.26**	**236.13**	**244.43**
Carrying amount				
Balance as at March 31, 2023	**2.66**	**-**	**8,713.36**	**8,716.02**

Notes

05.01 The amortisation has been included under 'Depreciation and Amortisation Expenses' in the Consolidated Statement of Profit and Loss (Refer Note 28).

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

06 Investments

(₹ in Crores)

	As at March 31, 2023
(i) Non-current investments	
A. Investments carried at cost:	
(a) Investments in Equity Instruments of subsidiary	
(i) Unquoted	
Jamipol Limited	19.28
800,000 equity shares of ₹ 10 each fully paid up	
Total Non - current investments	**19.28**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

(₹ in Crores)

	As at March 31, 2023
(ii) Current Investments	
Investments carried at fair value through profit and loss:	
(a) Investment in liquid mutual funds -	
(i) Unquoted	
(1) Nippon India Liquid Fund - Direct Plan - Growth	51.49
(2) TATA Liquid Fund - Direct Plan - Growth	179.94
(3) HDFC Liquid Fund - Direct Plan - Growth	189.05
(4) UTI Liquid Cash Plan - Direct Plan - Growth	42.38
(5) Aditya Birla Sun Life Liquid Fund - Direct Plan - Growth	27.15
(6) Kotak Liquid Fund - Direct Plan - Growth	55.30
(7) IDFC Cash Fund - Direct Plan - Growth	57.19
(8) SBI Liquid Fund - Direct Plan - Growth	202.19
(9) Axis Liquid Fund - Direct Plan - Growth	181.87
(10) ICICI Prudential Liquid Fund - Direct Plan - Growth	56.62
(11) DSP Liquidity Fund - Direct Plan - Growth	25.10
(12) TATA Overnight Fund - Direct Plan - Growth	18.06
(13) SBI Overnight fund - Direct Plan - Growth	18.06
Total current investments	**1,104.40**
Aggregate amount of unquoted investments	**1,123.68**
Investments carried at fair value through profit or loss (FVTPL)	1,104.40
Investments carried at fair value through other comprehensive income [Refer Note 31(b)(i)]	19.28

Refer Note 31 for information about fair value measurement, credit risk and market risk on investments.

07 Loans

(Unsecured, considered good unless stated otherwise)

(₹ in Crores)

	As at March 31, 2023	
	Non-current	Current
Loan to employees	0.02	0.50
	0.02	**0.50**

08 Other financial assets

(Unsecured, considered good unless stated otherwise)

(₹ in Crores)

		As at March 31, 2023	
		Non-current	Current
(a)	Interest accrued on deposits and loans	0.27	0.39
(b)	Security deposits		
	Considered good	37.74	3.48
	Credit impaired	0.40	0.23
	Less: Allowance for credit losses	(0.40)	(0.23)
(c)	Bank deposits with more than 12 months maturity (Refer note 08.01)	3.23	10.24
(d)	Receivable against deallocation of coal block (Refer note 08.02)	-	178.81
(e)	Others (Refer note 08.03)	-	77.23
(e)	Less: Others classified as held for sale (Refer note 41)	-	(5.38)
		41.24	**264.77**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

Notes:

08.01 Out of the total non-current and current bank deposits ₹ 13.47 crores is earmarked.

08.02 By judgement of September 24, 2014, the Hon'ble Supreme Court cancelled allocation of 214 coal blocks including Radhikapur (East) Coal Block ('RECB') which was allotted to the Holding Company on February 7, 2006. The carrying amount in books as at March 31, 2023 towards amounts incurred by the Holding Company on RECB, prior to de-allocation aggregates to ₹ 178.81 crores. Pursuant to the judgement of the Hon'ble Supreme Court, Government of India promulgated Coal Mines (Special Provision) Act, 2015 (the 'Act') for fresh allocation of the coal mines through auction. In terms of the Act, the prior allottee would be compensated for expenses incurred towards land and mine infrastructure.

The validity of the Act has been challenged by Federation of Indian Mineral Industries ('FIMI') in 2019 before the Hon'ble Supreme Court to the extent that the Act does not provide grant of just, fair and equitable compensation in a time bound manner to the prior allotees of the coal blocks. After much follow-up with the relevant authorities for recovery of compensation, the Holding Company has filed an Interlocutory Application on December 15, 2022 before the Hon'ble Supreme Court in the pending writ of FIMI seeking to expedite disbursement of the compensation.

Based on assessment of the matter by the Holding Company including evidence supporting the expenditure and claim and external legal opinion obtained by the Holding Company, the aforesaid amount is considered good and fully recoverable.

08.03 Others includes upfront amount ₹ 46.89 crores paid to government authorities upon transfer of mining lease under Minerals (Transfer of Mining Lease Granted Otherwise than through Auction for Captive Purpose) Rules, 2016.

09 Other assets

(Unsecured, considered good unless stated otherwise)

(₹ in Crores)

		As at March 31, 2023	
		Non-current	Current
(a)	Capital advances	43.63	-
	Less: Capital advances classified as held for sale (Refer note 41)	(39.21)	
(b)	Indemnification assets	-	2.29
(c)	Advances to related parties (Refer Note 36) *	-	0.00
(d)	Other loans and advances		
	(i) Advances with public bodies		
	Considered good	1.43	278.26
	Considered doubtful	6.09	7.91
	Less : Provision for doubtful advances	(6.09)	(7.91)
	(ii) Other advances and prepayments		
	Considered good	15.38	38.88
	Considered doubtful	-	13.08
	Less : Provision for doubtful advances	-	(13.08)
		21.23	**319.43**

* Amount below rounding off norms adopted by the Group

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

10 Inventories

(lower of cost and net realisable value)

(₹ in Crores)

		As at March 31, 2023
(a)	Raw materials	1,300.61
(b)	Finished and semi-finished goods	822.79
(c)	Stores and spares	212.57
		2,335.97
Included above, goods-in-transit		
(a)	Raw materials	153.06
(b)	Finished and semi-finished goods	78.36
(c)	Stores and spares	6.63
		238.05

Notes:

(i) Value of inventories stated above is after provisions of ₹ **61.95 crores** for write-downs to net realisable value and provision for slow-moving and obsolete items.

(ii) Refer Note 44 for information on inventories hypothecated as security by the Group.

11 Trade receivables

(₹ in Crores)

	As at March 31, 2023
Unsecured, considered good	195.78
Unsecured, credit impaired	0.67
	196.45
Less : Allowance for expected credit loss	(0.67)
Total trade receivables	**195.78**
Trade receivables from related parties (Refer Note 36)	173.63
Trade receivables other than related parties	22.82
Less: Allowance for expected credit losses	(0.67)
	195.78

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

(₹ in Crores)

Particulars	Unbilled	Not due for payment	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	
As at March 31, 2023								
Undisputed, Considered good	-	148.89	45.96	0.93	-	-	-	195.78
Undisputed, Credit impaired	-	-	-	-	0.50	0.17	-	0.67
Disputed, Considered good	-	-	-	-	-	-	-	-
Disputed, Credit impaired	-	-	-	-	-	-	-	-
Total	**-**	**148.89**	**45.96**	**0.93**	**0.50**	**0.17**	**-**	**196.45**
Less: Allowance for credit losses								0.67
Total trade receivables								**195.78**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

(ii) Movements in allowance for credit losses of receivables is as below:

(₹ in Crores)

	As at March 31, 2023
Balance at the beginning of the year	0.67
(Release) / Charge during the year	-
Utilised during the year	-
Balance at the end of the year	**0.67**

(iii) The Group considers its maximum exposure to credit risk with respect to customers (net of amount covered by letter of credit and allowance for credit losses) as at March 31, 2023 to be ₹ **195.78 crores.**

(₹ in Crores)

	Gross credit risk	Covered by letter of credit	Allowance for credit losses	Net credit risk
As at March 31, 2023				
Amount not yet due	148.89	-	-	148.89
One month overdue	25.02	-	-	25.02
Two months overdue	9.09	-	-	9.09
Three months overdue	11.53	-	-	11.53
Between three to six months overdue	0.32	-	-	0.32
Greater than six months overdue	1.60	-	0.67	0.93
	196.45	**-**	**0.67**	**195.78**

(iv) There is one customer whose balance represents more than 10% of total balance of Trade Receivables as at March 31, 2023. and March 31, 2022.

(v) There are no outstanding receivables due from directors or other officers of the Group.

(vi) Refer Note 31 for information about credit risk and market risk on receivables.

(vii) Refer Note 44 for information on Trade receivables hypothecated as security by the Group.

12 Cash and cash equivalents

(₹ in Crores)

		As at March 31, 2023
(i)	**Cash and cash equivalents**	
(a)	Balances with scheduled banks	
	(1) In current accounts	52.08
	(2) In fixed deposit accounts having original maturity of three months or less	84.00
(b)	Cash on hand	0.01
	Total Cash and cash equivalents	**136.09**
(ii)	**Bank balances other than (i) above**	
(a)	In Unclaimed Dividend Accounts @	2.08
(b)	In fixed deposit accounts (with original maturity of more than three months and maturing within twelve months from the balance sheet date) (Refer note (ii) below)	914.57
(c)	In current account (Refer note (iii) below)	27.45
		944.10
	@ Includes earmarked balances in unclaimed dividend accounts	2.08

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

Notes:

(i) There are no repatriation restrictions with regard to Cash and cash equivalents as at the year end of the current reporting period.

(ii) The fixed deposit represents the earmarked balance for the amount held back against the consideration payable for acquisition of Neelachal Ispat Nigam Limited ('NINL').

(iii) The current account in bank balance represents interest credit by bank in escrow account on fixed deposits of ₹ 911.17 crores.

13 Equity share capital

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

(₹ in Crores)

	As at March 31, 2023
Authorised share capital:	
75,000,000 fully paid equity shares of ₹ 10 each	75.00
Issued, subscribed and fully paid up :	
45,100,000 equity shares of ₹ 10 each	45.10
Fully paid equity shares	**45.10**

B Reconciliation of number of shares outstanding

	No. of equity shares	Amount ₹ in crores
Equity shares of ₹ 10 each		
As at April 01, 2022	4,51,00,000	45.10
Changes in equity share capital during the year	-	-
As at March 31, 2023	**4,51,00,000**	**45.10**

C Shares held by parent company

	As at March 31, 2023	
	No. of equity shares	%
Fully paid equity shares		
Tata Steel Limited (Parent Company)	3,37,86,521	74.91%
	3,37,86,521	**74.91%**

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

	As at March 31, 2023	
	No. of equity shares	%
Fully paid equity shares		
Tata Steel Limited (Parent Company)	3,37,86,521	74.91%
	3,37,86,521	**74.91%**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

E Details of shareholding of promoters

Sr. No.	Equity Shares held by promoters at year end	As at March 31, 2023		
	Promoter name*	Number of shares	% total shares	% Change during the financial year 2022-23
1	Tata Steel Limited	3,37,86,521	74.91%	Nil

* Considered as per the return / document filed by the Holding Company.

F Rights, preferences and restrictions attached to shares

The Holding 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 Holding Company after distribution of all preferential amounts, in proportion to their shareholding.

13 A Preference share capital

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

(₹ in Crores)

	As at March 31, 2023
Authorised Share Capital:	
1,530,000,000 Non-Convertible Redeemable Preference Shares of ₹ 100 each	15,300.00
Issued, subscribed and fully paid up :	
1,270,000,000 Non-Convertible Redeemable Preference Shares of ₹ 100 each	12,700.00

B Reconciliation of number of shares outstanding

	No. of preference shares	Amount
Non-Convertible Redeemable Preference Shares of ₹ 100 each		
As at April 1, 2022	1,27,00,00,000	12,700.00
Changes in preference share capital during the year	-	-
As at March 31, 2023	**1,27,00,00,000**	**12,700.00**

C Rights, preferences and restrictions attached to preference shares

The Holding 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 Holding Company declares and pays dividend in Indian Rupees. The preference shares shall carry a preferential right vis-à-vis equity shares of the Holding 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 Holding Company.

For terms of redemption, refer sub-note (ii) of Note 15 - Borrowings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

14 (i) Other equity

(₹ in Crores)

	As at March 31, 2023
General reserves	900.00
Securities premium	1,449.99
Retained earnings	(1,439.51)
Remeasurement (loss) on defined benefit plans	(10.75)
Equity instruments through other comprehensive income	14.67
Cash flow hedge reverse	(1.30)
Total	**913.10**

(₹ in Crores)

Particulars	Reserves and surplus			Other Reserves			Total
	General reserves [Refer (a) below]	Securities premium [Refer (b) below]	Retained earnings [Refer (c) below]	Remeasurement gain / (loss) on defined benefit plans [Refer (d) below]	Equity instruments through other comprehensive income [Refer (e) below]	Cash flow hedge reserve [Refer (f) below]	
Balance as at April 1, 2022	900.00	1,449.99	799.34	(5.83)	11.87	-	3,155.37
Loss for the year	-	-	(2,248.47)	-	-	-	(2,248.47)
Changes in fair value of FVOCI equity instruments	-	-	-	-	3.60	-	3.60
Remeasurement gain / (loss) on defined benefit plans	-	-	-	(6.58)	-	-	(6.58)
Change in fair value of hedging instruments	-	-	-	-	-	(1.69)	(1.69)
Tax impact on items of other comprehensive income (OCI)	-	-	-	1.66	(0.80)	0.39	1.25
Adjustment for changes in ownership interests	-	-	66.00	-	-	-	66.00
Transactions with the owners in their capacity as owners							
Dividend paid during the year (Refer Note 30 (b))	-	-	(56.38)	-	-	-	(56.38)
Balance as at March 31, 2023	**900.00**	**1,449.99**	**(1,439.51)**	**(10.75)**	**14.67**	**(1.30)**	**913.10**

(a) General reserves

Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn though the Group may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.

(b) 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, 2023
Balance at the beginning of the year	1,449.99
Balance at the end of the year	**1,449.99**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

(c) Retained Earnings

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

(d) Remeasurement gain / (loss) on defined benefit plans

The Group recognises remeasurement gain / (loss) on defined benefit plans in Other Comprehensive Income. These changes are accumulated within the equity under "Remeasurement gain / (loss) on defined benefit plans" reserve within equity.

(e) Equity instruments through other comprehensive income

The Group has elected to recognise changes in the fair value of investments in equity instruments (Other body corporates) in Other Comprehensive Income. These changes are accumulated within the "Equity instruments through other comprehensive income" reserve within equity. The Group transfers amounts from this reserve to Retained Earnings when the relevant equity shares are derecognised.

(f) Cash flow hedge reserve

(i) The cumulative effective portion of gain or losses arising from changes in fair value of hedging instruments designated as cash flow hedges are recognised in cash flow hedge reserve. Such changes recognised are reclassified to the Consolidated Statement of Profit and Loss when the hedged item affects the profit or loss or are included as an adjustment to the cost of the related non-financial hedged item. The Group has designated certain foreign currency forward contracts as cash flow hedges in respect of foreign exchange risks.

(ii) During the year, ineffective portion of cash flow hedges recognised in the Consolidated Statement of Profit and Loss amounted to ₹ Nil.

(iii) The amount recognised in cash flow hedge reserve (net of tax) is expected to impact the Consolidated Statement of Profit and Loss as below:
within the next one year: loss of ₹ 1.30 crores.

14 (ii) Other equity

Non-controlling interests represent proportionate share held by minority shareholders in the net assets of subsidiary which is not wholly-owned by the Holding Company.

The balance of non-controlling interests as at the end of the year is as below:

(₹ in Crores)

	As at March 31, 2023
Balance at the end of the year	**429.65**

The Holding Company acquired 95.65% equity shares in Neelachal Ispat Nigam Limited during the year ended March 31, 2023. (Refer Note 38).

(₹ in Crores)

Name of Subsidiary	Country of incorporation and operation	% of non-controlling interests as at March 31, 2023	(Loss) attributable to non-controlling interests for the year ended March 31, 2023	Non-controlling interests as at March 31, 2023
Neelachal Ispat Nigam Limited	India	**6.85%**	**(55.38)**	**429.65**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

(b) Summaried Balance Sheet information of Neelachal Ispat Nigam Limited

(₹ in Crores)

	As at March 31, 2023
Non-current assets	11,594.27
Current assets	1,854.97
Total assets (A)	**13,449.24**
Non-current liabilities	6,113.42
Current liabilities	1,063.56
Total liabilities (B)	**7,176.98**
Net assets (A - B)	6,272.26

(c) Summaried profit and loss information of Neelachal Ispat Nigam Limited

(₹ in Crores)

	As at March 31, 2023
Total income	1,700.18
(Loss) for the year	(1,218.31)
Total comprehensive income/ (loss) for the year	(4.52)

(d) Summaried cash flow information of Neelachal Ispat Nigam Limited

(₹ in Crores)

	As at March 31, 2023
Net cash used in operating activities	(1,374.50)
Net cash used in investing activities	(577.14)
Net cash from financing activities	896.90
Cash and cash equivalents at the beginning of the year	1,077.92
Cash and cash equivalents at the end of the year	23.18

15 Borrowings

(₹ in Crores)

	As at March 31, 2023	
	Non current	Current
A Secured borrowings		
(a) Term loan		
(i) From banks (Refer sub-note (i))	687.92	-
B Unsecured borrowings		
(a) Liability component of non-convertible preference shares (Refer sub-note (ii))	13,979.91	-
Total borrowings	**14,667.83**	**-**

Notes:

(i) (a) Details of secured term loan facilities from banks is as below:

(₹ in Crores)

Currency	Terms of repayment	Maturity date	Interest rate (floating rate)	As at March 31, 2023
Indian Rupee	Term loan is repayable in 20 semi - annual instalments. The Holding Company has pre-paid 16 instalments (originally scheduled to be repaid by March 31, 2029)	March 31, 2031	12 month MCLR	687.92

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

(b) The above term loan is secured by first pari-passu charge over all present and future moveable and immovable tangible assets of the Holding Company excluding moveable and immovable tangible assets of iron ore mines and land parcels of Joda unit of the Holding Company.

(c) Maturity profile of borrowings is as below:

(₹ in Crores)

	As at March 31, 2023
Not later than one year or on demand	-
Later than one year but not two years	-
Later than two years but not three years	-
Later than three years but not four years	-
Later than four years but not five years	-
More than five years	689.00
	689.00
Unamortised upfront fees on borrowings	(1.08)
	687.92

(d) The term loan facility arrangements include financial covenants, which require compliance to certain debt-equity and debt coverage ratios. Additionally, certain negative covenants may limit the Holding Company's ability to borrow additional funds or to incur additional liens, and/or provide for increased costs in case of breach. The Holding Company has complied with these debt covenants.

(ii) During the financial year ended March 31, 2022, the Holding Company issued 0.01% Non-Convertible Redeemable Preference Shares ("NCRPS") to Tata Steel Limited on private placement basis. The NCRPS are mandatorily redeemable at the end of 20 years from the date of allotment at premium of ₹ 574.63 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 Holding Company on a quarterly basis at 3-month intervals from the date of allotment.

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

(₹ in Crores)

	Total
Debt as at April 1, 2022	13,391.55
Cash flows (Net)	-
Interest on liability component of non-convertible preference shares (Refer note 27)	1,273.11
Amortisation of upfront fees	3.17
Debt as at March 31, 2023	**14,667.83**

(iv) The borrowings obtained by the Group from banks have been applied for the purposes for which such borrowings were taken.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

16 Provisions

(₹ in Crores)

	As at March 31, 2023	
	Non-current	Current
(a) Provision for employee benefits		
(i) Post-employment defined benefits	17.51	15.33
(ii) Compensated absences	93.44	3.35
(b) Other provisions (Refer note 43)		
(i) Provision for VAT, entry tax and sales tax	-	80.55
(ii) Provision for cross subsidy surcharge payable	-	7.44
(iii) Provision for interest on income tax	-	20.68
(iv) Provision for mine restoration costs and other activities	27.77	12.42
(v) Contingent liability recognised on business combination	0.29	-
(vi) Others (Provision in relation to Mines Development and Production Agreement)	-	8.20
Total provisions	**139.01**	**147.97**

17 Deferred tax liabilities (net)

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

(₹ in Crores)

	As at March 31, 2023
Deferred tax liabilities	2,954.79
Deferred tax assets	(1,667.72)
Deferred tax liabilities (net)	**1,287.07**

The balances comprises temporary differences attributable to:

(₹ in Crores)

Balance as at March 31, 2023	Deferred tax liabilities/ (assets) as at March 31, 2022	Additions relating to acquisitions during the year (Refer Note 38)	Recognised in profit or loss	Recognised in other comprehensive income	Deferred tax liabilities/ (assets) as at March 31, 2023
Deferred tax liabilities					
(i) Property, plant and equipment and intangible assets	156.87	2,712.52	(25.33)	-	2,844.06
(ii) Redemption of non-convertible preference share investments	-	-	88.08	-	88.08
(iii) Fair valuation of equity instruments designated as FVOCI	3.01	-	-	0.80	3.81
(iv) Inventory	-	47.92	(29.81)	-	18.11
(v) Others	-	-	0.73	-	0.73
	159.88	**2,760.44**	**33.67**	**0.80**	**2,954.79**

(₹ in Crores)

Balance as at March 31, 2023	Deferred tax liabilities/ (assets) as at March 31, 2022	Additions relating to acquisitions during the year (Refer Note 38)	Recognised in profit or loss	Recognised in other comprehensive income	Deferred tax liabilities/ (assets) as at March 31, 2023
Deferred tax assets					
(i) Amount allowable on payment basis as per section 43B of the Income Tax Act, 1961	(5.33)	-	(39.40)	(1.76)	(46.49)
(ii) Amount allowable under the Income Tax Act, 1961 on deferred basis	(5.85)	(1.03)	(2.94)	(0.39)	(10.21)
(iii) On unabsorbed depreciation and carry forward of business losses	-	(1,385.51)	(225.51)	-	(1,611.02)
	(11.18)	**(1,386.54)**	**(267.85)**	**(2.15)**	**(1,667.72)**
Deferred tax liabilities (net)	**148.70**	**1,373.90**	**(234.18)**	**(1.35)**	**1,287.07**

Note :

1. As part of business combination accounting [Refer Note 38 to the consolidated financial statement], the Group has recognised deferred tax liabilities on the additional taxable temporary differences arising on account of fair valuation of identifiable assets acquired and liabilities assumed and deferred tax assets on the unabsorbed depreciation and carry forward business losses.
2. As per the provisions of Ind AS 12, the Group has recognised gross deferred tax assets of ₹ 1,385.51 crores, on unabsorbed depreciation and carry forward business losses of earlier years, considering that sufficient taxable temporary differences will be available against which the unused tax losses and unused tax credits shall be utilised.
3. Deferred tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws.

(ii) Reconciliation of income tax recognised in the Statement of Profit and Loss

(₹ in Crores)

	Year ended March 31, 2023
Current tax	-
Deferred tax	
In respect of the current year	(234.18)
	(234.18)
Total tax expense (Refer reconciliation below)	**(234.18)**

The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Crores)

	Year ended March 31, 2023
Loss before tax	(2,538.03)
Income tax expense calculated at enacted Income tax rate of **25.168%**	(638.77)
Effect of expenses that are not deductible in determining taxable profit	103.05
Deferred tax liability recognised on redemption of NCRPS	88.08
Effect of Net finance cost of NCRPS not deductible	223.53
Deferred tax assets recognised on used tax losses and unused tax credits	(16.19)
Others	6.12
Income tax expense recognised in Statement of Profit and Loss	**(234.18)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

18 Trade payables

(₹ in Crores)

	As at March 31, 2023
Current	
(i) Total outstanding dues of micro and small enterprises	134.42
(ii) Total outstanding dues of creditors other than micro and small enterprises	
(a) Trade payables for supplies and services	2,712.27
(b) Trade payables for accrued wages and salaries	61.84
Total Trade Payables	**2,908.53**
Trade payable to related parties (Refer Note 36)*	1,730.92
Trade payable other than related parties	1,177.61
Total Trade Payables	**2,908.53**

* includes payable to Tata Steel Long Products Limited Superannuation Fund

Notes:

(i) Ageing of trade payables is as below

(₹ in Crores)

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, 2023							
(i) MSME	11.70	117.78	3.36	-	-	1.58	134.42
(ii) Others	481.79	1,226.14	529.75	503.38	17.04	16.01	2,774.11
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**493.49**	**1,343.92**	**533.11**	**503.38**	**17.04**	**17.59**	**2,908.53**

Refer Note 31 for information about liquidity risk relating to Trade payables.

19 Other current liabilities

(₹ in Crores)

	As at March 31, 2023
(a) Advances from customers (Refer note 19.01)	258.00
(b) Other payables	
(i) Employee recoveries and employer contributions (Refer note 19.02)	17.57
(ii) Statutory liabilities (GST,TDS, etc.)	109.59
(iii) EPCG indemnified liabilities	19.80
(iv) Liabilities for renewable energy purchase obligation	23.61
Total other current liabilities	**428.57**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

Notes:

19.01 Amount of revenue recognised during the year ended March 31, 2023, from amounts included in the advances from customers outstanding at the beginning of the year is ₹ **118.98 crores.**

19.02 Includes dues of ₹ **12.14 crores** towards interest and penalty on delay in payment of provident fund, which has been created as per the provisions of The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

20 Other financial liabilities

(₹ in Crores)

	As at March 31, 2023	
	Non-current	Current
(a) Interest payable		
(i) Interest accrued but not due on borrowings	-	0.73
(ii) Interest accrued on trade payables and others	-	7.12
(b) Creditors for capital supplies and services	-	37.86
(c) Unpaid dividends	-	2.08
(d) Consideration kept in Escrow Account (Refer note (i) below)	828.21	113.45
(e) Other credit balances (Refer note (ii) below)	-	122.97
Total Other financial liabilities	**828.21**	**284.21**

(i) The Holding Company has completed the acquisition of NINL during the financial year. Out of the total consideration paid for acquisition ₹ 911.17 crores kept in Escrow Account held for resolution of the litigations and payment if required or release to the sellers at the expiry of the specified period.

(ii) Includes net amount payable to Usha Martin Limited (UML) ₹ **80.37 crores** towards purchase consideration pursuant to the Business Transfer Agreement for acquisition of steel business and liability towards employee family benefit scheme ₹ **5.61 crores**.

21 (i) Current tax liabilities (net)

(₹ in Crores)

	As at March 31, 2023
Provision for tax [net of tax paid of ₹ **367.28 crores**]	53.90
Total current tax liabilities (net)	**53.90**

(ii) Income tax assets (Non current) (net)

(₹ in Crores)

	As at March 31, 2023
Advance tax and Tax Deducted at Source [net of provision of ₹ **263.10 crores**]	84.11
Total non current tax assets (net)	**84.11**

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

22 Revenue from operations

(₹ in Crores)

			Year ended March 31, 2023
(a)	**Revenue from contracts with customers**		
	(i)	Sale of products	7,971.15
	(ii)	Sale of power	61.95
	(iii)	Income from services	513.55
(b)	**Other operating revenue**		
	(i)	Sale of product scrap	445.13
Revenue from operations			**8,991.78**

Notes:

(a) Reconciliation of revenue recognised with contract price

(₹ in Crores)

	Year ended March 31, 2023
Contract price	9,015.52
Adjustment for:	
Refund liabilities	(23.74)
Revenue from operations	**8,991.78**

(b) Revenue from contracts with customers disaggregated on the basis of geographical region and major businesses

(₹ in Crores)

		India	Outside India	Total
(i)	Sale of products	**7,570.10**	**401.05**	**7,971.15**
(ii)	Sale of power	**61.95**	**-**	**61.95**
(iii)	Income from services	**513.55**	**-**	**513.55**
Total revenue from contracts with customers		**8,145.60**	**401.05**	**8,546.65**

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

(₹ in Crores)

		Year ended March 31, 2023
(i)	Customer 1	1,079.64
(ii)	Customer 2	1,885.05
		2,964.69

(d) Contract balances

(₹ in Crores)

	As at March 31, 2023
Trade receivables (Gross) (Refer Note 11)	196.45
Contract assets	
Contract assets	20.52
	216.97
Contract liabilities	
Advance from customers (Refer Note 19)	258.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

23 Other income

(₹ in Crores)

				Year ended March 31, 2023
(a)	Interest income			
	(i)	Interest income earned on financial assets that are not designated at FVTPL		
		-	Non-convertible redeemable preference shares	31.86
		-	Bank deposits carried at amortised cost	7.29
(b)	Dividend income			
	(i)	From equity investments *		5.33
(c)	Net gain on fair value changes			
	(i)	Net gain on fair value changes of financial assets carried at FVTPL (Current)		21.34
	(ii)	Net gain on sale of current investments		121.14
(d)	Gain on cancellation of forward contracts			14.21
(e)	Liabilities no longer required written back**			60.33
(f)	Other non-operating income			42.63
Total other income				**304.13**

Note :

* Includes dividend on equity instruments designated as fair value through other comprehensive income held as at the reporting date, amounting to ₹ **5.33 crores** for the year ended March 31, 2023.

** Liabilities no longer required written back includes, foreign currency payables ₹ **30.16 crores**.

24 Cost of materials consumed

(₹ in Crores)

	Year ended March 31, 2023
Opening stock	979.27
Add: Purchases of materials	6,981.48
Add: Acquired under business combination (Refer Note 38)	193.05
	8,153.80
Less: Closing stock	1,300.61
Total cost of materials consumed	**6,853.19**

25 Changes in inventories of finished and semi-finished goods

(₹ in Crores)

	Year ended March 31, 2023
Finished and semi-finished goods	
Opening stock	301.71
Add: Acquired under business combination (Refer Note 38)	131.72
Less: Closing stock	822.79
Net increase in finished and semi-finished goods	**(389.36)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

26 Employee benefits expense

(₹ in Crores)

		Year ended March 31, 2023
(a)	Salaries and wages	346.42
(b)	Contribution to provident and other funds	28.39
(c)	Staff welfare expenses	15.79
Total employee benefits expense		**390.60**

27 Finance costs

(₹ in Crores)

		Year ended March 31, 2023
(a)	Interest expenses	
	(i) Non-convertible redeemable preference shares (Refer Note 15)	1,273.11
	(ii) Bank borrowings and others	101.22
	(iii) Leases	8.03
(b)	Unwinding of discount on provisions	1.06
(c)	Other borrowing costs	4.02
Total finance costs		**1,387.44**

28 Depreciation and amortisation expense

(₹ in Crores)

		Year ended March 31, 2023
(a)	Depreciation of property, plant and equipment (Refer Note 03)	525.78
(b)	Depreciation of right-of-use assets (Refer Note 04)	20.88
(c)	Amortisation of intangible assets (Refer Note 05)	169.11
Total depreciation and amortisation expense		**715.77**

29 Other expenses

(₹ in Crores)

		Year ended March 31, 2023
(a)	Consumption of stores and spare parts	947.63
(b)	Fuel oil consumed	312.16
(c)	Purchase of power	189.60
(d)	Rent	6.91
(e)	Repairs to buildings	24.38
(f)	Repairs to machinery	436.69
(g)	Insurance	17.05
(h)	Rates and taxes	57.86
(i)	Freight and handling charges	455.30
(j)	Commission, discounts and rebates	5.42
(k)	Packing and forwarding	9.47
(l)	Royalty	167.78
(m)	Conversion charges	86.70
(n)	Other expenses	
	(1) Legal and professional fees	21.49
	(2) Advertisement, promotion and selling expenses	0.40
	(3) Travelling expenses	9.23
	(4) Net Loss on foreign currency transactions	17.46
	(5) Corporate social responsibility expenses	7.72
	(6) Loss on disposal of property plant and equipment	1.82
	(7) Net loss on fair value changes of financial assets /liabilities carried at FVTPL	0.83
	(8) Other general expenses	98.70
Total other expenses		**2,874.60**

30 Capital management

(a) Risk management

The objective of the Group's capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Group. The Group 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 Group monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

Net debt includes interest bearing borrowings, lease liabilities and liability component of preference shares less cash and cash equivalents, other bank balances (including non-current earmarked balances) and current investments.

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

(₹ in Crores)

	As at March 31, 2023
Equity share capital	45.10
Other equity	913.10
Total equity (A)	**958.20**
Non-current borrowings	14,667.83
Lease liabilities	89.62
Gross debt (B)	**14,757.45**
Total capital (A+B)	**15,715.65**
Gross debt as above	14,757.45
Less : Current investments	1,104.40
Less : Cash and cash equivalents	136.09
Less : Other balance with banks (including non-current earmarked balances)	5.31
Net debt (C)	**13,511.65**
Net debt to equity ratio (Refer Note (i) below)	**6.50**

Note :

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

(b) Dividend on equity shares

(₹ in Crores)

	As at March 31, 2023
Dividend declared and paid during the year	
Final dividend for the year ended March 31, 2022 of ₹ **12.5** per fully paid share	56.38
Proposed dividend not recognised at the end of the reporting period	-

31 Disclosures on financial instruments

(a) Financial risk management

The Groups's activities expose it to credit risk, liquidity risk and market risk. In order to safeguard against any adverse effects on the financial performance of the Group, derivative financial instruments viz. foreign exchange forward contracts are entered where considered appropriate to hedge foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The Group'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 Group'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 Group's policies and the Group'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 review and approve 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 Group. The Group's exposure to credit risk primarily arises from trade receivables, investments in mutual funds and balances with banks.

Trade receivables and contract assets

Trade receivables are typically unsecured, considered good and are derived from revenue earned from customers. Customer credit risk is managed as per the Group's policy and procedures which involve credit approvals, establishing credit limits and continually monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. Contract assets mainly relate to unbilled work in progress and have substantially the same characteristics as the trade receivables for the same type of contracts. Outstanding customer receivables are regularly monitored and the shipments to customers are generally covered by letters of credit or other forms of credit assurance.

Other Financial Assets

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

The carrying value of financial assets represents the maximum credit risk as disclosed in 31(b)(i). The credit risk relating to trade receivables is shown under Note 11.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

(ii) Liquidity risk management

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

The Group has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Group has access to funds from debt markets through commercial paper programs. The Group invests its surplus funds in bank fixed deposits and in mutual funds, which carry no or low market risk.

a. Financing arrangement

The Group has unutilised fund based arrangement with banks for ₹ **1,694.84** crores. The Group has also Non-Fund based facilities with banks for ₹ **1923.18** crores 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 Group's derivative and non-derivative 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, 2023	Carrying value	Contractual cash flows	less than one year	between one to five years	More than five years
Financial liabilities					
Borrowings including interest obligations	687.92	1,108.48	58.22	232.88	817.38
Liability component of non-convertible preference shares capital	13,979.91	85,678.01	-	-	85,678.01
Lease liabilities	89.62	155.89	15.91	58.13	81.85
Trade payables	2,908.53	2,908.53	2,908.53	-	-
Derivative liabilities	2.70	2.70	2.70	-	-
Other financial liabilities	1,112.42	1,112.42	284.21	828.21	-
	18,781.10	**90,966.03**	**3,269.57**	**1,119.22**	**86,577.24**

(iii) Market risk

a. Foreign currency risk

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 Group transacts business in local currency and in foreign currencies (primarily US Dollars). The Group 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 Group, as per its risk management policy, uses forward contract derivative instruments primarily to hedge foreign exchange fluctuations.

USD in crores

	As at March 31, 2023
Financial assets	
Trade receivables	-
Net exposure to foreign currency risk (Assets)	-
Financial liabilities	
Trade payables	9.00
Derivatives	
Foreign exchange forward contracts	10.80
Net exposure to foreign currency risk (Liabilities)	**-**
Net exposure to foreign currency risk (Assets - Liabilities)	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Group's profit before tax and profit after tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all currencies other than US Dollars is not material.

(₹ in Crores)

	Impact on profit before tax	Impact on profit after tax
	Year ended March 31, 2023	Year ended March 31, 2023
Increase in rate of 1 USD against ₹ by 10%	-	-
Decrease in rate of 1 USD against ₹ by 10%	-	-

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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax and profit after tax is affected through the impact on floating rate borrowings, as follows

(₹ in Crores)

	Impact on profit before tax	Impact on profit after tax
	Year ended March 31, 2023	Year ended March 31, 2023
Increase in interest rate by 100 basis points	(6.89)	(5.16)
Decrease in interest rate by 100 basis points	6.89	5.16

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

(iv) Securities Price risk

The Group is exposed to price risks arising from fair valuation of Group's investment in mutual funds. The carrying amount of the Group's investments designated as at fair value through profit or loss at the end of the reporting period (Refer Note no 6(ii)).

(₹ in Crores)

	Impact on profit before tax	Impact on profit after tax
	Year ended March 31, 2023	Year ended March 31, 2023
NAV -Increase by 1%*	11.04	8.26
NAV -Decrease by 1%*	(11.04)	(8.26)

* Holding all other variables constant

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

(v) Commodity Price risk

Exposure to market risk with respect to commodity prices primarily arises from the Group's purchase of imported coal for production of finished goods. Cost of raw materials forms the largest portion of the Group's cost of sales. Market forces generally determine prices for the coal purchased by the Group. 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 Group. However, steel prices follow the trend of commodity prices over a period and provide a natural hedge to the business.

Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. The Group, as per its risk management policy, uses forward contract derivative instruments primarily to hedge foreign exchange fluctuations.

(b) Financial Instruments by Category

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

(i) Financial assets and liabilities

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

(₹ in Crores)

As at March 31, 2023	Amortised cost	Fair value through other comprehensive income	Derivative Instuments in hedging relationship	Derivative Instuments not in hedging relationship	Fair value through profit or loss	Total carrying value	Total fair value
Financial assets							
Investments in Mutual fund	-	-	-	-	1,104.40	1,104.40	1,104.40
Investment in body corporates	-	19.28	-	-	-	19.28	19.28
Trade receivables	195.78	-	-	-	-	195.78	195.78
Loans	0.52	-	-	-	-	0.52	0.52
Cash and cash equivalents	136.09	-	-	-	-	136.09	136.09
Other bank balances	944.10	-	-	-	-	944.10	944.10
Derivative assets	-	-	-	1.12	-	1.12	1.12
Other financial assets	306.01	-	-	-	-	306.01	306.01
Total	**1,582.50**	**19.28**	**-**	**1.12**	**1,104.40**	**2,707.30**	**2,707.30**
Financial liabilities							
Borrowings	14,667.83	-	-	-	-	14,667.83	12,040.88
Lease liabilities	89.62	-	-	-	-	89.62	89.62
Trade payables	2,908.53	-	-	-	-	2,908.53	2,908.53
Derivative liabilities	-	-	1.53	1.17	-	2.70	2.70
Other financial liabilities	1,112.42	-	-	-	-	1,112.42	1,112.42
Total	**18,778.40**	**-**	**1.53**	**1.17**	**-**	**18,781.10**	**16,154.15**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

(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 Group 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. This is the case for derivative instruments.

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. This is the case for unlisted equity securities included in level 3.

The Group'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.

(₹ in Crores)

As at March 31, 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Investment in mutual funds	1,104.40	-	-	1,104.40
Derivative assets	-	1.12	-	1.12
Investment in equity instruments at FVTOCI (Unquoted)	-	-	19.28	19.28
Total	**1,104.40**	**1.12**	**19.28**	**1,124.80**
Financial liabilities				
Derivative liabilities	-	2.70	-	2.70

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

Reconciliation of Level 3 fair value measurement is as below :

(₹ in Crores)

	As at March 31, 2023
Opening balance	15.68
Changes in fair value recognised in Other Comprehensive Income	3.60
Closing balance	**19.28**

Valuation technique used for Level 3 investments

Fair valuation of the equity investments as at March 31, 2023 have been determined using the market approach. Significant unobservable input used in the valuation was earnings multiple.

The increase / decrease of 1 earnings multiple (keeping other variables constant) would result into an increase / decrease in fair value by ₹ **2.40** crores and ₹ **2.32** crores respectively.

(iii) Derivative financial instruments

Derivative instruments used by the Group are forward exchange contracts. These financial instruments are utilised to hedge future transactions and cash flows and are subject to hedge accounting under Ind AS 109 "Financial Instruments" wherever possible. The Group 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.

The following table sets out the fair value of derivative assets / liabilities held by the Group as at the end of each reporting period.

(USD in Crores)

	As at March 31, 2023
Foreign currency forwards	1.58
Classified as:	
Non-current assets	-
Current assets	1.12
Non-current liabilities	-
Current liabilities	2.70

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

(USD in Crores)

	As at March 31, 2023
Foreign currency forwards	12.35

32 Earnings per equity share

	Year ended March 31, 2023
Net loss for the year (₹ in crores)	(2,248.47)
Weighted average number of equity shares outstanding during the year (Nos.)	4,51,00,000
Nominal value per equity share (₹)	10
Basic and diluted earnings per equity share (₹)	(498.55)

Note:

(i) The Holding Company did not have any potentially dilutive securities.

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for the year ended March 31, 2023

33 (a) Contingent liabilities: Claims against the Group not acknowledged as debts

(₹ in Crores)

		As at March 31, 2023
(a)	Income tax	0.11
(b)	Customs duty	33.49
(c)	Demand from suppliers	1.52
(d)	Excise duty	721.85
(e)	Sales tax	23.09
(f)	Service tax	33.33
		813.39

The details of significant demands are as below:

Note:

1. Custom Duty: ₹ 33.49 crores - Demand received from Commissioner of Customs (Preventive) aggregating to ₹ 43.99 crores pertaining to the financial year 2012-13 on account of levy of additional customs duty on classification of the imported coal as bituminous coal as against the Holding Company's classification as steam coal. The Holding Company has filed an appeal against the aforesaid order in the Customs, Excise and Service Tax Appellate Tribunal, Kolkata. The Holding Company had paid an amount of ₹ 10.88 crores and recognised the non-cenvatable portion of the duty and applicable interest as expense whereas cenvatable portion had been recognised as an advance in the year ended March 31, 2013, for which the Holding Company has recognised a provision in the year ended March 31, 2021.

2. Excise Duty: ₹ 512.89 crores (For improper availment of Cenvat credit) - The dispute pertains to improper availment of Cenvat credit on common input and input services for the period 2005-2006, 2006-07 and 2007-08. Against the order of adjudication by the learned Commissioner, NINL had filed a Writ Petition before the Hon'ble High Court on the ground of delayed adjudication by the learned Commissioner. The order passed by the Commissioner was without authority of law and ultra vires the scheme introduced vide Section 73 of the Finance Act, 2010, where under provisions of Rule 6 of the Cenvat Credit Rules,2004 was retrospectively amended. The Company had complied the statutory conditions prescribed under Sec.73 of the Finance Act, 2010 and proportionately reversed Cenvat credit amounting to ₹ 0.72 crores with due intimation to the Commissioner. The Hon'ble High Court had been pleased to admit the writ petition and further as an interim measure directed that there shall be no coercive measures for recovery of the alleged tax demand. Hon'ble Odisha High Court heard the case on December 7, 2022 and permitted to file an appeal in Tribunal and required appeal has been filed before Central Excise, Customs & Service Tax, Kolkata. The potential liability, as at March 31, 2023 is ₹ 512.89 crores.

3. Excise duty: ₹ 181.02 crores (Transfer of Cenvat credit on merger of KMCL) - The dispute involved in the present case relates to transfer of Cenvat credit lying in the books of accounts of Konark Met Coke Limited (KMCL) to NINL as result of merger of KMCL with the Company. There is no legal impediment for transfer of such credit in terms of Rule 10 of Cenvat credit Rules (CCR). Matter is pending with Commissionerate of Central Excise, Customs & Service Tax, Bhubaneswar. The potential liability, as at March 31, 2023 is ₹ 181.02 crores.

4. Service tax: ₹ 33.33 crore (Demand of Service Tax under RCM)- NINL is granted lease of mines by Govt of Odisha. For the said mining project, NINL sought forest clearance so that forest land falling under the said project can be utilised for non-forestry purposes and accordingly such clearance was granted from Ministry of Environment, Forest and Climate Change, Govt of India, on payment of charges, namely "Net Present Value" (NPV), in the Compensatory Afforestation Fund Management and Planning Authority Fund, Government of India (CAMPA Fund). An investigation was initiated by Director General of Goods & Services Tax Intelligence (DGGI) and letter has been issued demanding Service Tax/GST on these payments on the ground that Service Tax/GST is payable on these amount under Reverse Charge Mechanism (RCM) and Show Cause Notice was issued demanding

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

Service Tax. A reply was submitted stating that such payment are against sovereign/ public authorities under statute and hence it cannot be considered as provision of service as it is collected as per the provision of the relevant statute for performing mandatory and statutory functions under any provision of law are not to be treated as service provided for consideration. Learned Principal Commissioner (GST&CE) confirmed such demand on 30 September, 2022. Subsequently, NINL have filed an appeal before CSTAT, Kolkata on December 13, 2022. The potential liability, as at March 31, 2023 is ₹ 33.33 crores.

(b) Contingent liabilities: Other matter for which the Company is contingently liable

(₹ in Crores)

		As at March 31, 2023
(i)	Renewable energy purchase obligation	6.33
(ii)	Excise Duty	30.41
(iii)	Water Conservation fund	32.35
(iv)	Electricity charges	4.39
		73.48

The details of significant demands are as below:

The amount of ₹ 32.35 crores has been demanded Irrigation Department in 2017 under the by Orissa Irrigation Act, 1959. Orrisa High Court has granted a stay in NINL's favour.

(c) Cross subsidy surcharge payable to power distribution companies

In 2012-13, the Holding Company injected power to State Grid due to denial of permission for open access by Orissa Power Transmission Corporation Limited ("OPTCL") to supply power to the parent Company, Tata Steel Limited, beyond the period of invocation of section 11 of Electricity Act, 2003 by the Government of Odisha i.e., June, 2012. As a result, the Holding Company could not meet the minimum stipulated criteria of 51% self-consumption of generated power as a captive power plant and the provisions of Cross Subsidy Surcharge under Electricity Act, 2003 became applicable. The Holding Company filed a case before the Odisha Electricity Regulatory Commission ("OERC") for relief which was denied and consequently the Holding Company had filed a case before Appellate Tribunal of Electricity ("ATE"). Appeal filed by the Holding Company before ATE was allowed and the matter stands remitted back to the OERC for reconsideration afresh. On 01.02.2021, OERC directed NESCO to compute the quantum of electricity supplied to the State Grid afresh. Against this, TSLPL filed an Appeal before APTEL and got interim stay order on 31.3.2021. However, on 05.12.2022, APTEL admitted TSLPL's appeal but vacated the interim stay granted earlier. The matter is at present pending before APTEL for further hearing. As a matter of prudence, pending finalisation of the matter, an amount of ₹ 7.44 crores (Including delayed payment surcharge) has been provided in the books.

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

34 Estimated amounts of contracts remaining to be executed on capital account (Property, plant and equipment) and not provided for is ₹ 94.36 crores net of advances of ₹ 2.71 crores.

35 Exceptional items

Acquisition related expenditure

Acquisition related expenditure represents expenses incurred on stamp duty and registration fees for a portion of land parcels and buildings transferred in the name of the Holding Company, which were part of the acquired business from Usha Martin Limited.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

36 Related party transaction

A List of related parties

Name of the related Party	Relationship
Tata Sons Private Limited	Company having significant influence in the Parent Company
Where control exists	
Tata Steel Limited	Holding Company
Others with whom transactions have taken place during the current or previous year	
The Tata Pigments Limited (Subsidiary of Tata Steel Utilities and Infrastructure Services Limited)	Fellow Subsidiary
Kalimati Global Shared Services Limited (Subsidiary of Tata Steel Utilities and Infrastructure Services Limited)	
The Indian Steel and Wire Products Limited	
Tata Metaliks Limited	
Tata Steel Utilities and Infrastructure Services Limited	
Tata Steel Global Procurement Company Pte. Ltd.	
Tata Steel Foundation	
Medica TS Hospital Pvt. Ltd.	
Tata Steel Mining Limited	
TM International Logistics Limited	Joint venture with Tata Steel Limited
mjunction services limited	
Jamipol Limited (Joint venture of fellow subsidiary)	
Tata BlueScope Steel Private Limited (Joint Venture of fellow subsidiary)	
Tata NYK Shipping PTE limited	
Himalaya Steel Mills Services Private Limited (Joint Venture of fellow subsidiary)	
TKM Global Logistic Limited (Joint venture with Joint venture of Tata Steel Limited)	
Tata International Limited	Subsidiary and Joint venture of Tata Sons Private Limited
Tata Communication Limited	
Tata Consultancy Services Limited	
Tata 1mg Healthcare Solutions Private Limited	
Tata Limited	
Tata Asset Management Private Limited	
Tata AIG General Insurance Company Limited	
Mr. Ashish Anupam	Key Management personnel - Managing Director (MD)
Mr. T V Narendran	Key Management personnel -Non- Executive Director (NED)
Mr. Koushik Chatterjee	
Mrs. Meena Lall	
Mr. Debashish Bhattacharjee	
Dr. Sougata Ray	
Mr. Ansuman Das	
Mr. Srikumar Menon	
Mr. Shashi Kant Maudgal	
Mrs. Neeta Karmakar	
Tata Steel Long Products Limited Employee Provident Fund Trust	Post Employment Benefit Plans (PEBP) as per Ind AS 24
Tata Steel Long Products Limited Superannuation Fund	
Tata Steel Long Products Limited Gratuity Fund	

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B Particulars of transactions during the year

(₹ in Crores)

Name of the related party	Nature of relationship	Year ended 31 March, 2023
Tata Steel Limited	Holding Company	1,347.13
Tata International Limited	Subsidiary of Tata Sons Private Limited	270.16
Total - Sale of goods		**1,617.29**
Tata Steel Limited	Holding Company	54.14
Total - Sale of power		**54.14**
Tata Steel Limited	Holding Company	603.27
Total - Services rendered		**603.27**
Tata Steel Limited	Holding Company	1,623.24
Tata Steel Global Procurement Company Pte. Ltd.	Fellow subsidiary	2,835.82
The Indian Steel and Wire Products Limited	Fellow subsidiary	4.35
Tata Steel Mining Limited	Fellow subsidiary	61.09
Tata BlueScope Steel Private Limited	Joint venture of Fellow subsidiary	16.47
Jamipol Limited	Joint venture of Fellow subsidiary	26.90
Tata Limited	Subsidiary of Tata Sons Private Limited	0.41
Total - Purchase of goods		**4,568.28**
Tata Steel Limited	Holding Company	31.75
Tata Steel Global Procurement Company Pte. Ltd.	Fellow subsidiary	(3.05)
Tata International Limited	Subsidiary of Tata Sons Private Limited	13.60
Total - Reimbursement of expenses		**42.30**
Tata Steel Limited	Holding Company	10.32
Tata Metaliks Limited	Fellow subsidiary	0.05
Total - Purchase of property, plant and equipment		**10.37**
Tata Steel Limited	Holding Company	46.91
Tata Steel Utilities and Infrastructure Services Limited	Fellow subsidiary	4.83
The Tata Pigments Limited	Fellow subsidiary	5.82
The Indian Steel and Wire Products Limited	Fellow subsidiary	0.01
Tata Steel Foundation	Fellow subsidiary	1.55
Tata Consultancy Services Limited	Subsidiary of Tata Sons Private Limited	3.17
Tata AIG General Insurance Company Limited	Joint venture of Tata Sons Private Limited	9.75
Tata Communication Limited	Subsidiary of Tata Sons Private Limited	3.50
TM International Logistics Limited	Joint venture of Tata Steel	69.00
TKM Global Logistic Limited	Joint venture of Joint venture with Tata Steel	0.08
Mjunction services limited	Joint venture of Tata Steel	2.57
Kalimati Global Shared Services Limited	Fellow subsidiary	0.10
Tata 1mg Healthcare Solutions Private Limited	Step down subsidiary of Tata Sons Private Limited	0.07
Medica TS Hospital Pvt. Ltd.	Fellow subsidiary	0.11
Himalaya Steel Mill Services Pvt Ltd	Joint venture of Fellow subsidiary	1.05
Tata Asset Management Private Limited	Subsidiary of Tata Sons Private Limited	0.08
Total - Services received		**148.60**
Jamipol Limited	Joint venture of Fellow subsidiary	5.33

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

(₹ in Crores)

Name of the related party	Nature of relationship	Year ended 31 March, 2023
Total - Dividend income		**5.33**
Tata Steel Limited	Holding Company	42.23
Total - Dividend paid		**42.23**
Mr. Ashish Anupam	MD	4.66
Total - Short term employee benefits		**4.66**
Mr. Ashish Anupam	MD	0.13
Total - Post employment benefits		**0.13**
Sitting fees	Non- Executive Directors	0.20
Commission	Non- Executive Directors	0.50
Tata Steel Limited	Holding Company	1,273.11
Total - Interest expense recognised		**1,273.11**
Tata Steel Long Products Limited Employee Provident Fund Trust	PEBP	4.78
Tata Steel Long Products Limited Superannuation Fund	PEBP	3.74
Tata Steel Long Products Limited Gratuity Fund	PEBP	3.99
Total - Contribution made		**12.51**

C Balances outstanding

(₹ in Crores)

Name of the related party	Relationship	As at March 31, 2023
Tata Steel Limited	Holding company	173.63
The Indian Steel & Wire Products Ltd *	Fellow subsidiary	0.00
Total - Trade receivables		**173.63**
Tata Steel Limited	Holding company	20.03
Total - Financial assets		**20.03**
Tata Steel Limited	Holding company	936.27
Tata Steel Global Procurement Company Pte. Ltd.	Fellow subsidiary	758.15
Tata Steel Utilities and Infrastructure Services Limited	Fellow subsidiary	4.97
The Indian Steel and Wire Products Limited	Fellow subsidiary	0.01
The Tata Pigments Limited	Fellow subsidiary	0.92
Tata Steel Mining Limited	Fellow subsidiary	7.02
Medica TS Hospital Pvt. Ltd.	Fellow subsidiary	0.02
mjunction services limited	Joint venture of Tata Steel Limited	1.63
TM International Logistics Limited	Joint venture of Tata Steel Limited	8.54
Tata BlueScope Steel Private Limited	Joint venture of Fellow subsidiary	5.38
Jamipol Limited	Joint venture of Fellow subsidiary	2.55
Tata Communication Limited	Subsidiary of Tata Sons Private Limited	0.41
Himalaya Steel Mill Services Pvt Ltd	Joint venture of Fellow subsidiary	0.52
Tata Limited	Subsidiary of Tata Sons Private Limited	0.18
Kalimati Global Shared Services Limited	Fellow subsidiary	0.05
Total - Trade payables for supplies and services		**1,726.62**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

(₹ in Crores)

Name of the related party	Relationship	As at March 31, 2023
Tata Steel Long Products Limited Employee Provident Fund Trust	PEBP	1.36
Tata Steel Long Products Limited Superannuation Fund	PEBP	0.30
Tata Steel Long Products Limited Gratuity Fund	PEBP	1.23
Total - Payable to PEBP		**2.89**
Tata International Limited *	Subsidiary of Tata Sons Private Limited	0.00
Total - Advances paid		**0.00**
Jamipol Limited (At cost)	Joint venture of Fellow subsidiary	0.80
Total - Investments		**0.80**
Tata Steel Limited	Holding Company	13,979.91
Total - Non-convertible preference shares		**13,979.91**
Mr. Ashish Anupam	MD	4.00
Total-Trade payables for accrued wages and salaries		**4.00**

* Amount below rounding off norms adopted by the Group

37 Employee benefits

37.01 - Post employment defined contribution plans

(₹ in Crores)

		Year ended March 31, 2023
Amount recognised in the Consolidated Statement of Profit and Loss		
(i)	Provident fund contribution*	9.94
(ii)	Superannuation fund@	3.74
		13.68

* Contribution towards provident fund for certain employees is made to the recognised state managed funds. Such provident fund benefit is classified as defined contribution scheme as the Group does not carry any further obligations, apart from the contributions made on a monthly basis which is recognised as expense in the Consolidated Statement of Profit and Loss.

@ The Group has a superannuation plan for the benefit of its employees. This benefit is defined contribution scheme as the Group does not carry any further obligations apart from the contributions made which are recognised as expense under 'Contribution to Provident and Other Funds' in Note 26.

37.02 - Post employment defined benefit plans

(a) Description of plan characteristics

(i) Gratuity

The Group 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 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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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 and the Group is expected to make regular contributions to the Trust. The fund is managed by an insurance Group and the assets are invested in their conventional group gratuity product. The fund provides a capital guarantee of the balance accumulated and declares interest periodically that is credited to the fund account. The Trust assets managed by the fund manager are highly liquid in nature and the group do not expect any significant liquidity risks. The Trust is responsible for investment of assets of the Trust as well as day to day administration of the scheme.

(ii) Long term service award

Eligible employees of the Group rendering services for more than twenty years will receive long service award on all causes of exit as per the Group's policy. The cost of providing benefits under this plan is determined by actuarial valuation using the projected unit credit method by independent qualified actuaries at the year end.

(iii) Ex-MD Pension and Post Retirement Medical Benefit

The Board of Directors of the Group grants approval for provisions of special retirement benefits to Managing Directors. The retirement benefit inlcudes indexed monthly pension which is reviewed in every three years and medical benefits. The benefits in short are called as Ex-MD pension and Post Retirement Medical Benefit (PRMB). Both the benefit schemes are available to the spouses of concern MDs.

The said benefits are not contractual obligation of the Group. The provisions of the above benefits can only be given after signing the agreement containing the no-compete clause. The liabilities are not funded by the Group and disclosed as defined benefit plan.

(b) Risk analysis

The Group 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

(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, 2023
a.	Opening defined benefit obligation	56.79
b.	Acquired through business combination (Refer Note 38)	84.59
c.	Current service cost	5.84
d.	Interest cost	8.14
e.	Remeasurement (gains)/losses	7.07
f.	Benefits paid	(8.33)
g.	Acquisitions (credit)/cost	0.19
Closing defined benefit obligation		**154.29**

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

(₹ in Crores)

		As at March 31, 2023
a.	Opening fair value of plan assets	57.69
b.	Acquired through business combination (Refer Note 38)	21.33
c.	Interest income	7.44
d.	Remeasurement gains/(losses)	0.86
e.	Contributions from the employer	74.22
f.	Benefits paid	(8.25)
g.	Acquisitions (credit)/cost	0.19
Closing fair value of plan assets		**153.48**

(iii) Reconciliation of fair value of assets and obligations

(₹ in Crores)

		As at March 31, 2023
a.	Fair value of plan assets	153.48
b.	Present value of obligation	154.29
		0.81
c.	Amount recognised in the Balance Sheet	
	- Retirement benefit obligations - Non-current	0.81
	- Prepaid Gratuity - Other non-financial current assets	-
		0.81

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

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

(₹ in Crores)

	Year ended March 31, 2023
Employee benefit expenses	
a. Current service cost	5.84
b. Net interest expense	0.70
	6.54
Other Comprehensive income	-
a. Return on plan assets excluding amount included in employee benefits expense	(0.86)
b. Actuarial (gain)/loss arising from changes in financial assumptions	0.75
c. Actuarial (gain)/loss arising from changes in experience adjustments	6.32
	6.21
	-
Total defined benefit costs	**12.75**

(v) The plan assets of the Group relating to Gratuity are managed through a trust and 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, 2023
Category of Plan Assets:	In %
Funded with LIC	**100%**

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

	As at March 31, 2023
a. Discount rate (per annum)	7.10% to 7.30%
b. Expected rate of salary increase (per annum)	7.00% to 8.00%
c. Mortality rate	Indian Assured Lives Mortality (2006-08) ult.
d. Withdrawal rate	
- Ages from 20-25	1.00% For all age group
- Ages from 25-30	
- Ages from 30-35	
- Ages from 35-50	
- Ages from 50-55	
- Ages from 55-65	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

(vii) The weighted average duration of the defined benefit plan obligation representing average duration for active members is 6 to 13 years.

(viii) The Group expects (best estimate) to contribute ₹ 0.38 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 1% in the assumptions used.

(₹ in Crores)

Assumption	As at March 31, 2023
a. Discount rate increase by 1%	Decrease by 13.83
b. Discount rate decrease by 1%	Increase by 14.36
c. Expected salary growth increase by 1%	Increase by 9.73
d. Expected salary growth decrease by 1%	Decrease by 10.35

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 Group 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 Group's ALM objective is to match assets to the gratuity obligations by investing with LIC.

B. Long term service award (Unfunded)

(i) Reconciliation of opening and closing balances of obligation

(₹ in Crores)

	As at March 31, 2023
a. Opening defined benefit obligation	0.71
b. Current service cost	0.04
c. Interest cost	0.05
d. Remeasurement (gains)/losses	(0.01)
e. Benefits paid	(0.08)
Closing defined benefit obligation	**0.71**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(ii) Reconciliation of fair value of assets and obligations

(₹ in Crores)

		As at March 31, 2023
a.	Fair value of plan assets	-
b.	Present value of obligation	0.71
		0.71
c.	Amount recognised in the Balance Sheet	
	- Retirement benefit obligations - Non-current	0.66
	- Retirement benefit obligations - Current	0.05
		0.71

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

(₹ in Crores)

		Year ended March 31, 2023
Employee benefit expenses		
a.	Current service cost	0.04
b.	Net interest expense	0.05
		0.09
Other Comprehensive income		-
a.	Actuarial (gain)/loss arising from changes in financial assumptions	(0.01)
b.	Actuarial (gain)/loss arising from changes in experience adjustments	0.00
		(0.01)
Total defined benefit costs		**0.08**

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

		As at March 31, 2023
a.	Discount rate (per annum)	7.20%
b.	Expected rate of salary increase (per annum)	Not applicable
c.	Mortality rate	Indian Assured Lives Mortality (2006 - 2008) Ult.
d.	Withdrawal rate	
	- Ages from 20-25	1.00% For all age group
	- Ages from 25-30	
	- Ages from 30-35	
	- Ages from 35-50	
	- Ages from 50-55	
	- Ages from 55-65	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(v) The weighted average duration of the defined benefit plan obligation representing average duration for active members is **10 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 assumption 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 assumption used.

(₹ in Crores)

Assumption		As at March 31, 2023
a.	Discount rate increase by 1%	Decrease by 0.06
b.	Discount rate decrease by 1%	Increase by 0.07

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.

C. Ex-MD Pension (Unfunded)

(i) Reconciliation of opening and closing balances of obligation

(₹ in Crores)

		As at March 31, 2023
a.	Opening defined benefit obligation	12.80
b.	Interest cost	0.87
c.	Remeasurement (gains)/losses	1.11
d.	Benefits paid	(0.79)
Closing defined benefit obligation		**13.99**

(ii) Reconciliation of fair value of assets and obligations

(₹ in Crores)

		As at March 31, 2023
a.	Fair value of plan assets	-
b.	Present value of obligation	13.99
		13.99
c.	Amount recognised in the Balance Sheet	
	- Retirement benefit obligations - Non-current	13.18
	- Retirement benefit obligations - Current	0.81
		13.99

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

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

(₹ in Crores)

		Year ended March 31, 2023
Employee benefit expenses		
a.	Net interest expense	0.87
		0.87
Other Comprehensive income		-
a.	Actuarial (gain)/loss arising from changes in financial assumptions	(0.31)
b.	Actuarial (gain)/loss arising from changes in experience adjustments	1.42
c.	Actuarial (gain)/loss arising from changes in demographic assumptions	-
		1.11
Total defined benefit costs		**1.98**

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

		As at March 31, 2023
a.	Discount rate (per annum)	7.20%
b.	Pension inflation rate (per annum)	6.00%
c.	Mortality rate	LIC (2012-15) Annuitants ultimate
d.	Withdrawal rate - The effects of mortality and withdrawal have been factored by constructing a Multiple Decrement Table taking into account the above mortality table.	

(v) The weighted average duration of the defined benefit plan obligation representing average duration for active members is **11 years.**

(vi) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate and pension inflation 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.

(₹ in Crores)

		As at March 31, 2023
a.	Discount rate increase by 1%	Decrease by 1.39
b.	Discount rate decrease by 1%	Increase by 1.65
c.	Pension inflation rate increase by 1%	Increase by 1.65
d.	Pension inflation rate decrease by 1%	Decrease by 1.41

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.

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D. PRMB (Unfunded)

(i) Reconciliation of opening and closing balances of obligation

(₹ in Crores)

		As at March 31, 2023
a.	Opening defined benefit obligation	0.69
b.	Acquired through business combination (Refer Note 38)	2.99
c.	Interest cost	0.20
d.	Current Service Cost	0.13
e.	Remeasurement (gains)/losses	(0.35)
f.	Benefits paid	(0.14)
Closing defined benefit obligation		**3.52**

(ii) Reconciliation of fair value of assets and obligations

(₹ in Crores)

		As at March 31, 2023
a.	Fair value of plan assets	-
b.	Present value of obligation	3.52
		3.52
c.	Amount recognised in the Balance Sheet	
	- Retirement benefit obligations - Non-current	2.88
	- Retirement benefit obligations - Current	0.64
		3.52

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

(₹ in Crores)

		Year ended March 31, 2023
Employee benefit expenses		
a.	Net interest expense	0.33
		0.33
Other Comprehensive income		-
a.	Actuarial (gain)/loss arising from changes in financial assumptions	(0.57)
b.	Actuarial (gain)/loss arising from changes in experience adjustments	0.22
c.	Actuarial (gain)/loss arising from changes in demographic assumptions	-
		(0.35)
Total defined benefit costs		**(0.02)**

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

		As at March 31, 2023
a.	Discount rate (per annum)	7.20% to 7.30%
b.	Medical cost - % of annual entitlement utilised (per annum)	20.00%
c.	Mortality rate	LIC Annuitants (2012-15) Ultimate/Indian Assured Lives Mortality (2012-14) (modified) Ult
d.	Withdrawal rate - The effects of mortality and withdrawal have been factored by constructing a Multiple Decrement Table taking into account the above mortality table.	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(v) The weighted average duration of the defined benefit plan obligation representing average duration for active members is **9 to 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.

(₹ in Crores)

		As at March 31, 2023
a.	Discount rate increase by 1%	Decrease by 0.45
b.	Discount rate decrease by 1%	Increase by 0.55

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.

E. Provident fund

Eligible employees (except certain employees covered under Note 37.01) of the Holding Company receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Holding Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Holding Company contributes a portion to the 'Tata Sponge Employees Provident Fund Trust'. The trust invests in specific designated instruments as prescribed by the Government. The remaining portion is contributed to the Government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Holding Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

The Actuary has carried out year-end actuarial valuation of plan's liabilities and interest rate guarantee obligations as at the Balance Sheet date using Projected Unit Credit Method and Deterministic Approach as outlined in the Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, the Holding Company has recognised/(reversed) interest rate guarantee shortfall amounting to ₹ **0.34 crores** in the Statement of Profit and Loss and also recognised excess of liabilities over trust assets amounting to ₹ **1.17 crores**. Further during the year, the Holding Company's contribution of ₹ **5.11 crores** to the Provident Fund Trust has been expensed under the 'Contribution to Provident and Other Funds' in Note 26. Additionally, during the year ended March 31, 2023, the Holding Company contributed ₹ **0.54 crores** to the trust, which has been expensed under the 'Contribution to Provident and Other Funds' in Note 26.

Disclosures given hereunder are restricted to the information available as per the Actuary's Report.

		As at March 31, 2023
a.	Discount rates	7.20%
b.	Expected yield on plan assets	7.55%
c.	Guaranteed Interest Rate	8.15%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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37.03 - Other contributions

(i) **Employees Pension Scheme -** Total amount charged to the Consolidated Statement of Profit and Loss for the year ₹ **3.50 crores.**

(ii) **Employees State Insurance -** Total amount charged to the Consolidated Statement of Profit and Loss for the year ₹ **0.04 crores.**

Contribution to these schemes are made by the Group as per the statute.

37.04

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

38 Business Combinations

Acquisition of Neelachal Ispat Nigam Limited

The Holding Company on July 4, 2022 had completed the acquisition of Neelachal Ispat Nigam Limited ("NINL") for a total consideration of ₹ **12,100.00 crores** as per the terms and conditions of Share Sale and Purchase Agreement (SPA) executed on March 10, 2022.

As part of the transaction, following have been completed -

- Acquisition of 0.01%, 456,054,252 Non-Convertible Redeemable Preference Shares ('NCRPS') of face value of ₹100/- each aggregating to ₹ **4,560.54 crores.**
- Acquisition of 484,375,000 equity shares of face value ₹ 10/- each aggregating to ₹ **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 ₹ **4,439.46 crores.**

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

TSLP has further invested ₹ 600 crores in the equity shares of NINL after acquisition, towards capital expenditure, initial working capital and operating cost to restart the plant. The Company's holding in NINL's equity shares is 92.68% as on March 31, 2023.

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

(i) Details of consideration

Particulars	(₹ in Crores)
Cash paid for acquisition of equity shares of NINL	7,539.46
Total consideration for acquisition of equity shares on NINL	**7,539.46**

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(ii) The fair value of assets and liabilities recognised as a result of the acquisition are as follows

Particulars	(₹ in Crores)
Non-current assets	
Property, plant and equipment	2,510.56
Right-of-use assets	622.97
Capital work-in-progress	143.08
Other intangible assets	8,612.00
Other financial assets	7.89
Income tax assets (net)	0.78
Other non-current assets	0.38
	11,897.66
Current assets	
Inventories	357.18
Cash and cash equivalents	1,077.92
Other financial assets	0.74
Other current assets	58.85
	1,494.69
Total assets (A)	**13,392.35**
Non-current liabilities	
Borrowings	4,560.54
Lease liabilities	3.65
Provisions	66.60
Deferred tax liabilities (net)	1,373.90
	6,004.69
Current liabilities	
Lease liabilities	0.44
Trade payables	191.65
Other financial liabilities	69.44
Provisions	92.26
Other current liabilities	438.78
	792.57
Total liabilities (B)	**6,797.26**
Fair value of identifiable net assets (A - B)	**6,595.09**

(iii) Calculation of goodwill on business combination

Particulars	(₹ in Crores)
Consideration for acquisition of equity shares	7,539.46
Add : Fair value of non-controlling interests	251.32
Less : Fair value of identifiable net assets	(6,595.09)
Goodwill	**1,195.69**

Goodwill is attributable to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of NINL. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

Goodwill arising on this acquisition is not deductible for tax purposes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(iv) Consideration - cash outflow during the year

Particulars	(₹ in Crores)
Cash paid for acquisition of equity shares of NINL	7,539.46
Cash paid for acquisition of non-convertible preference shares of NINL	4,560.54
Total consideration	**12,100.00**
Less : Cash and cash equivalent balances acquired	(1,077.92)
Less : Advance against equity instrument	(1,210.00)
Net outflow of cash - investing activities	**9,812.08**

(v) Acquisition related costs

No material cost was incurred towards the acquisition.

(vi) Impact of acquisition on the results of the Group

a The acquired business contributed ₹ **1,645.55 crores** of revenue from operations and ₹ **1,508.36 crores** loss before exceptional items to the Group for the year ended March 31, 2023.

b If the business combinations had been effected at April 1, 2022, the revenue from operations of the Group would have been ₹ **1,652.17 crores** and the loss before exceptional items for the year would have been ₹ **1,701.39 crores**. The management consider these 'pro-forma' numbers to represent an approximate measure of the performance of the Group on an annualised basis. However to provide a reference point for comparison in future periods, the aforesaid annualised pro-forma numbers to be read in conjunction with the NINL's business plan of operating at full capacity of 1.10 MTPA for the entire financial year ending March 31, 2024 as against gradual stabilisation of production to that level in March 2023 from the acquisition date when the plant was not in operations and was shut down from March 2020.

39 The Board of Directors of the Company and Tata Steel Limited ("the Parent Company") approved the Scheme for Amalgamation of the Company into the Parent Company ("the Scheme") at their respective meetings held on September 22, 2022. The Board of Directors recommended an exchange ratio of 67 fully paid-up equity shares of Re. 1 each of the Parent Company for every 10 fully paid-up equity shares of ₹ 10 each held in the Company. The Company had submitted the Scheme to Stock Exchanges on October 11, 2022 and received no objection/ no adverse observations from the National Stock Exchange of India Limited and BSE Limited respectively vide letters dated March 31, 2023. The Company has subsequently filed the Scheme with the Hon'ble National Company Law Tribunal ("NCLT"), Cuttack Bench on April 05, 2023 for approval.

40 Goodwill

A. Movement in goodwill during the year

(₹ in Crores)

	Year ended March 31, 2023
Opening balance	6.16
Add : Additions during the year due to acquisitions (Refer Note 38)	1,195.69
Closing balances	**1,201.85**

B. Impairment tests for goodwill

(i) The Goodwill of ₹ 6.16 crores represents the goodwill accounted on the acquisition of Steel Business (CGU) from Usha Martin Limited. The entire goodwill as mentioned above is attributable to the aforesaid acquired business CGU i.e. Integrated steel manufacturing plant. The outcome of the impairment assessment as on 31 March 2023 has not resulted in any impairment of goodwill.

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(ii) The carrying value of goodwill of ₹ 1,195.69 crores relates to the goodwill that arose on the acquisition of Neelachal Ispat Nigam Limited (CGU). The Recoverable Value of the CGU has been assessed based on higher of fair value less costs to sell and value in use for the underlying businesses.

The fair value less costs to sell model uses cash flow forecasts based on the most recently approved financial plan for FY24. Beyond FY24, the cash flow forecasts is based on strategic forecasts which cover a period i.e. estimated time to extract the total usable mineral reserves for mining business and six years for steel business and future projections taking the analysis out to perpetuity which includes capital expenditure for capacity expansion of steel making facilities from the current 1.1 MTPA to 4.56 MTPA by FY 29 as well as estimated EBITDA changes due to implementation of the expansion strategy and operating the assets.

Key assumptions to the fair value less costs to sell model are changes to selling prices and raw material costs, steel demand, amount of capital expenditure needed for expansion of the existing facilities, EBITDA, and a post-tax discount rate of 10.10%. The estimates of capital expenditure for capacity expansion of steel making assets is based on management's internal estimates of implementing the expansion strategy.

For the fair value less costs to sell model, a 4.00% growth rate is used to extrapolate the cash flows beyond the specifically forecasted period of six years in respect of which strategic forecasts have been prepared. The outcome of the impairment assessment as on 31 March 2023 has not resulted in any impairment of goodwill.

The Group has conducted sensitivity analysis including discount rate on the impairment assessment of goodwill. The Group believes that no reasonably possible change in any of the key assumptions used in the model would cause the carrying value of goodwill to materially exceed its recoverable value.

41 Assets classified as held for sale

To optimise available crude steel production, the Holding Company had initiated the construction of 0.5 MTPA Special Bar and Wire Rod-Combi Mill. However, due to strategic reasons the Board of directors of the Company decided to transfer the mill (project) to The Indian Steel & Wire Products Ltd (ISWP) along with all the Capital advances, Capital Work in Progress etc. within next twelve months. Therefore, the Group recorded the above mentioned assets [Capital Advances ₹ 39.21 crores, Capital work in progress ₹ 12.56 crores and Deposits ₹ 5.38 crores] as 'held for sale' in accordance with Ind AS 105: Non-current Assets Held for Sale and Discontinued Operations.

The Company has measured 'the Assets' at lower of carrying value and fair value less costs to sell amounting to ₹ 57.15 crores . The fair value of 'the Assets' were determined as fair value of other assets (consideration approximating the cost) to be received against 'the Assets'. This is a level 3 measurement as per the hierarchy set out in fair value measurement disclosures (Refer Note 31(b)(ii)).

42 Segment reporting

(i) The Group is in the business of manufacture of steel and allied products and accordingly, steel and allied products is the only reportable segment in accordance with Ind AS 108 – Operating Segments.

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

(iii) Details of revenue based on geographical location of customers is as below:

(₹ in Crores)

Sr. No.	Particulars	Year ended March 31, 2023
(i)	India	8,145.60
(ii)	Outside India	401.05
	Total	**8,546.65**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

(iv) Customers who contributed 10% or more to the Group's revenue

(₹ in Crores)

Sr. No.	Particulars	Year ended March 31, 2023
(i)	Customer 1	1,079.64
(ii)	Customer 2	1,885.05
	Total	**2,964.69**

43 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)

	VAT, entry tax and sales tax	Cross subsidy surcharge	Interest on income tax	Mines restoration and other activities	Contingent liability recognised on business combination	Others
Carrying amount as at beginning of the year	**2.63**	**6.01**	**20.68**	**29.29**	**0.29**	**3.48**
Additions relating to acquisitions	**90.37**	-	-	-	-	-
Add : Provision made during the year	**0.84**	**1.43**	-	**11.35**	-	**4.72**
Less : Amount paid during the year	**13.28**	-	-	**0.45**	-	-
Less : Amount reversed during the year	**0.01**	-	-	-	-	-
Carrying amount as at the end of the year (Refer Note (16(b))	**80.55**	**7.44**	**20.68**	**40.19**	**0.29**	**8.20**
Nature of obligation	VAT, entry tax and sales tax including interest thereon	Cross subsidy surcharge payable to power distribution companies	Interest on income tax	Activities to be performed at the time of final mine closure or during the mining	Demand for electricity charges and labour related matters on acquired steel business	Provision in relation to Mines Development and Production Agreement
Expected timing of resultant outflow	On decision by competent authority			Upon closure of mines or during the mining	On decision by competent authority	
Indication of uncertainty about those outflows	The above matters are under dispute with authorities			None	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.			None	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	Nil	Nil	Nil	Nil	Nil

(figures in brackets represents amount for the previous year)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

44 Assets hypothecated as security

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

(₹ in Crores)

		Year ended March 31, 2023
Non-current assets		
First charge (against term loan from banks)		
(i)	Property, plant and equipment	3,384.83
(ii)	Leased assets	116.40
		3,501.23
Current assets		
First charge (against working capital requirement from Banks)		
(i)	Inventories	2,264.01
(ii)	Trade receivables	196.05
(iii)	Cash and cash equivalents	136.09
(iv)	Other balances with banks	5.48
(v)	Loans	0.50
(vi)	Other financial assets	265.20
(vii)	Other current assets	319.44
		3,186.77

45 Details relating to the Holding Company's subsidiary are as follows.

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Company
			As at March 31, 2023
Neelachal Ispat Nigam Limited	Manufacturing of steel	India	93.15%*

The Company on July 4, 2022 had completed the acquisition of Neelachal Ispat Nigam Limited ("NINL") for a total consideration of ₹ 12,100.00 crores as per the terms and conditions of Share Sale and Purchase Agreement (SPA) executed on March 10, 2022.

* Represents ownership based on share capital.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

46 Disclosure of additional information as required by Schedule III

(₹ in Crores)

	Particulars	Net Assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount ₹ in crores	As % of consolidated profit/(loss)	Amount ₹ in crores	As % of consolidated other comprehensive income / (Loss)	Amount ₹ in crores	As % of consolidated total comprehensive income/(Loss)	Amount ₹ in crores
A	**Parent**								
	Tata Steel Long Products Limited	210.00%	2,014.30	48.00%	(1,085.49)	(23.00)%	0.80	48.00%	(1,084.69)
B	**Subsidiaries**								
	Neelachal Ispat Nigam Limited	655.00%	6,272.22	54.00%	(1,218.34)	132.00%	(4.52)	54.00%	(1,222.86)
C	**Adjustments due to consolidation**	(765.00)%	(7,328.32)	(2.00)%	55.36	(8.00)%	0.29	(2.00)%	55.65
Total		**100.00%**	**958.20**	**100.00%**	**(2,248.47)**	**101.00%**	**(3.43)**	**100.00%**	**(2,251.90)**
D	Non-Controlling Interests Neelachal Ispat Nigam Limited		429.65		(55.38)		(0.29)		(55.67)
Consolidated (loss) / profit after tax and net assets			**1,387.85**		**(2,303.85)**		**(3.72)**		**(2,307.57)**

47 The following table depicts the details of balances outstanding in respect of transactions undertaken with a company struck off under section 28 of the Companies Act, 2013:

(₹ in Crores)

Sr No	Name of struck off Company	As at March 31, 2023	Nature of transactions with struck-off Company	Relationship with the struck-off Company
1	KEONJHAR MINERALS (P) LTD*	0.00	Purchase of goods	Vendor
2	SPRAYING SYSTEMS(INDIA)PVT.LTD*	0.00	Purchase of goods	Vendor
3	SAP COMMUNICATION PVT. LTD*	0.00	Purchase of goods	Vendor
4	SUZUSONS CARE PVT. LTD*	0.00	Purchase of goods	Vendor
5	K.G.KHOSLA COMPRESSORS LTD	0.10	Purchase of goods	Vendor
6	PARAMOUNT SINTERS P.LTD	0.05	Purchase of goods	Vendor
7	VALLAB ENGINEERS PVT LTD	0.03	Purchase of goods	Vendor
8	JAYASWALS NECO LTD	0.01	Purchase of goods	Vendor
9	ASHCROFT INDIA PVT. LTD*	0.00	Purchase of goods	Vendor
10	PRANAM POWERMECH PVT. LTD*	0.00	Purchase of goods	Vendor
11	GEOMIN CONSULTANTS PVT LTD*	0.00	Purchase of goods	Vendor

* Amount below rounding off norms adopted by the Group

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

48 The Group was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards as it does not have any material foreseeable loss on long term contracts. The Group did not have long term derivative contracts.

49 There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company except for amounts aggregating to ₹ 0.06 crores as at March 31, 2023 which is held in abeyance due to pending legal cases. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary of the Holding Company during the year ended March 31, 2023.

50 The Group has not granted loans to its promoters, directors, key managerial personnel (KMP) and the other related parties (as defined under the Companies Act, 2013) which are repayable on demand or without specifying any terms or period of repayment or any other loans or advance in the nature of loans.

51 (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 Group 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 Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Holding Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than investment of ₹ 12,700 crores during the year towards acquisition of Neelachal Ispat Nigam Limited ("NINL"), [which thereby became a subsidiary of TSLP (Refer Note 1)] / subscription to shares of NINL out of funds received (through issuance of non-convertible redeemable preference shares by the Holding Company) from the Parent Company of the Holding Company, Tata Steel Limited. The aforesaid investments of Holding Company in NINL is cancelled in these consolidated financial statements.

52 The Subsidiary of the Holding Company was granted mining lease by the Government of Odisha for a period of 50 years (from 2017). The Subsidiary during the period (after July 4, 2022) has commenced plant and mining operations and has submitted a progressive mine closure plan to the mining authorities. The Subsidiary assessed with their inhouse technical experts, that the mining pits 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.

53 The Holding Company has made an investment in a subsidiary (company). Further the Group has invested in thirteen mutual fund schemes during the year. The Group has not granted secured/ unsecured loans/ advances in the nature of loans to any Company/Firm/Limited Liability Partnership/Other Party during the year other than loan to ten employees. The Group did not stand guarantee or provided security to any Company/Firm/Limited Liability Partnership/Other party during the year. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans are as per the table given below:

(₹ in Crores)

	Loans
Aggregate amount granted/ provided during the financial year	
- Others	0.05
Balance outstanding as at March 31, 2023 in respect of the above case	
- Others	0.03

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023

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

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

56. The Holding Company has not raised loans during the year on the pledge of securities held in its subsidiary.

57. The Group has incurred cash loss of ₹ **1,588.08 crores** during the current financial year.

58. The Group has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.

59. The Group has not traded or invested in crypto currency or virtual currency during the financial year.

60. The Group has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017.

61. Consolidated financial statements for the year ended March 31, 2023 include financial statements of NINL effective July 4, 2022.

Signatures to Notes 1 to 61

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

Pinaki Chowdhury
Partner
Membership No. 057572

Place: Kolkata
Date: April 25, 2023

For and on behalf of the Board of Directors

T V Narendran
Chairman
DIN: 03083605

Ashish Anupam
Managing Director
DIN: 08384201

S K Shrivastav
Chief Financial Officer

Sankar Bhattacharya
Company Secretary

Place: Mumbai
Date: April 25, 2023

NOTICE

Notice is hereby given that the 40th Annual General Meeting **('AGM')** of the Members of Tata Steel Long Products Limited ('**TSLP**'/'**Company**') will be held on **Wednesday, August 2, 2023 at 3:00 p.m. (IST)** through Video Conferencing **('VC')** / Other Audio Visual Means **('OAVM')**, to transact the following business:

ORDINARY BUSINESS:

Item No. 1 - Adoption of Audited Standalone Financial Statements:

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon.

Item No. 2 - Adoption of Audited Consolidated Financial Statements:

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023, together with the Report of the Auditors thereon.

Item No. 3 - Re-appointment of a Director

To appoint a Director in place of Mr. Koushik Chatterjee (DIN:00004989) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, seeks re-appointment.

SPECIAL BUSINESS

Item No. 4 - Ratification of Remuneration of Cost Auditors:

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹6,60,000/- (Rupees Six lakh Sixty Thousand only) (excluding taxes, cess etc.), plus applicable taxes and reimbursement of out-of-pocket expenses, payable to Messrs. Shome & Banerjee, Cost Accountants, (Firm Registration Number.: 000001), who have been appointed by the Board of Directors on the recommendation of the Audit Committee, as the Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company for the Financial Year ending March 31, 2024.

RESOLVED FURTHER THAT the Board of Directors and/or any person authorised by the Board, be and is hereby severally authorized, to settle any question, difficulty or doubt, that may arise in giving effect to this Resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this Resolution."

Item No. 5 – Approval for payment of Commission to Non-Executive Directors

To consider and if thought fit to pass, the following resolution as a **Special Resolution**:

"**RESOLVED THAT** in partial modification of the Special Resolution passed by the shareholders at the 36th Annual General Meeting of the Company held on July 15, 2019 and pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 **("Act")** [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and the Rules made thereunder, read with Schedule V of the Act and Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **("SEBI Listing Regulations")**, each as amended from time to time, consent of the Members be and is hereby accorded to the Board of Directors of the Company, for making payment of remuneration, by way of commission to the Non-Executive Directors **("NED")** of the Company, in the event of inadequacy or absence of profits in accordance with the limits as prescribed under the Act read with Schedule V of the Act, and the same be paid to and distributed amongst the Directors of the Company or some or any of them (other than the Managing Director) in such amounts or proportions and in such manner and in all respects, as may be decided by the Board of Directors of the Company, and such payments shall be made for each of the financial year, commencing April 1, 2022.

RESOLVED FURTHER THAT the above remuneration shall be in addition to the sitting fees and reimbursement of expenses, if any, payable to the Non-Executive Directors of the Company for attending the meetings of the Board and/or other Committees thereof."

Notes:

1) The Statement, pursuant to Section 102 of the Companies Act, 2013, as amended ('**Act**') setting out material facts concerning the business with respect to Item Nos. 4 and 5 forms part of this Notice. Additional information, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, **('SEBI Listing Regulations')** and Secretarial Standard - II on General Meetings, issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking appointment/ re-appointment at this Annual General Meeting (**'Meeting'** or **'AGM'**) is furnished as **Annexure 1** to this Notice.

2) Further, Securities and Exchange Board of India ('SEBI'), vide its Circulars dated May 12, 2020, January 15, 2021, May 13, 2022 and January 5, 2023 ('SEBI Circulars') and other applicable circulars issued in this regard, have provided relaxations from compliance with certain provisions of the SEBI Listing Regulations.

   In compliance with the applicable provisions of the Act, SEBI Listing Regulations and MCA Circulars, the 40th AGM of the Company is being held through VC/OAVM on Wednesday, August 2, 2023, at 3:00 p.m. (IST). The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company situated at P.O. Joda, Dist. Keonjhar, Orissa- 758 034.

3) **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON THEIR BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**

4) The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on the National Securities Depository Limited's ('NSDL') e-Voting website at www.evoting.nsdl.com The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars.

5) Institutional/corporate shareholders (i.e., other than individuals, HUF, NRI, etc.), are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authorisation etc., authorising their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-Voting. The said Resolution/Authorisation shall be sent by e-mail on Scrutinizer's e-mail address at pvsm17@rediffmail.com with a copy marked to evoting@nsdl.co.in Corporate Members/Institutional shareholders (i.e. other than individuals, HUFs, NRIs etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on the "Upload Board Resolution/Authority Letter" displayed under the "e-Voting" tab in their login.

6) The Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7) In case of joint holders attending the AGM, only such joint holder who is higher in the order of the names as per the Register of Members of the Company, as of the cut-off date, will be entitled to vote at the Meeting.

8) In accordance with the aforesaid MCA Circulars and the relevant SEBI Circulars, the Notice of the AGM along with the Integrated Report & Annual Accounts 2022-23 are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. The Company shall send the physical copy of Integrated Report & Annual Accounts 2022-23 to those Members who request the same at investorcell@tatasteellp.com or csg-annualreports@tcplindia.co.in mentioning their Folio No./DP ID and Client ID. The Notice convening the 40th AGM along with the Integrated Report & Annual Accounts 2022-23 will also be available on the website of the Company at www.tatasteellp.com, websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the website of NSDL at www.evoting.nsdl.com

(i) **Book Closure:**

   The Register of Members and Share Transfer Books of the Company will be closed from Friday, July 21, 2023 to Wednesday, August 2, 2023 (both days inclusive) for the purpose of AGM for FY2022-23.

(j) Nomination facility: As per the provisions of Section 72 of the Act, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No. SH-13. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the same in Form ISR-3 or Form SH-14, as the case may be.

The said forms can be downloaded from the Company's website at www.tatasteellp.com Members are requested to submit the said form to their DPs in case the shares are held in electronic form and to the RTA at csg-unit@tcplindia.co.in in case the shares are held in physical form, quoting their folio no(s).

(k) In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, the Company had stopped accepting any fresh transfer requests for securities held in physical form. Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialisation.

(i) Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in demat form only, while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the weblink at https://www.tatasteel.com/investors/ investor-information/forms/ a n d o n the website of the Company 's R TA at https://www.tcplindia.co.in. It may be noted that any service request can be processed only after the folio is KYC compliant.

(m) Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF'). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their unpaid/unclaimed dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in Form No. IEPF-5 available on www.iepf.gov.in The attention of Members is particularly drawn to the Corporate Governance Report forming part of the Integrated Report 2022-23 in respect of unclaimed dividends and transfer of dividends/shares to the IEPF.

(n) Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/ mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, in prescribed Form No. ISR-1 and other forms, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.

(o) To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.

(p) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

(q) The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and relevant documents referred to in the Notice or statement will be available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send an e-mail to investorcell@tatasteellp.com

(r) Norms for furnishing of PAN, KYC, Bank details and Nomination: Pursuant to SEBI Circular no. SEBI/HO/MIRSD/MIRSDPoD1/P/CIR/2023/37 dated March 16, 2023, issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI/HO/MIRSD/MIRSDRTAMB/P/CIR/2021/655 and SEBI/HO/MIRSD/MIRSDRTAMB/P/CIR/2021/687 dated November 3, 2021 and December 14, 2021, respectively, SEBI has mandated all listed companies to record PAN, Nomination, Contact details, Bank A/c details and

Specimen signature for their corresponding folio numbers of holders of physical securities. The folios wherein any one of the cited documents/details is not available on or after October 1, 2023, such folios shall be frozen by the RTA.

However, the security holders of such frozen folios shall be eligible:

- To lodge any grievance or avail any service, only after furnishing the complete documents/details as mentioned above;
- To receive any payment including dividend, interest or redemption amount (which would be only through electronic mode) only after they comply with the above stated requirements.

The forms for updation of PAN, KYC, Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH 13 and the said SEBI Circular are available on our website at www.tatasteellp.com In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest. The Company has completed the process of sending letters to the Members holding shares in physical form in relation to the above referred SEBI Circular. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs.

Further, Members holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of their folios. Such frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, after December 31, 2025.

(s) As per the provisions of Clause 3.A.II. of the General Circular No.20/2020 dated May 5, 2020 issued by the Ministry of Corporate Affairs, the matters of Special Business as appearing at Item Nos. 5 to 10 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forms part of this Notice.

PROCESS FOR REGISTERING E-MAIL ADDRESS:

i. **One-time registration of e-mail address with RTA for receiving the AGM Notice, Integrated Report & Annual Accounts 2022-23 and to cast votes electronically:** The Company has made special arrangements with RTA and NSDL for registration of e-mail address of those Members (holding shares either in electronic or physical form) who wish to receive the AGM Notice, Integrated Report & Annual Accounts for FY 2022-23 and cast votes electronically. Eligible Members whose e-mail addresses are not registered with the Company/DPs are required to provide the same to RTA on or before 5.00 p.m. (IST) on Wednesday, July 26, 2023.

Process to be followed for one-time registration of e-mail address (for shares held in physical form or in electronic form) is as follows:s

a) Visit the link: https://tcpl.linkintime.co.in/EmailReg/Email_Register.html

b) Select the name of the Company from drop-down: Tata Steel Long Products Limited.

c) Enter details in respective fields such as DP ID and Client ID (if shares held in electronic form)/ Folio no. and Certificate no. (if shares held in physical form), Shareholder name, PAN, mobile number and e-mail ID.

d) System will send OTP on mobile no. and e-mail ID.

e) Enter OTP received on mobile no. and e-mail ID and submit.

f) The system will then confirm the e-mail address for the limited purpose of service of AGM Notice along with Integrated Annual Report 2022-23 and e-Voting credentials.

After successful submission of the e-mail address, NSDL will e-mail a copy of this AGM Notice and Integrated Report & Annual Accounts FY2022-23 along with the e-Voting user ID and password to the Members. In case of any queries, Members may write to csgunit@tcplindia.co.in or evoting@nsdl.co.in.

ii. Registration of e-mail address permanently with Company/DP: Members are requested to register the e-mail address with their concerned DPs, in respect of electronic holding, and with RTA, in respect of physical holding, by submitting Form ISR-1 duly filled and signed by the holders. Further, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/updated with their DPs/ RTA to enable servicing of notices/documents/Integrated Reports and other communications electronically to their e-mail address in future.

INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM ARE AS FOLLOWS: A. PROCESS AND MANNER FOR VOTING THROUGH ELECTRONIC MEANS:

1. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the SEBI Listing Regulations and in terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting facility provided by listed entities, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a Member using remote e-Voting system as well as remote e-Voting during the AGM will be provided by NSDL.
2. Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of Wednesday, July 26, 2023 may cast their vote by remote e-Voting. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting before the AGM as well as remote e-Voting during the AGM.

   Any shareholder(s) holding shares in physical form or non-individual shareholders who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. Wednesday, July 26, 2023, may obtain the User ID and Password by sending a request at evoting@nsdl.co.in However, if a person is already registered with NSDL for remote e-Voting then the Members can use their existing User ID and password for casting the vote. If you forget your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on 022 - 4886 7000 and 022 -2499 7000.

   In case of Individual Shareholder who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holds shares in demat mode as on the cut-off date may follow the steps mentioned under 'Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode.'
3. The remote e-Voting period commences on Saturday, July 29, 2023 at 9.00 a.m. (IST) and ends on Tuesday, August 1, 2023 at 5.00 p.m. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, July 26, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date i.e. Wednesday, July 26, 2023.
4. Members will be provided with the facility for voting through electronic voting system during the VC/OAVM proceedings at the AGM and Members participating at the AGM, who have not already cast their vote on the resolution(s) by remote e-Voting, will be eligible to exercise their right to vote on such resolution(s) upon announcement by the Chairman. Members who have cast their vote on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again. Members who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolutions during the AGM. The remote e-Voting module on the day of the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.

B. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM AND REMOTE E-VOTING (BEFORE AND DURING THE AGM) ARE AS UNDER:

1. Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM provided by NSDL at https://www.evoting.nsdl.com by following the steps mentioned under 'Access NSDL e-Voting system'. After successful login, Member(s) can click on link of 'VC/OAVM' placed under 'Join Meeting' menu against Company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of the Company will be displayed. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID/Password may retrieve the same by following the process as mentioned in paragraph titled "The instructions for remote e-Voting before/during the AGM" in the Notice to avoid last minute rush.
2. Members may join the AGM through laptops, smartphones, tablets and iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
3. Members are encouraged to submit their questions in advance with respect to the accounts or the business to be transacted at the AGM. These queries may be submitted from their registered e-mail address, mentioning their name, DP ID and Client ID/folio number and mobile number, to reach the Company's e-mail address at investorcell@tatasteel.com before 3.00 p.m. (IST) on Wednesday, July 26, 2023.
4. Members who would like to express their views or ask questions during the AGM may pre register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investorcell@tatasteellp.com between July 27, 2023 (9:00 a.m. IST) to July 29, 2023 (5:00 p.m. IST). The Company reserves the right to restrict the number of questions and speakers depending on the availability of time for the AGM. Further, the sequence in which the shareholders will be called upon to speak will be solely determined by the Company.
5. Members who need assistance before or during the Meeting, can contact NSDL on evoting@nsdl.co.in /022 - 4886 7000 and 022 - 2499 7000 or contact Ms. Prajakta Pawle or Ms. Pallavi Mhatre - NSDL a at evoting@nsdl.co.in

THE INSTRUCTIONS FOR REMOTE E-VOTING BEFORE/DURING THE AGM

The details of the process and manner for remote e-Voting are explained herein below:

Step 1: Access NSDL e-Voting system

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

Details on Step 1 are mentioned below:

A. Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode In order to increase the efficiency of the voting process and in pursuance of SEBI circular no. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated December 9, 2020, e-Voting facility is being provided to all the demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/Depository Participants. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider ('ESP') thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.

   Shareholders are advised to update their mobile number and e-mail-id in their demat accounts in order to access e-Voting facility.

Login method for individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	**A. NSDL IDeAS facility** **If you are already registered, follow the below steps:** 1. Visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a personal computer or on a mobile. 2. Once the home page of e-Services is launched, click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section. 3. A new screen will open. You will need to enter your User ID and Password. After successful authentication, you will be able to see e-voting services under Value Added Services section. 4. Click on 'Access to e-voting' appearing on the left-hand side under e-voting services and you will be able to see e-voting page. 5. Click on options available against Company name or e-voting service provider – NSDL and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. **If you are not registered for IDeAS services, follow the below steps:** a. Option to register is available at https://eservices.nsdl.com b. Select 'Register Online for IDeAS' Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp c. Please follow steps given in points 1-5

Type of shareholders	Login Method
	B. e-voting website of NSDL 1. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile phone. 2. Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholder/ Member' section. 3. A new screen will open. You will need to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. 4. After successful authentication, you will be redirected to NSDL website wherein you can see e-voting page. Click on options available against Company name or e-voting service provider - NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. **C. Shareholders/Members can also download NSDL Mobile App 'NSDL Speede' facility by scanning the QR code mentioned below for seamless voting experience.** NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & E-mail as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 2. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at respective website.

Helpdesk for individual shareholders holding securities in demat mode for any technical issues related to login through Depositories i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or contact at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at or contact at 1800 22 55 33

B. Login Method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode

How to Log-in to NSDL e-Voting website?

1) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2) Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholder/ Member' section.

3) A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log-in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4) **Your User ID details are given below:**

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example, if folio number is S1******** and EVEN is 124529 then user ID is 124529********

5) Password details for shareholders other than Individual shareholders are given below:

(a) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

(b) How to retrieve your 'initial password'?

i. If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you by NSDL and open the attachment i.e. a .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

ii. If your e-mail ID is not registered, please follow steps mentioned in process for those shareholders whose e-mail IDs are not registered.

6) If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:

(a) Click on 'Forgot User Details/Password?' (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com

(b) Click on 'Physical User Reset Password?' (If you are holding shares in physical mode) option available on www.evoting.nsdl.com

(c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

(d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7) After entering your password, tick on Agree to 'Terms and Conditions' by selecting on the check box.

8) Now, you will have to click on 'Login' button.

9) After you click on the 'Login' button, Home page of e-Voting will open.

(a) If you are already registered for e-Voting, then you can use your existing password to log-in and cast your vote.

Details on Step 2 are mentioned below:

How to cast your vote electronically on NSDL e-Voting system and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see "EVEN" of all the companies in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select 'EVEN' of the Company – 124529 for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting"
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
5. Upon confirmation, the message 'Vote cast successfully' will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

The instructions for e-Voting during the AGM are as under:

1. The procedure for remote e-Voting during the AGM is same as the instructions mentioned above for remote e-Voting since the Meeting is being held through VC/OAVM.
2. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote on such resolution(s) through e-Voting system at the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting

General Guidelines for Shareholders:

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to keyin the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.
2. In case of any queries/grievances pertaining to remote e-Voting (before or during the AGM), you may refer to the Frequently Asked Questions ('FAQs') for Shareholders and e-Voting user manual for Shareholders available in the 'Download' section of www.evoting.nsdl. com or call on 022 - 4886 7000 and 022 - 2499 7000 or send a request at evoting@nsdl.co.in or contact Mr. Amit Vishal, Assistant Vice President or Ms. Pallavi Mhatre, Senior Manager from NSDL at the designated e-mail ID: evoting@nsdl.co.in The address of NSDL is Trade World, 'A' wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, Maharashtra.

Other Instructions:

I. The Board of Directors has appointed Mr. P. V. Subramanian (Membership No. ACS 4585, CP No. 2077), Practicing Company Secretary, as the Scrutinizer to scrutinize the remote e-Voting process as well as e-Voting during the AGM in a fair and transparent manner.

II. The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting (votes cast during the AGM and votes cast prior to the AGM) and make, not later than two working days from the conclusion of the AGM, a consolidated Scrutiniser's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.

III. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.tatasteel.com and on the website of NSDL www.evoting.nsdl.com immediately. The Company shall simultaneously communicate the results to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

Place : Kolkata
Date : April 25, 2023

By Order of the Board of Directors

Sd/-
Sankar Bhattacharya
Company Secretary and Compliance Officer
(ACS:11438)

Registered Office:
Post Joda Dist.: Keonjhar Odisha – 758 034
Tel: 06767 278122 Fax: 06767 278159
CIN- L27102OR1982PLC001091
Website: www.tatasteellp.com
Email: investorcell@tatasteellp.com

Statement pursuant to Section 102(1) of the Companies Act, 2013, as amended ('Act')

The following Statement sets out all material facts relating to Item Nos. 4 and 5 mentioned in the accompanying Notice.

Item No. 4:

In terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to undertake the audit of its cost records for products covered under the Companies (Cost Records and Audit) Rules, 2014, to be conducted by a Cost Accountant in practice.

In compliance with the above, the Audit Committee of the Company at its meeting held on April 25, 2023, considered the appointment of Messrs Shome & Banerjee, Cost Accountants (Firm Registration Number – 000001) as the Cost Auditors of the Company for FY2023-24. At the said meeting, the Audit Committee also considered the remuneration of ₹6,60,000/- (Rupees Six Lakh Sixty Thousand only) (excluding applicable taxes, etc.), plus out of pocket expenses payable to the Cost Auditors of the Company for FY2023-24.

In making the decision on the appointment and remuneration of the Cost Auditors, the Audit Committee considered, the Cost Auditors' performance during the previous year(s) in examining and verifying the accuracy of the cost accounting records maintained by the Company.

Based on the recommendation of the Audit Committee, the Board at its meeting held on April 25, 2023, appointed Messrs. Shome & Banerjee, Cost Accountants, (Firm Registration No.: 000001) to conduct the Cost Audit for the financial year ending March 31, 2024 at a remuneration of Rs. 6,60,000/- (Rupees Six Lakh Sixty Thousand only) (excluding applicable taxes, etc.), plus out of pocket expenses.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors as set out in the Resolution at item No. 5 of the accompanying Notice.

The consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors of the Company for the Financial Year ending March 31, 2024.

None of the Directors, Key Managerial Personnel of the Company and their relatives is in any way concerned or interested in the said Resolution.

The Board recommends the resolution set forth in Item No. 4 for approval of the Members.

Item No. 5

The Members of the Company at the 36th Annual General Meeting ("AGM") of the Company held on July 15, 2019, approved payment of commission to Non-Executive Directors of the Company not exceeding 1% per annum of the net profits of the Company for each year commencing from April 1, 2019.

The Non-Executive Directors ("NEDs") of the Company are professionals with high level of expertise and have rich experience in functional areas such as Leadership, Strategy, Technology, Finance, Governance etc. Further, NEDs are actively involved in various decision-making process while making valuable contributions towards business development, governance, long-term strategy, compliances etc.

In view of the above and the enhanced disclosure requirements pertaining to corporate governance pursuant to the provisions of the Companies Act, 2013 ("Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended from time to time, and considering the nature, size and complexity of the operations of the Company, the role and responsibilities of NEDs have also become onerous and time consuming, requiring their significant attention and a higher level of oversight in the affairs of the Company.

FY2022-23 has been a challenging year for the Company on all fronts. However, the Company has remained agile and achieved significant accomplishments in terms of growth despite suffering from financial losses during FY2022-23.

Pursuant to the provisions of Section 197(3) of the Act, in the event of loss or inadequacy of profits in any particular financial year, the company may pay remuneration (including commission) to the NEDs as per the limits as prescribed under Section II of Part II of Schedule V of the Act.

Basis recommendation of the Nomination and the Remuneration Committee of the Company, the Board of Directors ('Board') at its meeting held on April 25, 2023, took into consideration the commitments and contribution of the Non-Executive Directors, approved and recommended the payment of remuneration (including commission) determined basis Effective Capital of the Company as provided in the below Table, pursuant to Section II of Part II of Schedule V of the Act:

Particulars	As on March 31, 2023 Amount (₹ in crore)
Paid Up Share Capital	45.10
Reserves & Surplus [excluding revaluation reserve]	2,014.30
Long term loan and deposits payable after one year	14,667.83
Less: Current and Non-current investments	13,651.91
Effective Capital	**3,075.32**
Up to 250 crore	0.24
0.1% above Rs. 250 crore of Effective Capital	0.28
Total limit available for other Directors	**0.52**

Accordingly, the Board at its meeting held on April 25, 2023, approved a remuneration by way of commission to the NEDs of the Company, aggregating to Rs. 50.00 lakh, as recommended by the Nomination and Remuneration Committee, in such amount or proportions and in such manner and in all respects, as may be directed by the Board of the Company, for each of the financial year commencing April 1, 2022, subject to approval of the shareholders of the Company at the ensuing AGM of the Company.

The Board, while approving the proposal in terms of Section 197 of the Act, took into consideration the commitments and contribution made by the NEDs of the Company.

The requisite disclosure required under Schedule V is stated below:

A. General Information:

1. **Nature of Industry:** The Company is engaged in the manufacturing business of iron and steel.
2. **Date of commencement of commercial production:**

   Sponge Iron Plant at Joda, Odisha: July, 1982.

   Steel Plant at Gamharia, Jharkhand: April, 2019.
3. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable
4. **Financial Performance based on given indicators:**

Particulars	FY 2022-23	FY 2021-22
Revenue from operations	7464.07	6801.63
Total expenditure before finance cost and depreciation	7391.79	5624.08
Operating Profit	72.28	1177.55
Add : Other income	634.46	137.51
Profit before finance cost, depreciation, exceptional items and taxes	06.74	1315.06
Less : Finance Cost	1387.00	109.96
Profit before depreciation, exceptional items and taxes	(680.26)	1205.10
Less : Depreciation and amortization expenses	347.66	319.58
Profit / (Loss) before exceptional items & tax	(1027.92)	885.52
Add / (Less) : Exceptional items	(1.70)	(27.14)
Profit before taxes	(1029.62)	858.38
Less : Tax Expenses	55.87	228.51
Net Profit / (Loss) for the period	(1085.49)	629.87

5. **Foreign Investments and Collaborations:** The Company has neither made any Foreign Investments nor entered into any foreign collaborations.

B. Other Information

1. **Reason for Loss:-** Due to elevated commodity prices and increase in interest cost due to acquisition of Neelchal Ispat Nigam Limited (NINL)
2. **Steps taken or proposed to be taken for improvement:-** Improvement in coal consumption parameters and scale-up of NINL.

C. Disclosures:

The details of remunerations of all Directors/Key Managerial Personnel and other information/ details, as applicable, are disclosed under the Report of Corporate Governance in the Integrated Report & Annual Accounts 2022-23.

Except the Non-Executive Directors, none of the other Directors, Key Managerial Personnel or their respective relatives, of the Company are concerned or interested in the Resolution mentioned at Item No. 5 of the Notice.

The Board recommends this resolution for passing by the shareholders as a Special Resolution.

Place : Kolkata
Date : April 25, 2023

By Order of the Board of Directors

Sd/-
Sankar Bhattacharya
Company Secretary and Compliance Officer
(ACS:11438)

Registered Office:
Post Joda Dist.: Keonjhar Odisha – 758 034
Tel: 06767 278122 Fax: 06767 278159
CIN- L27102OR1982PLC001091

Annexure-1

Details of the Directors seeking re-appointment at the 40th Annual General Meeting

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and SS - 2 of the Secretarial Standard on General Meetings]

Mr. Koushik Chatterjee
(Non-Executive Director)

Mr. Koushik Chatterjee (DIN: 00004989) aged 54 years was appointed as a Member of the Board effective January 12, 2019.

Mr. Chatterjee had assumed the position of Chief Financial Officer of Tata Steel Limited in 2004 at the age of 36 years. He was appointed to the Board of Tata Steel in 2012 as the Whole Time Director with the responsibility for Finance function globally.

He is currently the Executive Director and Chief Financial Officer of Tata Steel, the Chairman of Tata Metaliks Ltd. and the Chairman of The Tinplate Company of India.

During his lengthy and rich experience in Tata Steel, he has led more than US$25 Bn of acquisitions and divestments, US$60 billion of financing, complex corporate restructuring and in recent years sharp de-leveraging to restore the company's balance sheet to investment grade status.

As a Director on the Board of Tata Steel Long Products, he has closely overseen the acquisitions of the Steel Business of Usha Martin Limited in 2019 and Neelachal Ispat Nigam Limited (NINL) in the last year. Under his leadership, NINL has been successfully ramped up and integrated with TSLP.

Mr. Chatterjee is a Trustee of the IFRS Foundation and a member of the Board of World Steel Association Brussels. He is intensively involved in issues relating to Sustainability not only within Tata Steel but also as part of driving global thought leadership in this area.

He is a member of the Advisory Board of the United Nations Global Compact CFO Coalition for Sustainable Development Goals, the Task Force on Nature Related Financial Disclosures (TNFD), the Task Force on Climate-Related Financial Disclosures (TCFD), the IIF Washington DC sponsored Taskforce on Scaling Voluntary Carbon Markets, and the Steering Committee on UK Voluntary Carbon Markets Forum, London, among others.

Particulars of experience, expertise, attributes or skills that qualify Mr. Chatterjee for Board membership:

Mr. Koushik Chatterjee is the Executive Director and Chief Financial Officer of Tata Steel Limited. He has valuable experience in managing the issues faced by large and complex corporations as a result of his services at Tata Sons Private Limited and Tata Steel Limited.

Mr. Chatterjee brings to the Board extensive experience in the areas of controllership, financial stewardship, business responsibility (including sustainability), business development (mergers, acquisitions, re-structuring, divestments and turnaround of large organisations), strategies relating to financing and raising of capital, strategic communication, risk management, crisis leadership, public affairs, advocacy, legal, compliance and governance.

Mr. Chatterjee's experience demonstrates his leadership capability, general business acumen and knowledge of complex financial and operational issues that large corporations face.

By virtue of his background and experience Mr. Chatterjee has an extraordinarily broad and deep knowledge of the steel industry. His experiences will enable him to provide the Board with valuable insights on a broad range of business, social and governance issues that are relevant to the Company.

Terms and conditions of re-appointment:

Mr. Chatterjee has been appointed as a Non-Executive Director of the Company and is liable to retire by rotation.

Board Meeting Attendance and Remuneration:

During FY 2022-23, Mr. Chatterjee attended four Board Meetings that were held.

As per the internal guidelines of the Company, no payment is made towards commission to the NEDs of the Company, who are in full-time employment with any other Tata Companies. Mr. Chatterjee, being the Executive Director and Chief Financial Officer of Tata Steel Limited, he was not paid any sitting fees for attending the meetings of the Board/ Committees of the Company.

Disclosure of Relationship *inter se* between Directors, Manager and other Key Managerial Personnel:

There is no *inter-se* relationship between Mr. Koushik Chatterjee, other Members of the Board and Key Managerial Personnel of the Company.

Shareholding in the Company:

NIL

Bodies Corporate (other than Tata Steel Long Products Limited) in which Mr. Koushik Chatterjee holds Directorships and Committee positions:

Directorships

1. Tata Steel Limited
2. Tata Metaliks Limited
3. The Tinplate Company of India Ltd
4. Tata Steel Foundation (Section 8 Company)
5. Tata Steel Downstream Products Ltd.
6. Neelachal Ispat Nigam Limited
7. CDP Operations India Private Limited
8. Tata Steel Europe Limited
9. TS Global Procurement Co. Pte. Ltd.
10. Tata Steel UK Limited
11. Tata Steel Netherlands Holdings BV
12. IFRS Foundation

Chairperson of Board Committees:

NIL

Member of Board Committees:

Tata Steel Limited

Corporate Social Responsibility and Sustainability Committee

Risk Management Committee

Stakeholders Relationship Committee

Executive Committee of the Board

The Tinplate Company of India Ltd

Nomination & Remuneration Committee

Tata Metaliks Limited

Nomination & Remuneration Committee

Neelachal Ispat Nigam Limited

Audit Committee

Tata Steel Europe Limited

Audit Committee

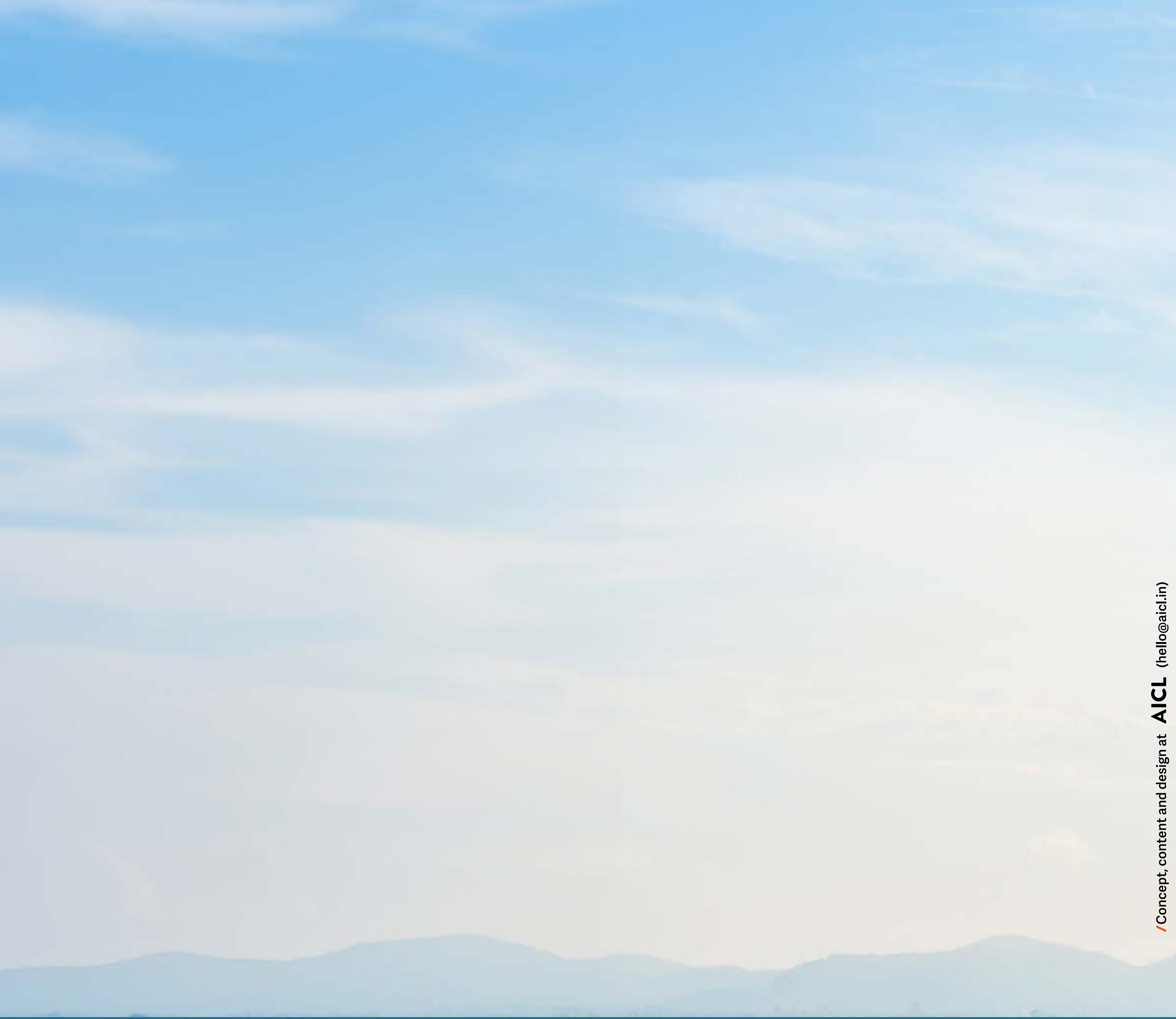
Executive Committee

Board Pension Committee

Listed Entities from which Mr. Koushik Chatterjee has resigned as Director in past 3 years:

1 (TRF Limited)

Notes



TATA STEEL LONG PRODUCTS LIMITED

Registered Office

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Odisha - 758034,

CIN No. L27102OR1982PLC001091

www.tatasteellp.com