

Independent Auditor's Report

To the Members of Neelachal Ispat Nigam Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Neelachal Ispat Nigam Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report along with Annexures to the Director's Report included in the Company's annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making

judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Report on Other Legal and Regulatory Requirements

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

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

- (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, except for the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Indian 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, 2025, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above on reporting under Section 143(3)(b) and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as on March 31, 2025 on its financial position in its financial statements – Refer Notes 19 and 32 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, and as disclosed in the Note 50(a) to the financial statements, no funds have been advanced or loaned or invested

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To the Members of Neelachal Ispat Nigam Limited
Report on Audit of the Financial Statements

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(either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, and as disclosed in the Note 50(b) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

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

vi. Based on our examination, which included test checks, the Company has used two accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and that have operated throughout the year for all relevant transactions recorded in the software, except for modifications, if any, made by certain users with specific access in one application and for direct database changes for both the accounting software. During the course of performing our procedures, except for the aforesaid instances of audit trail not maintained, where the question of our commenting on whether the audit trail feature has been tampered with does not arise, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

14. 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
Membership Number: 057572

UDIN:

Place: Kolkata
Date: April 23, 2025

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of Neelachal Ispat Nigam Limited on the financial statements as of and for the year ended March 31, 2025
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Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Neelachal Ispat Nigam Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Meaning of Internal Financial Controls with reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of Neelachal Ispat Nigam Limited on the financial statements as of and for the year ended March 31, 2025
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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, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, 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:

Place: Kolkata
Date: April 23, 2025

Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Neelachal Ispat Nigam Limited on the financial statements as of and for the year ended March 31, 2025
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In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

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

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 on Property, Plant and Equipment and Note 4 on Leases to the financial statements, are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible Assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.
- (e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.
- ii. (a) The physical verification of inventory (excluding stocks with third parties) has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedures 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 Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the books of account. Further, the Company is yet to submit the returns or statements for the quarter ended March 31, 2025 with such banks and hence the 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 49 to the financial statements.
- iii. (a) The Company has, during the year, not made any investments in companies, firms, limited liability partnerships and other parties other than investments in nineteen mutual fund schemes. The Company has, during the year not granted secured/ unsecured loans/advances in nature of loans, to any company, firm, limited liability partnership and other party. The Company, during the year, did not stand guarantee or provide security to any company, firm, limited liability partnership and other party.

Also, refer Note 10 on Investments and Note 48 to the financial statements.

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Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Neelachal Ispat Nigam Limited on the financial statements as of and for the year ended March 31, 2025

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- (b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.
- (c) The Company has not granted secured/ unsecured loans/advances in nature of loans to any parties. Therefore, the reporting under clauses 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.
- vi. 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) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including goods and services tax, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues, as applicable, with the appropriate authorities. However, there are no arrears of statutory dues outstanding as at March 31, 2025, for a period of more than six months from the date they became payable.
- (b) The particulars of statutory dues referred to in sub-clause (a) as at March 31, 2025 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (net of payments) (Rs. Crores)	Amount paid (Rs. Crores)	Period to which the amount relates (FY)	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty	13.60	0.53	2012-13	Customs Excise and Service Tax Appellate Tribunal
Goods & Services Tax Act, 2017	Goods & Services Tax (including interest)	22.29	-	2019-20	Joint Commissioner of State Tax
Goods & Services Tax Act, 2017	Goods & Services Tax (including interest)	0.40	(0.03)	2018-19	Appellate Authority
Goods & Services Tax Act, 2017	Goods & Services Tax (including interest)	2.71	-	2017-18	Assistant Commissioner

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Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Neelachal Ispat Nigam Limited on the financial statements as of and for the year ended March 31, 2025

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Name of the statute	Nature of dues	Amount (net of payments) (Rs. Crores)	Amount paid (Rs. Crores)	Period to which the amount relates (FY)	Forum where the dispute is pending
Orissa Irrigation Act, 1959	Water Conservation Fund	32.35	-	2015-16	High Court
Employees Provident Fund & Miscellaneous Provisions Act, 1952	Provident Fund	1.65	0.18	1998-2003	Assistant Provident Fund Commissioner
Employees Provident Fund & Miscellaneous Provisions Act, 1952	Provident Fund	4.73	3.15	1998-2023	Regional Provident Fund Commissioner

- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, the term loans have been applied for the purposes for which they were obtained. Also, refer Note 16(v) to the 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 financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.
- (e) The Company did not have any subsidiary, joint venture or associate company during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company did not have any subsidiary, joint venture or associate company during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the

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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, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause. As explained by the management, there were certain complaints in respect of which investigations are ongoing as on the date of our report and our consideration of the complaints having any bearing on our audit is based on the information furnished to us by the management.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with 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) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has six CICs as part of the Group as detailed in Note 53 to the financial statements.
- xvii. The Company has not incurred any cash losses in the financial year and had incurred cash losses of Rs. 471.91 crores in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of

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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. (a) The Company was not required to spend any amount during the year for Corporate Social Responsibility under Section 135(5) and 135(6) of the Act. Accordingly, there is no amount unspent as at March 31, 2025 and the reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order 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
Membership Number: 057572

UDIN:

Place: Kolkata
Date: April 23, 2025

(₹ in crores)

	Note	As at March 31, 2025	As at March 31, 2024
I Assets			
Non-current assets			
(a) Property, plant and equipment	3	1,874.52	1,993.47
(b) Capital work-in-progress	3 (v)	354.93	170.57
(c) Right-of-use assets	4	37.09	37.18
(d) Other intangible assets	5	169.99	175.05
(e) Intangible assets under development	5 (iv)	11.94	12.46
(f) Financial assets			
Other financial assets	6	33.34	32.54
(g) Income tax assets (net)	7	11.54	10.06
(h) Other non-current assets	8	20.90	1.49
Total non-current assets		2,514.25	2,432.82
Current assets			
(a) Inventories	9	854.24	1,102.56
(b) Financial assets			
(i) Investments	10	204.81	14.02
(ii) Trade receivables	11	88.38	101.52
(iii) Cash and cash equivalents	12	150.75	38.85
(iv) Bank balances other than (iii) above	13	702.06	0.55
(v) Derivative assets		4.30	0.52
(vi) Other financial assets	6	121.88	12.92
(c) Other current assets	8	64.50	79.98
Total current assets		2,190.92	1,350.92
Total assets		4,705.17	3,783.74
II Equity and liabilities			
Equity			
(a) Equity share capital	14	1,365.72	1,365.72
(b) Other equity	15	(3,731.53)	(4,055.99)
Total equity		(2,365.81)	(2,690.27)
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	6,133.96	5,507.77
(ii) Lease liabilities	4	4.91	5.36
(iii) Other financial liabilities	17	12.76	11.58
(b) Provisions	19	106.57	100.86
Total non-current liabilities		6,258.20	5,625.57
Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	4	0.45	0.40
(ii) Trade payables	20		
- total outstanding dues of micro and small enterprises		41.21	40.75
- total outstanding dues of creditors other than micro and small enterprises		538.07	570.56
(iii) Other financial liabilities	17	89.58	54.87
(b) Provisions	19	90.52	123.52
(c) Other current liabilities	21	52.95	58.34
Total current liabilities		812.78	848.44
Total liabilities		7,070.98	6,474.01
Total equity and liabilities		4,705.17	3,783.74

The accompanying notes forming an integral part of the financial statements 1 to 56

This is the Balance Sheet referred to in our report of even date

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

For and on behalf of the Board of Directors

sd/-
Pinaki Chowdhury
Partner
Membership No: 057572

sd/-
T.V.Narendran
Chairman
DIN: 03083605

sd/-
Sudhir Kumar Mehta
Managing Director & CEO
DIN: 09660981

sd/-
Ashish Anupam
Director
DIN: 08384201

Place: Kolkata
Date: April 23, 2025

sd/-
Manoj Kumar Gupta
Chief Financial Officer

sd/-
Sankar Bhattacharya
Company Secretary
(ACS - 11438)

NEELACHAL ISPAT NIGAM LIMITED
Statement of Profit and Loss for the year ended March 31, 2025
(₹ in crores)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
I Revenue from operations	22	5,701.06	5,505.43
II Other income	23	79.48	56.64
III Total income (I + II)		5,780.54	5,562.07
IV Expenses:			
Cost of materials consumed	24	2,730.99	3,089.15
Changes in inventories of finished and semi finished goods	25	102.74	255.12
Employee benefits expense	26	230.84	224.86
Finance costs	27	630.25	567.49
Depreciation and amortisation expense	28	171.66	167.32
Other expenses	29	1,584.80	1,866.32
Total expenses (IV)		5,451.28	6,170.26
V Profit/(loss) before exceptional items and tax (III - IV)		329.26	(608.19)
VI Exceptional item			
Exceptional Item	30	(0.74)	(31.04)
Total exceptional item (VI)		(0.74)	(31.04)
VII Profit/(loss) before tax (V+VI)		328.52	(639.23)
VIII Tax expense:			
(1) Current tax		-	-
(2) Deferred tax	18	-	-
Total tax expense (VIII)		-	-
IX Profit/(loss) for the year (VII- VIII)		328.52	(639.23)
X Other comprehensive income			
Items that will not be reclassified to profit or loss			
(a) Re-measurement losses of the post-employment defined benefit plans		(4.06)	(7.44)
(b) Income tax relating to above item		-	-
Total other comprehensive income (X)		(4.06)	(7.44)
XI Total comprehensive income for the year (IX + X) (Comprising profit/(loss) and other comprehensive income for the year)		324.46	(646.67)
XII Earnings per equity share (face value of ₹ 10 each) :	31		
(1) Basic (₹)		2.41	(4.68)
(2) Diluted (₹)		2.41	(4.68)

The accompanying notes forming an integral part of the financial statements 1 to 56

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

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

Firm Registration Number: 304026E/E-300009

sd/-

Pinaki Chowdhury

Partner

Membership No:057572

For and on behalf of the Board of Directors

sd/-

T.V.Narendran

Chairman

DIN: 03083605

sd/-

Sudhir Kumar Mehta

Managing Director & CEO

DIN: 09660981

sd/-

Ashish Anupam

Director

DIN: 08384201

Place: Kolkata
Date: April 23, 2025

sd/-

Manoj Kumar Gupta

Chief Financial Officer

sd/-

Sankar Bhattacharya

Company Secretary

(ACS - 11438)

NEELACHAL ISPAT NIGAM LIMITED

Statement of changes in equity for the year ended March 31, 2025

(A) Equity share capital

(₹ in crores)

Particulars	Note	Amount
As at April 1, 2023	14	1,365.72
Changes in equity share capital during the year		-
As at March 31, 2024		1,365.72
Changes in equity share capital during the year		-
As at March 31, 2025		1,365.72

(B) Other equity

(₹ in crores)

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

(₹ in crores)

Particulars	Note	Reserves and surplus			Total
		Securities premium	Retained earnings	Remeasurement gain / (loss) of the defined benefit plans	
Balance as at April 1, 2023	15	3,556.50	(6,963.04)	(2.78)	(3,409.32)
Loss for the year		-	(639.23)	-	(639.23)
Other comprehensive income for the year		-	-	(7.44)	(7.44)
Balance as at March 31, 2024		3,556.50	(7,602.27)	(10.22)	(4,055.99)

The accompanying notes forming an integral part of the financial statements

1 to 56

This is the Statement of Changes in Equity referred to in our report of even date

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

For and on behalf of the Board of Directors

Firm Registration Number: 304026E/E-300009

sd/-
Pinaki Chowdhury
Partner
Membership No:057572

sd/-
T.V.Narendran
Chairman
DIN: 03083605

sd/-
Sudhir Kumar Mehta
Managing Director & CEO
DIN: 09660981

sd/-
Ashish Anupam
Director
DIN: 08384201

Place: Kolkata
Date: April 23, 2025

sd/-
Manoj Kumar Gupta
Chief Financial Officer

sd/-
Sankar Bhattacharya
Company Secretary
(ACS - 11438)

	Year ended March 31, 2025	Year ended March 31, 2024
(A) Cash flows from operating activities:		
Profit/(loss) before tax	328.52	(639.23)
Adjustments for:		
Depreciation and amortisation expenses	171.66	167.32
(Gain)/loss on cancellation of forward contracts	(1.93)	2.12
Exchange (gain)/loss on revaluation of assets and liabilities	(7.38)	0.57
Gain on sale/fair value changes of current investments	(29.84)	(26.80)
Loss on disposal of property, plant and equipment and capital work-in-progress	2.00	11.85
Interest income	(13.24)	(3.22)
Finance Costs	630.25	567.49
Exceptional item	0.74	31.04
Other non-cash items	(17.10)	(6.48)
	735.16	743.89
Operating profit before changes in non-current/current assets and liabilities	1,063.68	104.66
Adjustments for:		
Decrease/(increase) in Inventories	248.32	(203.68)
Decrease in Non-current/current financial and non-financial assets	27.80	107.11
Decrease in Non-current/current financial and non-financial liabilities/provisions	(46.44)	(228.66)
	229.68	(325.23)
Cash generated from/(used in) operations	1,293.36	(220.57)
Income taxes paid (net of refund)	(1.48)	(6.87)
Net cash generated from/(used in) operating activities	1,291.88	(227.44)
(B) Cash flows from investing activities:		
Payments for purchases of property, plant and equipment (including capital advances)	(222.07)	(328.11)
Sale/(Purchase) of current investments (net)	(160.95)	569.53
Interest received	2.02	3.27
Fixed deposits with banks (placed)/realised (net)	(798.79)	1.75
Net cash generated from/(used in) investing activities	(1,179.79)	246.44
(C) Cash flows from financing activities:		
Finance costs paid (excluding interest on lease liabilities)	(1.09)	(0.18)
Payment of lease obligations	(0.40)	(0.36)
Interest paid on lease liabilities	(0.63)	(0.67)
Amount received/(paid) on cancellation of forward contracts (net)	1.93	(2.12)
Net cash used in financing activities	(0.19)	(3.33)
Net increase in cash or cash equivalents	111.90	15.67
Cash and cash equivalents at the beginning of the year (Refer Note 12)	38.85	23.18
Cash and cash equivalents at the end of the year (Refer Note 12)	150.75	38.85

The accompanying notes forming an integral part of the financial statements

1 to 56

This is the Statement of Cash Flows referred to in our report of even date

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

sd/-

Pinaki Chowdhury

Partner

Membership No:057572

For and on behalf of the Board of Directors

sd/-

T.V.Narendran

Chairman

DIN: 03083605

sd/-

Sudhir Kumar Mehta

Managing Director & CEO

DIN: 09660981

sd/-

Ashish Anupam

Director

DIN: 08384201

Place: Kolkata

Date: April 23, 2025

sd/-

Manoj Kumar Gupta

Chief Financial Officer

sd/-

Sankar Bhattacharya

Company Secretary

(ACS - 11438)

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

(₹ in crores)

Carrying amounts of:	As at March 31, 2025	As at March 31, 2024
Freehold Land including roads	8.38	9.90
Freehold buildings	64.96	58.91
Plant and machinery	1,782.95	1,908.56
Furniture and fixtures	2.09	1.29
Office equipment	7.74	8.07
Vehicles	2.09	-
Railway Sidings	6.31	6.74
Total	1,874.52	1,993.47
Capital work-in-progress [Refer note 3(v) & 3(vi)]	354.93	170.57
Total	2,229.45	2,164.04

(₹ in crores)

	Freehold Land including roads	Freehold Buildings	Plant and Machinery	Furniture and fixtures	Office equipments	Vehicles	Railway Sidings	Total
Gross Carrying amount								
Balance as at April 1, 2024	16.63	92.86	3,243.41	1.70	10.84	1.93	18.72	3,386.09
Additions during the year	-	8.95	31.80	1.34	2.14	2.26	-	46.49
Assets disposed / written off during the year	-	-	-	-	-	-	-	-
Balance as at March 31, 2025	16.63	101.81	3,275.21	3.04	12.98	4.19	18.72	3,432.58
Accumulated depreciation								
Accumulated depreciation as at April 1, 2024	6.73	33.95	1,334.85	0.41	2.77	1.93	11.98	1,392.62
Charge for the year	1.52	2.90	157.41	0.54	2.47	0.17	0.43	165.44
Depreciation on assets disposed / written off during the year	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2025	8.25	36.85	1,492.26	0.95	5.24	2.10	12.41	1,558.06
Net Carrying amount								
Balance as at April 1, 2024	9.90	58.91	1,908.56	1.29	8.07	-	6.74	1,993.47
Balance as at March 31, 2025	8.38	64.96	1,782.95	2.09	7.74	2.09	6.31	1,874.52

(₹ in crores)

	Freehold Land including roads	Freehold Buildings	Plant and Machinery	Furniture and fixtures	Office equipments	Vehicles	Railway Sidings	Total
Gross Carrying amount								
Balance as at April 1, 2023	14.98	86.85	2,985.87	1.44	11.70	1.93	18.72	3,121.49
Additions during the year	1.65	6.01	287.53	0.63	1.41	-	-	297.23
Assets disposed / written off during the year	-	-	(29.99)	(0.37)	(2.27)	-	-	(32.63)
Balance as at March 31, 2024	16.63	92.86	3,243.41	1.70	10.84	1.93	18.72	3,386.09
Accumulated depreciation								
Accumulated depreciation as at April 1, 2023	5.42	31.45	1,202.22	0.44	2.89	1.90	11.55	1,255.87
Charge for the year	1.31	2.50	154.50	0.34	2.15	0.03	0.43	161.26
Depreciation on assets disposed / written off during the year	-	-	(21.87)	(0.37)	(2.27)	-	-	(24.51)
Accumulated depreciation as at March 31, 2024	6.73	33.95	1,334.85	0.41	2.77	1.93	11.98	1,392.62
Net Carrying amount								
Balance as at April 1, 2023	9.56	55.40	1,783.65	1.00	8.81	0.03	7.17	1,865.62
Balance as at March 31, 2024	9.90	58.91	1,908.56	1.29	8.07	-	6.74	1,993.47

Notes :

- Depreciation on property, plant and equipment has been included under 'Depreciation and amortisation expense' in the Statement of Profit and Loss (Refer Note 28).
- On transition to IND AS, the Company had chosen to carry forward previous GAAP carrying amount and accordingly the net carrying amount on transition date was considered as the deemed cost.
- The Company has been considered as a single cash generating unit (CGU) and the carrying value of Property, plant and equipment (including Capital work-in-progress), Right-of-use assets, Intangible assets and Intangible assets under development was tested for impairment as at the year end. The recoverable amount of the CGU was determined based on higher of fair value less costs to sell and value in use for the underlying business. The fair value less costs to sell model uses cash flow forecasts based on the most recently approved financial plans for FY 26. Beyond FY 26, the cash flow forecasts is based on strategic forecasts which covers a period of nine years and future projections taking the analysis out to perpetuity which includes capital expenditure for capacity expansion of steel making facilities from the current 0.98 MTPA to 4.95 MTPA by FY 31 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 nine years in respect of which strategic forecasts have been prepared. The recoverable amount so determined exceeded the carrying values of the assets.

The management has conducted sensitivity analysis, including discount rate on the impairment assessment of the carrying value of assets. The management believes that no reasonably possible change in any of the key assumptions used in the model would cause the carrying value of assets to materially exceed its recoverable value.

- The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company.

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

As at March 31, 2025

(₹ in crores)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	214.91	11.96	-	127.92	354.79
Projects temporarily suspended	-	-	-	0.14	0.14
Total	214.91	11.96	-	128.06	354.93

As at March 31, 2024

(₹ in crores)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	34.08	3.34	-	133.01	170.43
Projects temporarily suspended	-	-	-	0.14	0.14
Total	34.08	3.34	-	133.15	170.57

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

As at March 31, 2025

(₹ in crores)

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

As at March 31, 2024

(₹ in crores)

Particulars	To be completed in				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Projects in progress					
(a) Improvement projects	-	-	102.33	-	102.33
(b) Sustainance projects	22.39	-	17.76	-	40.15
(ii) Projects temporarily suspended					
(a) Improvement projects	-	-	-	-	-
(b) Sustainance projects	0.14	-	-	-	0.14
Total	22.53	-	120.09	-	142.62

(vii) Operations of the Company were shut since March 2020 and the capital projects got delayed as detailed above. Post acquisition of the Company (Refer note 40) the new management had made a detailed assessment, inter alia, involving external technical experts as applicable. The management expects the projects to be completed as detailed in the table above.

4 Leases

(i) The Company as a lessee

The Company has lease contracts for land and building. Leases of land have a term of 5 to 90 years and leases of building have a term of 5 years. Generally, the Company is restricted from assigning or subleasing the leased assets. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

The Company also has certain leases of plant & machineries with lease term of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

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

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Right-of-use land	35.85	35.50
Right-of-use buildings	1.24	1.68
Total Right-of-use assets	37.09	37.18

(₹ in crores)

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

(₹ in crores)

	Right-of-use land	Right-of-use Building	Total
Gross Carrying amount			
Balance as at April 1, 2023	40.48	2.21	42.69
Additions during the year	-	-	-
Balance as at March 31, 2024	40.48	2.21	42.69
Accumulated depreciation			
Accumulated depreciation as at April 1, 2023	4.43	0.09	4.52
Charge for the year	0.55	0.44	0.99
Accumulated depreciation as at March 31, 2024	4.98	0.53	5.51
Net Carrying amount			
Balance as at April 1, 2023	36.05	2.12	38.17
Balance as at March 31, 2024	35.50	1.68	37.18

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

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Balance as at beginning of the year	5.76	6.11
Additions during the year	-	-
Finance costs during the year	0.63	0.67
Lease payments during the year	(1.03)	(1.02)
Balance as at end of the year	5.36	5.76
Current lease liabilities	0.45	0.40
Non-current lease liabilities	4.91	5.36

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2025 and March 31, 2024 on an undiscounted basis -

	(₹ in crores)	
	As at March 31, 2025	As at March 31, 2024
Less than one year	1.04	1.03
One to five years	2.84	3.44
More than five years	25.39	25.83
Total	29.27	30.30

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

	(₹ in crores)	
	As at March 31, 2025	As at March 31, 2024
Depreciation expense on right-of-use assets (Refer Note 28)	1.16	1.00
Interest expense on lease liabilities (Refer Note 27)	0.63	0.67
Expenses in respect of short term leases (Refer Note 29)	20.87	30.47
Total amount recognised in the Statement of Profit and Loss	22.66	32.14

- (a) The Company does not have any leases of low value assets and subleases.
- (b) No lease contracts of the Company contain any variable lease payments.
- (c) There are no residual value guarantees in relation to any lease contracts.
- (d) The Company had a total cash outflows of ₹ 1.03 crores for leases for the year ended March 31, 2025 (March 31, 2024 : ₹ 1.03 crores).
- (e) Lease deeds of all leasehold land and buildings are executed in the name of the Company. The erstwhile Konark Met Coke Limited (KMCL) was merged with the Company w.e.f. April 1, 2004 as per High Court Order dated November 5, 2004. The Company had requested Industrial Infrastructure Development Corporation (IDCO) to transfer 249.45 acres of land held in the name of erstwhile KMCL in favour of the Company, which has been transferred in the current year upon execution of the transfer deed.

5 Other intangible assets

(₹ in crores)

Carrying amounts of:	As at March 31, 2025	As at March 31, 2024
Mining rights (acquired)	169.06	173.71
Computer software	0.93	1.34
Total intangible assets	169.99	175.05

(₹ in crores)

	Mining rights (acquired)	Computer software	Total
Gross Carrying amount			
Balance as at April 1, 2024	183.75	2.06	185.81
Additions during the year	-	-	-
Balance as at March 31, 2025	183.75	2.06	185.81
Accumulated amortisation			
Accumulated amortisation as at April 1, 2024	10.04	0.72	10.76
Charge for the year	4.65	0.41	5.06
Accumulated amortisation as at March 31, 2025	14.69	1.13	15.82
Net Carrying amount			
Balance as at April 1, 2024	173.71	1.34	175.05
Balance as at March 31, 2025	169.06	0.93	169.99

(₹ in crores)

	Mining rights (acquired)	Computer software	Total
Gross Carrying amount			
Balance as at April 1, 2023	183.75	2.06	185.81
Additions during the year	-	-	-
Balance as at March 31, 2024	183.75	2.06	185.81
Accumulated amortisation			
Accumulated amortisation as at April 1, 2023	5.36	0.31	5.67
Charge for the year	4.68	0.41	5.09
Accumulated amortisation as at March 31, 2024	10.04	0.72	10.76
Net Carrying amount			
Balance as at April 1, 2023	178.39	1.75	180.14
Balance as at March 31, 2024	173.71	1.34	175.05

Notes :

- The amortisation of intangible assets has been included under 'Depreciation and Amortisation Expenses' in the Statement of Profit and Loss (Refer Note 28).
 - 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.
 - Mining assets represents expenditure incurred in relation to acquisition of mine, mine development expenditure post establishment of technical and commercial feasibility.
- (iv) Ageing of Intangible assets under development

As at March 31, 2025

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

As at March 31, 2024

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	12.46	-	-	-	12.46
Projects temporarily suspended	-	-	-	-	-
Total	12.46	-	-	-	12.46

- (a) There are no intangible assets under development as on March 31, 2025 & March 31, 2024 whose completion is overdue or has exceeded its cost as compared to its original plan.

6 Other financial assets

(Unsecured, considered good unless stated otherwise)

(₹ in crores)

	As at March 31, 2025		As at March 31, 2024	
	Non-current	Current	Non-current	Current
(a) Interest accrued on deposits	0.17	11.38	0.07	0.25
(b) Security deposits				
Considered good	31.34	-	30.75	-
Credit impaired	0.40	-	0.40	-
Less: Allowance for credit losses	(0.40)	-	(0.40)	-
(c) Bank deposits with more than 12 months original maturity*	1.83	109.64	1.72	12.47
(d) Others	-	0.86	-	0.20
	33.34	121.88	32.54	12.92

*Out of total non-current and current bank deposits ₹ 9.14 crores (March 31, 2024: ₹ 8.83 crores) is earmarked.

7 Income tax assets (Non current) (net)

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Tax deducted/collected at source	11.54	10.06
	11.54	10.06

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

8 Other assets

(Unsecured, considered good unless stated otherwise)

(₹ in crores)

	As at March 31, 2025		As at March 31, 2024	
	Non-current	Current	Non-current	Current
(a) Capital advances	20.79	-	0.93	-
(b) Other loans and advances				
(i) Advances with public bodies				
Considered good	-	55.52	-	69.22
Considered doubtful	-	6.48	-	6.48
Less : Provision for doubtful advances	-	(6.48)	-	(6.48)
(ii) Other advances and prepayments *				
Considered good	0.11	8.98	0.56	10.76
Considered doubtful	-	0.78	-	0.78
Less : Provision for doubtful advances	-	(0.78)	-	(0.78)
	20.90	64.50	1.49	79.98

* Includes advances against supply of goods/services ₹ 6.98 crores (March 31, 2024 : ₹ 9.14 crores).

9 Inventories

(lower of cost and net realisable value)

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
(a) Raw materials	516.23	696.19
(b) Finished and semi-finished goods	74.27	177.01
(c) Stores and spares	263.74	229.36
	854.24	1,102.56
Included above, goods-in-transit		
Raw materials	100.33	61.87
	100.33	61.87

(i) During the year discrepancies noted on physical verification of raw material inventories is ₹ 10.39 crores (amount in books being higher) (March 31, 2024: ₹ 22.04 crores - amount in books being lower), which has been appropriately adjusted in the books of accounts.

(ii) During the year discrepancies noted on physical verification of finished goods and semi finished goods inventories is ₹ 0.77 crores (amount in books being lower) (March 31, 2024: ₹ 36.90 crores; amount in books being lower), which has been appropriately adjusted in the books of accounts.

(iii) The above discrepancies noted on physical verification of inventories as compared to the book records are not 10% or more in aggregate for each class of inventory.

(iv) Refer Note 44 for information on inventories hypothecated as security by the Company.

10 Investments

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Current Investments (Unquoted)		
Investment in mutual funds (carried at fair value through profit and loss)		
(a) Aditya Birla Sun Life Liquid Fund - Growth-Direct	25.06	-
(b) Axis Liquid Fund - Direct Growth	12.95	-
(c) Bandhan Liquid Fund-Growth- Direct Growth	7.20	-
(d) Baroda BNP Paribas Liquid Fund Direct Growth	2.60	-
(e) DSP Liquidity Fund - Direct Plan - Growth	34.39	-
(f) Edelweiss Liquid Fund -Direct Plan Growth-Growth	12.52	-
(g) HDFC Liquid Fund - Direct Plan - Growth Option	9.40	-
(h) HSBC Liquid Fund - Direct Growth	17.42	-
(i) ICICI Prudential Liquid Fund -Direct-Growth	6.54	-
(j) Invesco India Liquid Fund - Direct Plan Growth	18.14	-
(k) Kotak Liquid Fund-Direct-Growth	10.97	-
(l) Mirae Asset Liquid Fund - Direct Plan - Growth	10.39	-
(m) Nippon India Liquid Fund - Direct Growth Plan - Growth Option	25.06	-
(n) SBI Liquid Fund - Direct Plan - Growth	12.17	-
(o) SBI Overnight Fund-Direct Growth	-	7.01
(p) Tata Overnight Fund-Direct Plan-Growth	-	7.01
	204.81	14.02
Aggregate amount of unquoted investments	204.81	14.02

Refer Note 36 for information about fair value measurement, credit risk and market risk on investments.

11 Trade receivables

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
(a) Unsecured, considered good	88.38	101.52
(b) Unsecured, credit impaired	-	-
	88.38	101.52
Less : Allowance for expected credit loss	-	-
Total trade receivables	88.38	101.52
Trade receivables from related parties (Refer Note 37)	88.38	101.52

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

As at March 31, 2025

(₹ in crores)

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed – considered good	87.71	0.67	-	-	-	-	88.38
	87.71	0.67	-	-	-	-	88.38

As at March 31, 2024

(₹ in crores)

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed – considered good	71.76	29.76	-	-	-	-	101.52
	71.76	29.76	-	-	-	-	101.52

(ii) There is one customer whose balance represents more than 10% of total balance of trade receivables as at March 31, 2025 and as at March 31, 2024.

(iii) There are no outstanding receivables due from directors or other officers of the Company.

(iv) Refer Note 36 for information about credit risk and market risk on receivables.

(v) Refer Note 44 for information on trade receivables hypothecated as security by the Company.

12 Cash and cash equivalents

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Balances with scheduled banks		
In current accounts	55.75	38.85
In deposit accounts	95.00	-
Total cash and cash equivalents	150.75	38.85

13 Other balances with banks

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Bank deposits with original maturity of more than three months and less than twelve months	702.06	0.55
Total other balances with banks	702.06	0.55

14 Equity share capital

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

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Authorised share capital:		
5,10,00,00,000 fully paid equity shares of ₹ 10 each (March 31, 2024: 5,10,00,00,000 equity shares of ₹ 10 each)	5,100.00	5,100.00
Issued and subscribed:		
1,37,26,40,143 fully paid equity shares of ₹ 10 each (March 31, 2024: 1,37,26,40,143 equity shares of ₹ 10 each)	1,372.64	1,372.64
Paid up:		
1,35,87,88,143 Equity shares of ₹ 10 each, fully paid up (March 31, 2024: 1,35,87,88,143 equity shares of ₹ 10 each, fully paid up)	1,358.79	1,358.79
1,38,52,000 Equity shares of ₹ 10 each, ₹ 5 partly paid up* (March 31, 2024: 1,38,52,000 equity shares of 10 each, ₹ 5 partly paid up)	6.93	6.93
Total Paid up equity share capital	1,365.72	1,365.72

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

B. Reconciliation of number of shares outstanding

	No. of equity shares	Amount ₹ in crores
Equity shares of Rs. 10 each		
As at April 1, 2023		
- Fully Paid (of ₹ 10 each)	1,35,87,88,143	1,358.79
- Partly Paid (of ₹ 5 each)	1,38,52,000	6.93
Changes in equity share capital during the year		
- Fully Paid (of ₹ 10 each)	-	-
- Partly Paid (of ₹ 5 each)	-	-
As at March 31, 2024		
- Fully Paid (of ₹ 10 each)	1,35,87,88,143	1,358.79
- Partly Paid (of ₹ 5 each)	1,38,52,000	6.93
Changes in equity share capital during the year		
- Fully Paid (of ₹ 10 each)	-	-
- Partly Paid (of ₹ 5 each)	-	-
As at March 31, 2025		
- Fully Paid (of ₹ 10 each)	1,35,87,88,143	1,358.79
- Partly Paid (of ₹ 5 each)	1,38,52,000	6.93

C. Shares held by holding company

	As at March 31, 2025		As at March 31, 2024	
	No. of equity shares	%	No. of equity shares	%
Tata Steel Limited	1,37,03,47,561	99.83%	1,36,79,83,574	99.66%

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

	As at March 31, 2025		As at March 31, 2024	
	No. of equity shares	%	No. of equity shares	%
Name of shareholders				
Tata Steel Limited	1,37,03,47,561	99.83%	1,36,79,83,574	99.66%

E. Details of shareholding of promoters

Name of promoter	As at March 31, 2025		As at March 31, 2024	
	No. of equity shares	%	No. of equity shares	%
Tata Steel Limited	1,37,03,47,561	99.83%	1,36,79,83,574	99.66%

F. Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Also refer Note 40 to the financial statements.

14a Preference share capital

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

₹ in crores

	As at March 31, 2025	As at March 31, 2024
Authorised share capital:		
10,00,00,000 Convertible Preference shares of Rs. 10 each (As at March 31, 2024: 10,00,00,000 shares of Rs 10 each)	100.00	100.00
70,00,00,000 Non Convertible Redeemable Preference shares of Rs. 100 each (As at March 31, 2024: 70,00,00,000 shares of Rs 100 each)	7,000.00	7,000.00
Issued and subscribed:		
45,60,54,252 Non Convertible Redeemable Preference shares of Rs. 100 each (As at March 31, 2024: 45,60,54,252 shares of Rs 100 each)	4,560.54	4,560.54
Paid up:		
45,60,54,252 Non Convertible Redeemable Preference shares of Rs. 100 each (As at March 31, 2024: 45,60,54,252 shares of Rs 100 each)	4,560.54	4,560.54

B Reconciliation of number of shares outstanding

	No. of preference shares	Amount ₹ in crores
Non Convertible Redeemable Preference shares of Rs. 100 each		
As at April 1, 2023	45,60,54,252	4,560.54
Changes during the year	-	-
As at March 31, 2024	45,60,54,252	4,560.54
Changes during the year	-	-
As at March 31, 2025	45,60,54,252	4,560.54

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

C Rights, preferences and restrictions attached to preference shares

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

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

Also refer Note 40 to the financial statements.

15 Other equity

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Securities premium	3,556.50	3,556.50
Retained earnings	(7,273.75)	(7,602.27)
Remeasurement gain / (loss) of the post-employment defined benefit plans	(14.28)	(10.22)
Total	(3,731.53)	(4,055.99)

(₹ in crores)

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

Particulars	Reserves and surplus			Total
	Securities premium	Retained earnings	Remeasurement gain / (loss) of the defined benefit plans	
As at April 1, 2023	3,556.50	(6,963.04)	(2.78)	(3,409.32)
Loss for the year	-	(639.23)	-	(639.23)
Other comprehensive income for the year	-	-	(7.44)	(7.44)
As at March 31, 2024	3,556.50	(7,602.27)	(10.22)	(4,055.99)

(a) Securities premium

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

The details of movement in securities premium is as below:

	(₹ in crores)	
	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	3,556.50	3,556.50
Changes during the year	-	-
Balance at the end of the year	3,556.50	3,556.50

(b) Retained earnings

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

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

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

16 Borrowings

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
	Non-current	Non-current
(a) Unsecured borrowings		
(i) Liability component of non convertible redeemable preference shares (Refer sub-note (ii))	6,133.96	5,507.77
	6,133.96	5,507.77

(i) Maturity profile of borrowings is as below:

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Not later than one year or on demand	-	-
Later than one year but not five years	-	-
More than five years	6,133.96	5,507.77
	6,133.96	5,507.77

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

(iii) Debt reconciliation

(₹ in crores)

	Amount
Debt as at April 1, 2023	4,945.51
Cash flows (Net)	(0.18)
Interest on liability component of non-convertible preference shares/borrowings (Refer Note 27)	562.44
Debt as at March 31, 2024	5,507.77
Cash flows (Net)	(1.09)
Interest on liability component of non-convertible preference shares/borrowings (Refer Note 27)	627.28
Debt as at March 31, 2025	6,133.96

(iv) Net debt reconciliation

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

	As at March 31, 2025	As at March 31, 2024
Bank balances & deposits (including earmarked balances)	964.28	53.59
Liquid investments	204.81	14.02
Borrowings	(6,133.96)	(5,507.77)
Lease liabilities	(5.36)	(5.76)
Net debt	(4,970.23)	(5,445.92)

	Assets from investing activities		Liabilities from financing activities		Total
	Bank balances and deposits	Liquid investments	Borrowings	Lease liabilities	
April 1, 2024	53.59	14.02	(5,507.77)	(5.76)	(5,445.92)
Cash flows (net)	910.69	190.15	-	0.40	1,101.24
Interest expense	-	-	(627.28)	(0.63)	(627.91)
Interest paid	-	-	1.09	0.63	1.72
Fair value adjustments	-	0.64	-	-	0.64
March 31, 2025	964.28	204.81	(6,133.96)	(5.36)	(4,970.23)

	Assets from investing activities		Liabilities from financing activities		Total
	Bank balances and deposits	Liquid investments	Borrowings	Lease liabilities	
April 1, 2023	32.36	556.75	(4,945.51)	(6.11)	(4,362.51)
Cash flows (net)	21.23	(542.74)	-	0.35	(521.16)
Interest expense	-	-	(562.26)	(0.67)	(562.93)
Interest paid	-	-	-	0.67	0.67
Fair value adjustments	-	0.01	-	-	0.01
March 31, 2024	53.59	14.02	(5,507.77)	(5.76)	(5,445.92)

(v) The borrowings (including term loans) obtained by the Company have been applied for the purposes for which such borrowings were taken.

(vi) The Company has not defaulted in repayment of loans or other borrowings.

(vii) The Company has utilised working capital facilities which have been repaid during the year. It carried an interest rate of 3 months MCLR payable at monthly intervals.

17 Other financial liabilities

	(₹ in crores)			
	As at March 31, 2025		As at March 31, 2024	
	Non-current	Current	Non-current	Current
(a) Interest payable				
Interest accrued on trade payables and others	-	8.76	-	6.42
(b) Creditors for capital supplies and services [#]	-	59.88	-	28.71
(c) Accrued wages and salaries	-	15.84	-	14.81
(d) Other credit balances *	12.76	5.10	11.58	4.93
Total Other financial liabilities	12.76	89.58	11.58	54.87

[#]Includes payable to related parties (Refer Note 37) of ₹ 15.23 crores. (March 31, 2024: Nil).

*Includes liability towards employees family benefit scheme ₹ 14.07 crores (March 31, 2024: ₹ 12.76 crores).

18 Deferred tax liabilities (net)

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

	As at March 31, 2025	As at March 31, 2024
Deferred tax liabilities	304.29	306.14
Deferred tax assets	(304.29)	(306.14)
Deferred tax liabilities (net)	-	-

The balances comprises temporary differences attributable to:

	(₹ in crores)			
Balance as at March 31, 2025	Deferred tax liabilities/(assets) as at April 1, 2024	Recognised/ (reversed) in profit or loss during the year	Recognised/ (reversed) in other comprehensive income	Deferred tax liabilities/(assets) as at March 31, 2025
Deferred tax liability:				
(a) Property, plant and equipment and intangible assets	296.77	(2.92)	-	293.85
(b) Right of Use Assets	9.36	(0.03)	-	9.33
(c) Others	0.01	1.10	-	1.11
Total deferred tax liability	306.14	(1.85)	-	304.29
Deferred tax assets:				
(a) On carry forward of business losses and unabsorbed depreciation	254.42	(5.31)	-	249.11
(b) Amount allowable on payment basis as per section 43B of the Income Tax Act, 1961	42.56	2.23	-	44.79
(c) Others	9.16	1.23	-	10.39
Total deferred tax asset	306.14	(1.85)	-	304.29
Deferred tax liabilities (net)	-	-	-	-

	Deferred tax liabilities/(assets) as at April 1, 2023	Recognised/ (reversed) in profit or loss during the year	Recognised/ (reversed) in other comprehensive income	Deferred tax liabilities/(assets) as at March 31, 2024
Deferred tax liability:				
(a) Property, plant and equipment and intangible assets	295.02	1.75	-	296.77
(b) Right of Use Assets	9.61	(0.25)	-	9.36
(c) Others	1.97	(1.96)	-	0.01
Total deferred tax liability	306.60	(0.46)	-	306.14
Deferred tax assets:				
(a) On carry forward of business losses and unabsorbed depreciation	266.03	(11.61)	-	254.42
(b) Amount allowable on payment basis as per section 43B of the Income Tax Act, 1961	39.52	3.04	-	42.56
(c) Others	1.05	8.11	-	9.16
Total deferred tax asset	306.60	(0.46)	-	306.14
Deferred tax liabilities (net)	-	-	-	-

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

(b) Deferred tax assets has been recognised to the extent of deferred tax liabilities, with that deferred tax assets have not been recognised in respect of business losses and unabsorbed depreciation aggregating to ₹ 1,004.58 crores as at March 31, 2025 (March 31, 2024: ₹ 1,242.93 crores), where it is not probable that sufficient taxable income will be available in the future against which such the deferred tax assets can be realised in the normal course of business of the Company.

(c) Tax losses and unabsorbed depreciation, in respect of which deferred tax asset has not been recognized, expire unutilized based on the year of origination as below:

	As at March 31, 2025	As at March 31, 2024
Within five years	1,592.23	1,675.05
Later than five years but less than ten years	1,055.44	1,955.43
No expiry	2,333.61	2,318.92
	4,981.28	5,949.40

(ii) Reconciliation of income tax recognised in the Statement of Profit and Loss

	As at March 31, 2025	As at March 31, 2024
Current tax expense on profit/(loss) for the year	-	-
Deferred tax expense/(income) originating/(reversed) on temporary differences	-	-
Total tax expense/(income) (Refer reconciliation below)	-	-

(₹ in crores)

The Income tax expense for the year can be reconciled to the accounting profit as follows:	As at March 31, 2025	As at March 31, 2024
Profit / (loss) before tax	328.52	(639.23)
Income tax expense calculated at enacted Income tax rate of 25.168% (March 31, 2024 : 25.168%)	82.68	(160.88)
Effect of expenses that are not deductible in determining taxable profit	159.35	143.13
Effect of previously unrecognised tax losses now utilised	(242.03)	17.75
Tax Expense as reported	-	-

19 Provisions

	As at March 31, 2025		As at March 31, 2024	
	Non-current	Current	Non-current	Current
(a) Provision for employee benefits				
(i) Post-employment defined benefits	3.35	0.04	2.98	0.04
(ii) Retiring gratuities	17.99	-	9.89	-
(iii) Compensated absences	72.77	2.03	68.33	4.33
(iv) Voluntary retirement scheme	12.46	8.30	19.66	9.97
(b) Other provisions (Refer note 39)				
(i) Provision for VAT, entry tax, sales tax and excise duty	-	69.75	-	70.58
(ii) Other provisions	-	10.40	-	38.60
Total provisions	106.57	90.52	100.86	123.52

20 Trade payables

	As at March 31, 2025	As at March 31, 2024
Current		
(i) Total outstanding dues of micro and small enterprises (Refer sub-note (ii) below)	41.21	40.75
(ii) Total outstanding dues of creditors other than micro and small enterprises	538.07	570.56
Total trade payables	579.28	611.31
Trade payable to related parties (Refer Note 37)	277.47	348.87
Trade payable to other than related parties	301.81	262.44
Total trade payables	579.28	611.31

(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, 2025							
(i) MSME	24.52	14.63	0.41	-	-	1.65	41.21
(ii) Others	248.90	238.26	38.43	0.07	0.09	12.32	538.07
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	273.42	252.89	38.84	0.07	0.09	13.97	579.28
As at March 31, 2024							
(i) MSME	15.36	21.65	1.89	0.35	-	1.50	40.75
(ii) Others	211.06	314.26	33.31	0.44	-	11.49	570.56
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	226.42	335.91	35.20	0.79	-	12.99	611.31

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

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

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
(a) (i) The principal amount remaining unpaid to supplier as at end of the accounting year	41.21	40.75
(ii) Interest due thereon remaining unpaid to supplier as at end of the accounting year	2.12	3.03
(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;	0.41	1.16
(d) The amount of interest accrued and remaining unpaid at the end of the accounting year	8.77	6.24
(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 36 for information about liquidity risk relating to Trade payables.

21 Other current liabilities

₹ in crores

	As at March 31, 2025	As at March 31, 2024
(a) Advances from customers	7.78	14.35
(b) Other payables		
(i) Employee recoveries and employer contributions	2.98	2.99
(ii) Other statutory liabilities (GST, TDS, etc)	42.19	41.00
Total other current liabilities	52.95	58.34

Notes:

(i) Amount of revenue recognised for the year ended March 31, 2025, from amounts included in the advances from customers outstanding at the beginning of the year is ₹ 14.35 crores (March 31, 2024: ₹ 116.01 crores).

22 Revenue from operations

	(₹ in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
(a) Revenue from contracts with customers		
(i) Sale of products	4,884.73	4,995.53
(b) Other operating revenue		
(i) Sale of product scrap	364.67	290.58
(ii) Sale of other products	447.28	219.32
(iii) Sale of services	4.38	-
	5,701.06	5,505.43

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

	(₹ in crores)		
	Year ended March 31, 2025		
	India	Outside India	Total
Sale of products	4,884.73	-	4,884.73
	4,884.73	-	4,884.73

	(₹ in crores)		
	Year ended March 31, 2024		
	India	Outside India	Total
Sale of products	4,995.53	-	4,995.53
	4,995.53	-	4,995.53

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

	(₹ in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
Tata Steel Limited	5,317.89	3,852.11
	5,317.89	3,852.11

(iii) Contract balances

	(₹ in crores)	
	As at March 31, 2025	As at March 31, 2024
Trade receivables (Refer note 11)	88.38	101.52
Contract liabilities		
Advance from customers (Refer Note 21)	7.78	14.35

23 Other income

	(₹ in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
(a) Interest income earned on financial assets that are not designated at FVTPL	12.76	3.22
(b) Interest received on income tax refund	0.48	-
(c) Gain on sale/fair value changes of mutual funds	29.84	26.80
(d) Gain/(Loss) on cancellation of forwards contracts	1.93	(2.12)
(e) Liabilities no longer required written back	6.36	6.48
(f) Provisions no longer required written back	10.74	8.55
(g) Other non-operating income (Refer note below)	17.37	13.71
Total other income	79.48	56.64

Note:

Other non-operating income includes ₹ 16.22 crores (March 31, 2024: ₹ 8.00 crores) received towards insurance claim.

24 Cost of materials consumed

	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
Opening stock	696.19	315.44
Add: Purchases of materials	2,551.03	3,469.90
	3,247.22	3,785.34
Less: Closing stock	516.23	696.19
Total cost of materials consumed	2,730.99	3,089.15

25 Changes in inventories of finished and semi-finished goods

	(₹ in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
Finished and semi-finished goods		
Opening stock	177.01	432.13
Less: Closing stock	74.27	177.01
Net decrease in finished and semi-finished goods	102.74	255.12

26 Employee benefits expense

	(₹ in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
(a) Salaries and wages	199.19	197.54
(b) Contribution to provident and other funds (Refer note 34)	18.87	18.86
(c) Staff welfare expenses	12.78	8.46
Total employee benefits expense	230.84	224.86

27 Finance costs

	(₹ in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
(a) Interest expenses		
(i) Non-convertible redeemable preference shares (Refer Note 16)	626.19	562.26
(ii) Bank borrowings and others	0.90	0.36
(iii) Leases	0.63	0.67
(b) Other borrowing costs	2.53	4.20
	630.25	567.49

28 Depreciation and amortisation expense

	(₹ in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
(a) Depreciation on property, plant and equipment (Refer Note 3)	165.44	161.23
(b) Depreciation on right-of-use assets (Refer Note 4)	1.16	1.00
(c) Amortisation of intangible assets (Refer Note 5)	5.06	5.09
Total depreciation and amortisation expense	171.66	167.32

29 Other expenses

	(₹ in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
(a) Consumption of stores and spare parts	194.50	362.57
(b) Fuel oil consumed	24.29	100.96
(c) Purchase of power	94.15	134.68
(d) Rent	20.87	30.47
(e) Repairs to buildings	0.53	3.98
(f) Repairs to machinery	172.58	304.70
(g) Insurance	5.45	5.26
(h) Rates and taxes	78.83	98.29
(i) Freight and handling charges	249.87	114.80
(j) Commission, discounts and rebates	0.66	13.93
(k) Royalty	184.99	260.63
(l) Conversion charges	388.14	330.55
(m) Other expenses		
(1) Legal and professional fees (Refer Note 29.01)	18.30	19.07
(2) Derivatives (MTM) Loss/(Gain)	(3.77)	(0.52)
(3) Net Loss on foreign currency transactions	2.26	4.82
(4) Loss on disposal of property plant and equipment & capital work-in-progress	2.00	11.85
(5) Other general expenses	151.15	70.28
Total other expenses	1,584.80	1,866.32

29.01 Payment to auditors

	(₹ in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
Auditors remuneration and out-of-pocket expenses		
(i) As auditors - statutory audit	1.05	1.05
(ii) As auditors - tax audit	0.05	0.05
(iii) Other services	0.17	0.17
(iv) Out-of-pocket expenses	0.03	0.01
	1.30	1.28

30 Exceptional item

Exceptional item include provision for voluntary separation scheme amounting to Rs 0.74 crores for the year ended March 31, 2025 (March 31, 2024: ₹ 31.04 crores). The scheme is applicable to certain employees with minimum 10 years of experience in the Company and age limit of minimum 48 years. It provides for calculation of compensation which is dependent on the age of the employee and years of service, with the ceiling limit of current gross salary (including all allowances) for the balance period of service.

31 Earnings per equity share

(₹ in crore)

	Year ended March 31, 2025	Year ended March 31, 2024
Profit/(loss) for the year (₹ in crore)	328.52	(639.23)
Outstanding equity shares throughout the year (Nos.)		
- Fully paid up ₹ 10	1,35,87,88,143	1,35,87,88,143
- Partly paid up ₹ 5	1,38,52,000	1,38,52,000
Weighted average number of equity shares outstanding during the year (Nos.)	1,36,57,14,143	1,36,57,14,143
Nominal value per equity share (₹)	10	10
Basic and diluted earnings per equity share (₹)	2.41	(4.68)

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

32 Contingent liabilities

(a) Claims against the Company not acknowledged as debts

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

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

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

(₹ in crore)

	Year ended March 31, 2025	Year ended March 31, 2024
Excise Duty	-	212.39
Commercial Tax	-	14.01
Goods & Services Tax	41.70	-
	41.70	226.40

The details of significant demands are as below:

(i) Transfer of CENVAT credit on merger of Konark Met Coke Limited (KMCL) March 31, 2025: Nil (March 31, 2024: ₹ 212.39 crores) - The dispute involved in the present case related to transfer of Cenvat credit, lying in the books of KMCL, to the Company as a result of merger of KMCL with the Company. Favourable order has been issued by Hon'ble Odisha High Court during the current year.

(ii) Denial of concessional rate of tax under Odisha Entry Tax March 31, 2025: Nil (March 31, 2024: ₹ 14.01 crores) - Dispute related to use of coke, to be treated as fuel instead of raw materials. Hence, the concession in rate of tax under Orissa Entry Tax rules was denied by the Assessing authority. Sales Tax tribunal had set aside the impugned demand and remanded the matter back to the learned assessing authority for reassessment. Assessment has been completed and matter has been settled by discharging a liability of Rs. 0.27 crores during the current year.

(iii) Demand for Goods and Services Tax, March 31, 2025: ₹ 22.70 crores (March 31, 2024: Nil) - Dispute relates to audit by the State GST authority for the Financial year 2019-20, where in Department confirmed the demand beyond the scope of the Show Cause Notice, which is arbitrary, unreasonable to the provisions of Goods and Services Tax Act, 2017. Since the demand was not quantified in the Show Cause Notice, but the same was quantified in the order in original, thereby, the said orders are violative of principles of natural justice. Hence, the Company preferred to file a Writ Petition before Hon'ble Odisha High Court on April 7, 2025.

(iv) Demand for errors in calculation of Net Present Value (NPV) in the Compensatory Afforestation Fund Management and Planning Authority (CAMPFA) fund March 31, 2025: ₹ 15.77 crores (March 31, 2024: Nil) - Dispute relates to Goods and Services Tax demand raised for reverse charge on payment of NPV to the CAMPFA fund during the period April-2018 to April-2019 which in contravention to the provisions of the Central Goods and Services Tax Act, 2017 and Odisha Goods and Services Tax Act, 2017.

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

(₹ in crore)

	Year ended March 31, 2025	Year ended March 31, 2024
Water Conservation Fund	32.35	32.35
	32.35	32.35

The amount of ₹ 32.35 crores (March 31, 2024: ₹ 32.35 crores) has been demanded by Irrigation Department in 2017 under the Orissa Irrigation Act, 1959. The Company has preferred an appeal and the Orissa High Court has granted a stay in Company's favour.

(c) The above mentioned contingent liabilities of ₹ 74.05 crores (March 31, 2024 ₹ 258.75 crores) includes ₹ 14.74 crores (balance as at March 31, 2024: ₹ 221.64 crores) retained in an escrow account of Tata Steel Limited out of total consideration payable for acquisition of the Company as part of the disinvestment process. The Company will be indemnified for any claims which materialise against these liabilities within a period of three years from the date of completion of Company's strategic disinvestment on July 4, 2022.

33 Capital Commitment

Estimated amounts of contracts remaining to be executed on capital account (Property, plant and equipment) and not provided for is ₹ 436.11 crores (March 31, 2024: ₹ 171.50 crores) net of advances of ₹ 20.79 crores (March 31, 2024: ₹ 0.54 crores)

34 Employee benefits

(I) Post employment defined contribution plans

	As at March 31, 2025	As at March 31, 2024
(₹ in crore)		
Amount recognised in the Statement of Profit and Loss		
(i) Provident fund contribution	15.10	15.77
	15.10	15.77

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

(II) Post employment defined benefit plans

(a) Description of plan characteristics

(i) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity liability arises on retirement, resignation, and death of an employee. The plan provides for a lump-sum payment to vested employees an amount equivalent to 15 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. The Company is making contributions to the gratuity fund as per requirement which is managed by LIC of India. The contributions are invested in LIC's conventional group gratuity product. LIC provides a capital guarantee of the balance accumulated and declares interest periodically that is credited to the fund account. The Trust is responsible for settlement of gratuity claims.

(ii) Other defined benefits

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

(b) Risk analysis

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

(i) Interest risk

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

(ii) Salary risk

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

(iii) Investment risk

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

(iv) Longevity risk

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

(c) Details of defined benefit obligations and plan assets

A. Gratuity (Funded)

(i) Reconciliation of opening and closing balances of obligation

	As at March 31, 2025	As at March 31, 2024
(₹ in crore)		
a. Opening defined benefit obligation	96.34	96.03
b. Current service cost	3.08	3.14
c. Interest cost	6.65	6.41
d. Remeasurement (gains)/losses	3.99	7.05
e. Benefits paid	(2.74)	(16.29)
Closing defined benefit obligation	107.32	96.34

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

	As at March 31, 2025	As at March 31, 2024
		(₹ in crore)
a. Opening fair value of plan assets	86.45	96.46
b. Interest income	5.95	6.46
c. Contributions from the employer	(0.33)	0.39
d. Return on plan assets excluding interest income	-	(0.57)
e. Benefits paid	(2.74)	(16.29)
Fair value of plan assets at the end of the year	89.33	86.45

(iii) Reconciliation of fair value of assets and obligations

	As at March 31, 2025	As at March 31, 2024
		(₹ in crore)
a. Fair value of plan assets	89.33	86.45
b. Present value of obligation	(107.32)	(96.34)
	(17.99)	(9.89)
c. Amount recognised in the Balance Sheet		
- Retirement benefit obligations - Non-current	(17.99)	(9.89)
- Retirement benefit obligations - Current	-	-

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

	As at March 31, 2025	As at March 31, 2024
		(₹ in crore)
Employee benefits expense:		
a. Current service cost	3.08	3.14
b. Net interest expense/(income)	0.69	(0.05)
	3.77	3.09
Other comprehensive income:		
a. Return on plan assets excluding amount included in employee benefits expense	-	0.57
b. Actuarial (gain)/loss arising from changes in financial assumptions	4.07	2.49
c. Actuarial (gain)/loss arising from changes in experience adjustments	(0.08)	4.56
	3.99	7.62
Total defined benefit costs	7.76	10.71

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

	As at March 31, 2025	As at March 31, 2024
Category of Plan Assets:	In %	In %
Funded with LIC	100%	100%

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

	As at March 31, 2025	As at March 31, 2024
a. Discount Rate (per annum)	6.60%	7.00%
b. Salary Escalation Rate (per annum)	7.00%	7.00%
c. Mortality Rate	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
d. Withdrawal Rate	1.60%	1.00%

(vii) Maturity profile of defined benefit obligation

	As at March 31, 2025	As at March 31, 2024
Within 1 year	3.29	2.67
1-2 year	5.81	2.99
2-5 years	23.98	18.28
Over 5 years	64.09	55.12

The weighted average duration of the defined benefit plan obligation representing average duration for active members is 9 years (March 31, 2024: 10 years).

(viii) The Company expects (best estimate) to contribute ₹ 17.99 crores (previous year : ₹ 9.89 crores) to the plan during the next financial year.

(ix) Sensitivity analysis

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

Assumptions

	As at March 31, 2025	As at March 31, 2024
a. Discount rate increase by 0.5%	Decrease by 4.13	Decrease by 4.09
b. Discount rate decrease by 0.5%	Increase by 4.39	Increase by 4.36
c. Expected salary growth increase by 0.5%	Increase by 1.82	Increase by 1.94
d. Expected salary growth decrease by 0.5%	Decrease by 1.98	Decrease by 2.15

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

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

B. Post Retirement Medical Benefit

(i) Reconciliation of opening and closing balances of obligation

	As at March 31, 2025	As at March 31, 2024
a. Opening defined benefit obligation	3.02	2.86
b. Current service cost	0.14	0.14
c. Interest cost	0.21	0.21
d. Remeasurement (gains)/losses	0.07	(0.18)
e. Benefits paid	(0.05)	(0.01)
Closing defined benefit obligation	3.39	3.02

(ii) Reconciliation of fair value of assets and obligations

	As at March 31, 2025	As at March 31, 2024
a. Fair value of plan assets	-	-
b. Present value of obligation	(3.39)	(3.02)
	(3.39)	(3.02)
c. Amount recognised in Balance Sheet		
- Retirement benefit obligations - Non-current	(3.35)	(2.98)
- Retirement benefit obligations - Current	(0.04)	(0.04)
	(3.39)	(3.02)

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

(₹ in crore)

	As at March 31, 2025	As at March 31, 2024
Employee benefits expense		
a. Current service cost	0.14	0.14
b. Net interest expense	0.21	0.21
	0.35	0.35
Other Comprehensive income		
a. Actuarial (gain)/loss arising from changes in financial assumptions	0.08	0.13
b. Actuarial (gain)/loss arising from changes in experience adjustments	(0.01)	(0.31)
	0.07	(0.18)
Total defined benefit costs	0.42	0.17

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

	As at March 31, 2025	As at March 31, 2024
a. Discount Rate (per annum)	6.60%	7.00%
b. Withdrawal Rate	1%	1%
c. Mortality Rate	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult

(v) Maturity profile of defined benefit obligation

(₹ in crore)

	As at March 31, 2025	As at March 31, 2024
Within 1 year	0.04	0.04
1-2 year	0.07	0.06
2-5 years	0.34	0.28
Over 5 years	1.08	0.93

The weighted average duration of the defined benefit plan obligation representing average duration for active members is 16 years (March 31, 2024: 16 years).

(vi) Sensitivity analysis

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

Assumption

(₹ in crore)

	As at March 31, 2025	As at March 31, 2024
a. Discount rate increase by 1%	Decrease by 0.46	Decrease by 0.33
b. Discount rate decrease by 1%	Increase by 0.57	Increase by 0.52

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

(III) Long term benefit

Leave obligations

The Company provides for accumulation of leave to its employees. These employees can carry forward a portion of the unutilised leave balances and utilise it in future years or receive cash for the accumulated leave balance on separation (only in case of earned leave) in lieu thereof as per the Company's policy. The Company records a provision for leave obligations in the year in which the employee renders the services that increases this entitlement. The total provision recorded by the Company towards this obligation was ₹ 74.80 crores and ₹ 72.66 crores as at 31st March 2025 and 31st March 2024 respectively. The Company presents provision for leave salaries as current and non-current based on actuarial valuation considering estimates of availment of leave, separation of employee etc.

35 Capital Management

Risk management

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

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

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

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

	(₹ in crores)	
	As at March 31, 2025	As at March 31, 2024
Equity share capital	1,365.72	1,365.72
Other equity	(3,731.53)	(4,055.99)
Total equity (A)	(2,365.81)	(2,690.27)
Non-current borrowings	6,133.96	5,507.77
Non-current lease liabilities	4.91	5.36
Current lease liabilities	0.45	0.40
Gross debt (B)	6,139.32	5,513.53
Total capital (A+B)	3,773.51	2,823.26
Gross debt as above	6,139.32	5,513.53
Less : Current investments	204.81	14.02
Less : Cash and cash equivalents	150.75	38.85
Less : Other balance with banks (including earmarked balances)	813.53	14.74
Net debt (C)	4,970.23	5,445.92
Net debt to equity ratio ¹	(1.97)	(2.30)

Note :

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

36 Disclosures on financial instruments

(a) Financial risk management

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

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

(i) Credit risk management

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

Trade receivables 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. Outstanding customer receivables are regularly monitored.

Other Financial Assets

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

The carrying value of financial assets represents the maximum credit risk as disclosed in 36(b)(i).

(ii) Liquidity risk management

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

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

a. Financing arrangement

The Company has fund based and non-fund based arrangement with banks of ₹ 500.00 crores (March 31, 2024: ₹ 500.00 crores) and ₹ 510.00 crores (March 31, 2024: ₹ 510.00 crores) respectively, which may be utilised at any time.

b. Maturities of financial liabilities

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

(₹ in crores)					
As at March 31, 2025	Carrying value	Contractual cash flows	less than one year	between one to five years	More than five years
Non-derivative financial liabilities:					
Borrowings	6,133.96	39,311.88	-	-	39,311.88
Lease liabilities	5.36	29.27	1.04	2.84	25.39
Trade payables	579.28	579.28	579.28	-	-
Other financial liabilities	102.34	102.34	89.58	12.76	-
	6,820.94	40,022.77	669.90	15.60	39,337.27

As at March 31, 2024	Carrying value	Contractual cash flows	less than one year	between one to five years	More than five years
Non-derivative financial liabilities:					
Borrowings	5,507.77	39,311.88	-	-	39,311.88
Lease liabilities	5.76	30.30	1.03	3.44	25.83
Trade payables	611.31	611.31	611.31	-	-
Other financial liabilities	66.45	66.45	54.87	11.58	-
	6,191.29	40,019.94	667.21	15.02	39,337.71

(iii) Market risk

a. Foreign currency exchange rate risk & exposure

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

(in crores)		
	Year ended March 31, 2025	Year ended March 31, 2024
Financial liabilities		
<u>Trade payables</u>		
Exposure in USD	1.91	-
Exposure in GBP*	0.00	-
Exposure in EURO	0.08	-
<u>Derivative assets</u>		
Buy foreign currency-USD	(1.91)	-
Buy foreign currency-GBP	-	-
Buy foreign currency-EURO	-	-
Net exposure to foreign currency risk (Liabilities)	0.08	-

*0.00 represents value less than 0.01 Crore.

Foreign currency sensitivity

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

(₹ in crores)				
	Impact on profit before tax [#]		Impact on profit after tax [#]	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Increase in rate of Rs. against 1 GBP by 10%	(0.03)	-	(0.02)	-
Decrease in rate of Rs. against 1 GBP by 10%	0.03	-	0.02	-
Increase in rate of Rs. against 1 EURO by 10%	(0.74)	-	(0.55)	-
Decrease in rate of Rs. against 1 EURO by 10%	0.74	-	0.55	-

[#] Considering all other variables as constant.

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

b. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. At present the Company is not have any long-term debt obligations with floating interest rates. Hence the Company does not faces any interest rate risk.

(iv) Commodity Price risk

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

(b) Financial Instruments by Category

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

(i) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2025 and March 31, 2024.

(₹ in crores)

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

(₹ in crores)

As at March 31, 2024	Fair value through profit or loss	Amortised cost	Total carrying value	Total fair value
Financial assets				
Investments in Mutual fund	14.02	-	14.02	14.02
Trade receivables	-	101.52	101.52	101.52
Cash and cash equivalents	-	38.85	38.85	38.85
Derivative assets	0.52	-	0.52	0.52
Balances with banks	-	0.55	0.55	0.55
Other financial assets	-	45.46	45.46	45.46
Total	14.54	186.38	200.92	200.92
Financial liabilities				
Borrowings	-	5,507.77	5,507.77	5,507.77
Lease liabilities	-	5.76	5.76	5.76
Trade payables	-	611.31	611.31	611.31
Other financial liabilities	-	66.45	66.45	66.45
Total	-	6,191.29	6,191.29	6,191.29

(ii) **Fair value measurement**

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

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

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

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

Fair value hierarchy

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

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

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

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

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

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

As at March 31, 2024	Level 1	Level 2	Level 3	Total
Financial assets				
Investment in mutual funds	14.02	-	-	14.02
Derivative assets	-	0.52	-	0.52
Total	14.02	0.52	-	14.54

(iii) **Derivative financial instruments**

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

	As at March 31, 2025	As at March 31, 2024
	USD in crores	USD in crores
Derivative financial instrument		
Forward Contracts	4.68	5.04
Total financial instrument	4.68	5.04

37 Related party transactions

A List of related parties

Name of the related parties	Relationship
Tata Steel Limited (Refer Sub-note (i) below)	Holding Company
Tata Steel Long Products Limited (merged with Tata Steel Limited) (Refer Sub-note (i) below)	Erstwhile Holding Company
Others with whom transactions have taken place during the current or previous year	
Tata Pigments Limited (Subsidiary of Tata Steel Utilities and Infrastructure Services Limited) Tata Steel Utilities and Infrastructure Services Limited T S Global Procurement Company Pte. Ltd. Medica TS Hospital Private Limited Tata Steel Business Delivery Center Limited Tata Metaliks Limited (merged with Tata Steel Limited) Tata Steel Technical Services Limited Tata Steel Support Services Limited Bhubaneswar Power Private Limited (merged with Tata Steel Limited)	Fellow Subsidiaries
TM International Logistics Limited Tata Bluescope Steel Private Limited mjunction services Limited Himalaya Steel Mill Services Private Limited	Joint Ventures of Holding Company
Tata Sons Private Limited	Company having significant influence over the Holding Company
Mr. Sudhir Kumar Mehta	Key Management personnel - Managing Director & CEO
Mr. T V Narendran	Key Management personnel -Non- Executive Director, Chairman
Mr. Koushik Chatterjee Mr. Ashish Anupam Mr. Ansuman Das Mr. Srikumar Menon Mr. Atrayee Sanyal Mr. Rajiv Kumar #	Key Management personnel -Non-Executive Directors
Mr. Sanjib Kumar Ghose Mr. Manoj Kumar Gupta	Chief Financial Officer (upto February 28, 2025) Chief Financial Officer (w.e.f. March 1, 2025)

#Upto March 12, 2025

B Particulars of transactions during the year

Name of the related parties	Nature of relationship	₹ in crore)	
		Year ended March 31, 2025	Year ended March 31, 2024
Tata Steel Limited	Holding Company	5,313.51	3,852.11
Total - Sale of goods		5,313.51	3,852.11
Tata Steel Limited	Holding Company	4.38	-
Total - Services rendered		4.38	-
Tata Steel Long Products Limited	Erstwhile Holding Company	-	98.53
Tata Steel Limited	Holding Company	433.34	659.17
Tata Bluescope Steel Private Limited	Joint Venture of Holding Company	0.28	9.62
T S Global Procurement Co Pte Limited	Fellow Subsidiary	1,498.38	1,326.18
Tata Metaliks Limited	Erstwhile Fellow Subsidiary	-	52.84
Total - Purchase of goods		1,932.00	2,146.34
Bhubaneswar Power Private Limited	Erstwhile Fellow Subsidiary	-	0.01
Total - Purchase of power		-	0.01
Tata Steel Long Products Limited	Erstwhile Holding Company	-	0.10
Tata Steel Limited	Holding Company	36.93	28.53
Tata Steel Technical Services Limited	Fellow Subsidiary	-	0.21
Total - Reimbursement of expenses		36.93	28.84
Tata Pigments Limited	Fellow Subsidiary	15.70	14.20
Tata Steel Limited	Holding Company	54.42	26.16
Medica TS Hospital Private Limited	Fellow Subsidiary	0.29	0.21
TM International Logistics Limited	Joint Venture of Holding Company	29.38	28.35
Tata Steel Utilities and Infrastructure Services Limited	Fellow Subsidiary	12.32	13.58
Himalaya Steel Mill Services Private Limited	Joint Venture of Holding Company	5.18	2.34
Tata Steel Technical Services Limited	Fellow Subsidiary	1.39	-
Tata Sons Private Limited	Company having significant influence over the Holding Company	0.58	-
Tata Steel Support Services Limited	Fellow Subsidiary	0.23	-
Tata Steel Business Delivery Center Limited	Fellow Subsidiary	0.47	0.48
mjunction Services Limited	Joint Venture of Holding Company	1.88	1.76
Tata Bluescope Steel Private Limited	Joint Venture of Holding Company	0.84	3.75
Tata Steel Long Products Limited	Erstwhile Holding Company	-	0.55
Total - Services received		122.68	91.38

Name of the related parties	Nature of relationship	₹ in crore)	
		Year ended March 31, 2025	Year ended March 31, 2024
Srikumar Menon	Non-Executive Director	0.03	0.03
Ansuman Das	Non-Executive Director	0.03	0.03
Total - Sitting fees		0.06	0.06
Srikumar Menon	Non-Executive Director	0.10	-
Ansuman Das	Non-Executive Director	0.10	-
Total - Commission to Independent Directors		0.20	-
Tata Steel Long Products Limited	Erstwhile Holding Company	-	374.84
Tata Steel Limited	Holding Company	626.19	187.43
Total - Interest expense recognised		626.19	562.27
Sudhir Kumar Mehta	Managing Director & CEO	1.64	1.61
Total - Employee benefits expense		1.64	1.61

C Balances outstanding

Name of the related parties	Relationship	₹ in crore)	
		As at March 31, 2025	As at March 31, 2024
Tata Steel Limited	Holding Company	88.38	101.52
Total - Trade receivables		88.38	101.52
Tata Steel Limited	Holding Company	57.09	17.99
Tata Bluescope Steel Private Limited	Joint Venture of Tata Steel Limited	0.09	0.23
Tata Pigments Limited	Fellow Subsidiary	2.22	2.65
Medica TS Hospital Private Limited	Fellow Subsidiary	0.25	0.06
TM International Logistics Limited	Joint Venture of Tata Steel Limited	0.77	0.18
Tata Steel Utilities and Infrastructure Services Limited	Fellow Subsidiary	7.13	12.32
Himalaya Steel Mill Services Private Limited	Joint Venture of Tata Steel Limited	1.15	0.63
Tata Steel Business Delivery Center Limited	Fellow Subsidiary	0.04	0.08
mjunction Services Limited	Joint Venture of Tata Steel Limited	0.61	0.27
Tata Steel Support Services Limited	Fellow Subsidiary	0.23	-
Tata Sons Private Limited	Company having significant influence over the Holding Company	0.57	-
T S Global Procurement Co Pte Limited	Fellow Subsidiary	222.55	314.43
Tata Steel Technical Services Limited	Fellow Subsidiary	-	0.03
Total - payables for supplies and services		292.70	348.87
Tata Steel Limited	Holding Company	6,133.96	5,507.77
Total - Non-convertible preference shares		6,133.96	5,507.77
Srikumar Menon	Non-Executive Director	0.01	-
Ansuman Das	Non-Executive Director	0.01	-
Total - Payable for sitting fees		0.02	-

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

(ii) Sitting fees & commission to Directors were paid as per the Board resolution.

(iii) All other transactions were made on general commercial terms and conditions at market rates.

(iv) All outstanding balances are unsecured and are repayable in cash.

38 Ratios

Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024	% Change	
(a)	Current ratio (times)	2.70	1.59	69%	Refer sub-note (i)
(b)	Debt-equity ratio (times)	-2.43	-2.33	4%	
(c)	Debt service coverage ratio (times)	530.69	89.26	495%	Refer sub-note (ii)
(d)	Return on equity ratio (%)	-13.00%	27.01%	(148)%	Refer sub-note (iii)
(e)	Inventory turnover ratio (in days)	63	67	(6)%	
(f)	Trade receivables turnover ratio (in days)	6	8	(19)%	
(g)	Trade payables turnover ratio (in days)	47	47	0%	
(h)	Net capital turnover ratio (in days)	60	41	48%	Refer sub-note (iv)
(i)	Net profit ratio (%)	5.76%	-11.61%	(150)%	Refer sub-note (v)
(j)	Return on capital employed (%)	29.09%	-2.50%	(1262)%	Refer sub-note (v)
(k)	Return on investment (%)	20.39%	-1.90%	(1176)%	Refer sub-note (v)

Formulas for ratios

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

- (i) Improved current ratio due to increased investment in mutual funds and short term bank deposits.
- (ii) Improvement in debt service coverage ratio mainly due to increase in profits earned in current year vis-à-vis previous year.
- (iii) Return on equity has declined on account of profit earned in current year vis-à-vis loss in the previous year, with negative net worth in denominator.
- (iv) Net capital turnover ratio has improved due to increase in average working capital as compared to previous year.
- (v) Improvement in net profit ratio, return on capital employed and return on investment is due to profits earned in current year vis-a-vis loss in the previous year.

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

	VAT, entry tax, excise duty and sales tax	
	As at March 31, 2025	As at March 31, 2024
Carrying amount as at beginning of the year	70.58	77.92
Add : Provision made during the year	-	-
Less : Amount paid during the year	-	(0.35)
Less : Amount written back during the year	(0.83)	(6.99)
Carrying amount as at the end of the year (Refer Note (19(b)(i)))	69.75	70.58
Nature of obligation	VAT, entry tax, sales tax and excise claims including interest thereon	
Expected timing of resultant outflow	On decision by competent authority	
Indication of uncertainty about those outflows	The above matters are under dispute with authorities	
Major assumptions concerning future events	The matter is with higher authorities for adjudication. Provision has been made on the grounds of prudence.	
Amount of any expected reimbursement, i.e., amount of any asset that has been recognised for that expected reimbursement	Nil	

	Other Provisions	
	As at March 31, 2025	As at March 31, 2024
Carrying amount as at beginning of the year	38.60	-
Add : Provision made/reclassified during the year	6.31	49.81
Less : Amount paid/provision reversed during the year	(34.51)	(11.21)
Carrying amount as at the end of the year (Refer Note (19(b)(ii)))	10.40	38.60
Nature of obligation	Provident fund and Goods and Services Tax	
Expected timing of resultant outflow	On decision by competent authority	
Indication of uncertainty about those outflows	The matters are ongoing at the respective forums.	
Major assumptions concerning future events	The matter is with higher authorities for adjudication. Provision has been made on the grounds of prudence.	
Amount of any expected reimbursement, i.e., amount of any asset that has been recognised for that expected reimbursement	Nil	

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

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

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

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

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

During the year ended March 31, 2023, TSLP further invested Rs. 600 crores in equity shares of NINL, after acquisition, towards capital expenditure, working capital and operating cost to restart the plant. TSL had also subscribed to further issue of equity shares by the Company and acquired equity stake in the Company for amounts aggregating Rs. 300 crores and Rs. 96.69 crores respectively. Subsequently, during the year ended March 31, 2024 and March 31, 2025, TSLP/TSL acquired equity stake in the Company for amounts aggregating to Rs. 152.88 crores and Rs. 17.26 crores respectively.

Post merger of TSLP with TSL in the previous year, TSL is the holding company of NINL.

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

Also Refer Note 37(i).

41 Segment reporting

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

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

		(₹ in crore)	
		As at March 31, 2025	As at March 31, 2024
(i)	India	2,480.91	2,400.28
(ii)	Outside India	-	-
	Total	2,480.91	2,400.28

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

42 The Company was granted mining lease by the Government of Odisha for a period of 50 years. The Company had commenced plant and mining operations during financial year 2022-23 and accordingly, had submitted a progressive mine closure plan to the mining authorities. The Company has 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.

43 The provision of Corporate Social Responsibility (CSR) as mentioned in Section 135 of the Companies Act, 2013 is applicable to the Company and accordingly the Company has a CSR committee in place. However the Company has incurred losses in the preceeding three financials years and accordingly the Company is not required to make any CSR contribution.

44 Assets hypothecated as security

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

		(₹ in crore)	
		As at March 31, 2025	As at March 31, 2024
Current assets			
<i>First charge (against working capital requirement from Banks)</i>			
(i)	Inventories	854.24	1,102.56
(ii)	Trade receivables	88.38	101.52
(iii)	Other current assets	64.50	79.98
		1,007.12	1,284.06

Notes:

- (i) Refer Note 49 for disclosure relating to total amount of security (charge created) towards working capital facilities as on March 31, 2025 and March 31, 2024.
- (ii) As at March 31, 2025, the register of charges of the Company as available in records of the Ministry of Corporate Affairs (MCA) includes charges that were created/modified since the inception of the Company. Satisfaction of charges aggregating to ₹ 255.55 crores (March 31, 2024 : ₹ 255.55 crores) relating to borrowings which were repaid in FY 2022-23, is pending due to practical challenges in obtaining no-objection certificates (NOCs) from the charge holders of such charges. The Company is in the process of obtaining NOCs from chargeholders for satisfaction of charges.

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

(₹ in crore)				
Name of struck off companies	Nature of transactions with struck-off companies	Balance as at March 31, 2025	Balance as at March 31, 2024	Relationship with the struck-off companies
Webel Electronics Communications System Limited		0.06	-	
Vallab Engineers Private Limited		0.03	0.03	
S.S.Construction Private Limited		-	0.02	
Rai Construction Private Limited		-	0.01	
Elite Enterprises Private Limited		-	0.01	
Pankaj Electronics Private Limited		-	0.01	
Subham Enterprises Private Limited		-	0.01	
Jayaswals Neco Limited		0.01	0.01	
Eagle Rubber Products Private Limited		-	0.01	
Raja Enterprises Private Limited		-	0.00	
Shiv Shakti Engineering Company Limited		-	0.00	
Tarun Metal Private Limited		-	0.00	
SAP Communication Private Limited		0.00	0.00	
Ashcroft India Private Limited	Purchase of goods and receiving of services	0.00	0.00	Vendors
BOC India Limited		-	0.00	
Velmake Seals Private Limited		-	0.00	
Om Industries Private Limited		-	0.00	
Elemech Engineers Private Limited		-	0.00	
Pranam Powermech Private Limited		0.00	0.00	
Geomin Consultants Private Limited		0.00	0.00	
Bimal Industries Private Limited		-	0.00	
A-One Mercantile Private Limited		0.00	0.00	
Suzusons Care Private Limited		0.00	0.00	
Trinath Engineers Private Limited		-	0.00	
Arvind Steels Private Limited		-	0.00	
Keonjhar Minerals Private Limited		0.00	0.00	
Mahaveer Construction Private Limited		-	0.00	
United Chemicals Private Limited		-	0.00	
Satya Sai Construction Private Limited		-	0.00	

*0.00 represents value less than ₹ 0.01 Crore.

- 46 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2025 and March 31, 2024.
- 47 The Company has not granted loans or advances in the nature of loans to its promoters, directors, key managerial personnel (KMP) and the other related parties (as defined under the Companies Act, 2013).
- 48 The Company has not made any investments during the year other than investment in scheme of mutual funds. The Company has not granted secured/ unsecured loans/ advances in the nature of loans to any company/firm/limited liability partnership/other party during the year. The Company has not provided guarantee or security to/on behalf of any company/firm/limited liability partnership/other party during the year.
- 49 The Company has obtained sanctioned limits from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with the banks, as applicable which are in agreement with the books of accounts for year ended March 31, 2025 and March 31, 2024. The returns for the quarter ended March 31, 2025, 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, as on March 31, 2025 is ₹ 510.00 crores (March 31, 2024: ₹ 510 crores)
- 50 (a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NEELACHAL ISPAT NIGAM LIMITED
Notes to the financial statements

- 51 The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.
- 52 During the year ended March 31, 2025, the Company has not incurred cash losses. The Company had incurred cash loss of ₹ 471.91 crores in the preceding financial year.
- 53 The Company has done an assessment to identify Core Investment Company (CIC) [including CICs in the Group] as per the necessary guidelines of Reserve Bank of India [including Core Investment Companies (Reserve Bank) Directions, 2016]. The companies identified as CICs at Group level are Tata Industries Limited, Tata Sons Private Limited, TMF Holdings Limited, Panatone Finvest Limited, Protraviny Private Limited and T S Investments.
- 54 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.
- 55 The Company has not been declared willful defaulter by any bank or financial institutions or government or any government authority.
- 56 The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

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

Firm Registration Number: 304026E/E-300009

sd/-

Pinaki Chowdhury

Partner

Membership No:057572

Place: Kolkata

Date: April 23, 2025

For and on behalf of the Board of Directors

sd/-

T.V.Narendran

Chairman

DIN: 03083605

sd/-

Manoj Kumar Gupta

Chief Financial Officer

sd/-

Sudhir Kumar Mehta

Managing Director & CEO

DIN: 09660981

sd/-

Ashish Anupam

Director

DIN: 08384201

sd/-

Sankar Bhattacharya

Company Secretary

(ACS - 11438)