

GOPALPUR
INDUSTRIAL PARK

...

16th Annual Report
FY 2021-22

TATA STEEL SPECIAL ECONOMIC ZONE LIMITED
16TH ANNUAL REPORT FOR FINANCIAL YEAR 2021-22

Corporate Information

Board of Directors

Mr. Chanakya Chaudhary, Chairman

(Non-Executive, Non-Independent)

Ms. Samita Shah, Director

(Non-Executive, Non-Independent)

Mr. Prasanta Mallick, Managing Director

(Executive, Non-Independent)

Key Managerial Personnel

Mr. Manas Bandyopadhyay, Chief Financial Officer (effective September 6, 2021)

Ms. Swati Sheth, Company Secretary (effective April 16, 2021)

Bankers

State Bank of India

Axis Bank

HDFC Bank

Auditors

Statutory Auditors

M/s Price Waterhouse & Co Chartered Accountants LLP

Income Tax Auditors

M/s. O M Kejriwal & Co.

Chartered Accountants

Registrars and Share Transfer Agent

Alankit Assignments Limited

Alankit House

4E/2 Jhandewalan Extension

New Delhi – 110 055

Tel: +91-11-4254-1234

Email: b.swain@alankit.com

Website: www.alankit.com

Registered Office

Tata Steel Special Economic Zone Limited

2B, 2nd Floor, Fortune Towers,

Chandrasekharapur, Bhubaneswar

Khordha, Odisha – 751023

Tel: 0674-2603000; Website: www.gip.city

CIN: U45201OR2006PLC008971

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1. CORPORATE PROFILE

About Tata Steel Special Economic Zone Limited

Tata Steel Special Economic Zone Limited, a 100% subsidiary of Tata Steel Utilities and Infrastructure Services Limited (TSUISL), is engaged in developing an Industrial Park at Gopalpur in the state of Odisha. The Industrial Park is spread over 2,970 acres of contiguous land parcel comprising of 1,735 acres of Domestic Tariff Area (DTA) and 1,235 acres of multi product Special Economic Zone (SEZ).

The Company is into the business of sub-leasing land along with common infrastructure facilities (roads, streetlights, stormwater drainage network, etc.) and shared utilities (power & water) to industries looking to set up their units.

In line with our tagline, 'Finding Amazing Possibilities', we remain committed to provide our customers with state of art infrastructure to enable them to set up their facility within the park. Fostering effective stakeholder management alongwith with a customer centric approach has enabled the Company in receiving record investor interests as their preferred choice of destination.



Vision

We aspire to develop Gopalpur Industrial Park as the most preferred industrial investment destination in India.



Mission

We strive to strengthen Odisha's industrial base by building a world class industrial park at Gopalpur where the investors find all the resources for continued success.

Certifications

ISO 9001-2015:

Quality Management Systems

ISO 14001-2015:

Environmental Management Systems

ISO 45001-2015:

Occupational Health and Safety Management Systems



Values

Pioneering

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

Unity

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

Integrity

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

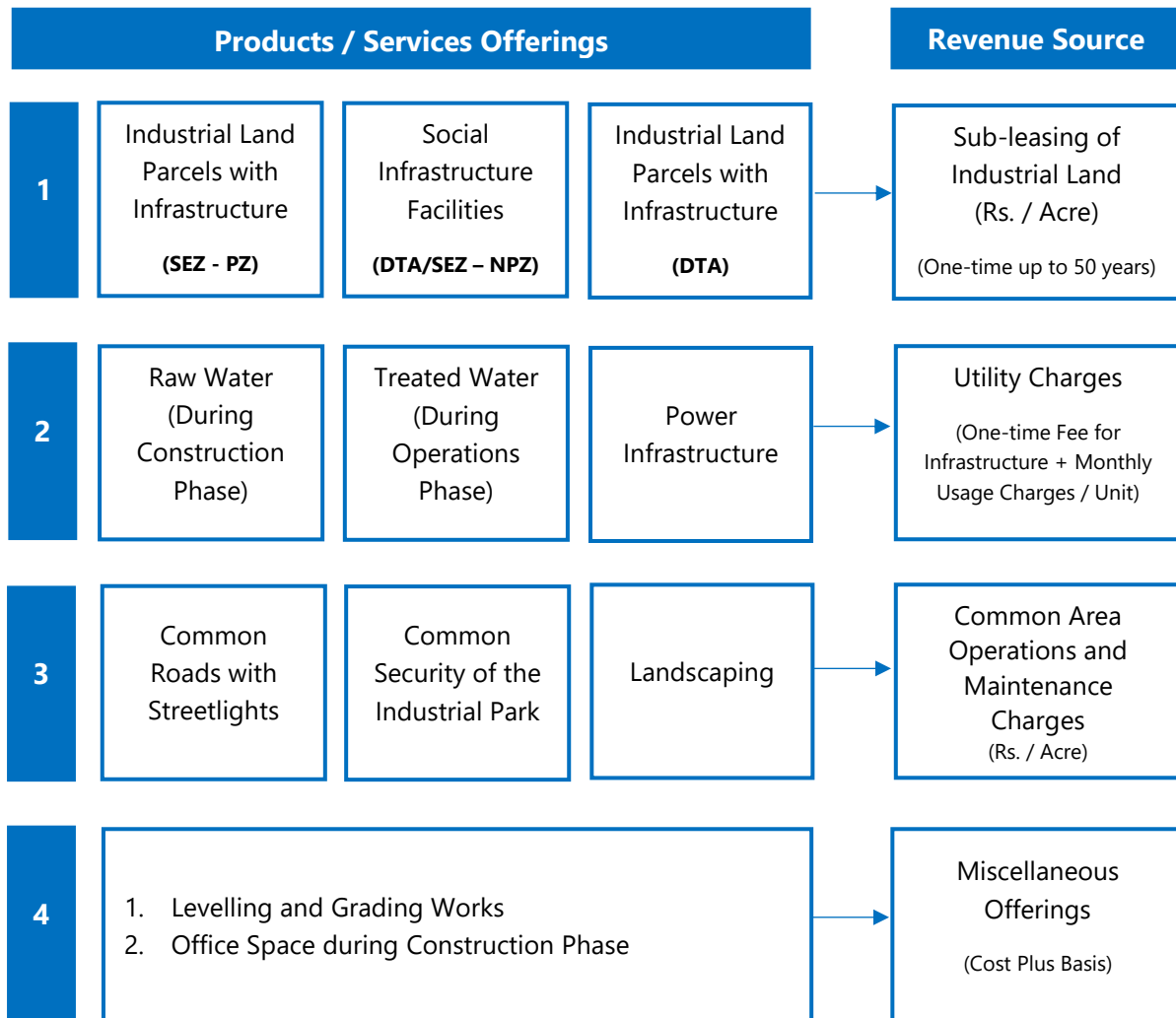
Excellence

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

Responsibility

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

2. BUSINESS MODEL



3. EVENTS DURING THE YEAR

Gopalpur Industrial Park was a proud host to a myriad of events in the Financial Year 2021-22.



Inauguration of Tata Consumer Products Limited's Unit

Sh. Naveen Patnaik, Hon'ble Chief Minister of Odisha inaugurated the tea packaging unit of Tata Consumer Products Limited in a virtual event on July 22, 2021.

Industry CARE Meeting

As a part of the Industry CARE Meeting held on August 10 & 11, 2021 at Ganjam, officials of Govt. of Odisha visited Gopalpur Industrial Park for a detailed review.



Visit of Consul-General of Japan

Exploring dynamic investment destinations in Odisha, Mr. Yutaka Nakamura, Consul-General of Japan at Kolkata, visited Gopalpur Industrial Park on November 11, 2021, as a part of his 3-day visit to Odisha.

Ground-breaking Ceremony of Smartchem Technologies Limited

Ground-breaking ceremony of Smartchem Technologies Limited's Technical Ammonium Nitrate (TAN) Complex was held on December 09, 2021, in the presence of Sh. Naveen Patnaik, Hon'ble Chief Minister of Odisha.



4. LEADERSHIP

4. a) Board Composition



Mr. Chanakya Chaudhary
Chairman



Ms. Samita Shah
Director



Mr. Prasanta Mallick
Managing Director

4. b) Chairman's Message

Dear Shareholders,

The year 2021-22 was yet another challenging year for all of us. Owing to the second wave of the Covid-19 pandemic, the world experienced a significant humanitarian and economic impact. Your Company witnessed geo-political unrest in several parts of the world, resulting in the disruption of global supply chains and unprecedented volatility in commodity costs. In this uncertain operating environment, our focus remained on the health and safety of our people, ensuring continuity of our industrial park operations, meeting the evolving demand of our customers, caring for the communities, safeguarding the environment and protecting our business model.



Chanakya Chaudhary, Chairman

Against these challenging conditions, your Company's financial results for the financial year 2021-22 demonstrates strategic clarity, strength of our execution power and agility. I am happy to report that your Company has achieved its maiden Profit After Tax (PAT) of Rs. 15 crore in FY'22, which is higher year on year by 325%, on the back of higher revenue of Rs. 35.64 crore, which was higher by 218% over last year and lower operating spend.

As we gradually come out of the challenging phase of pandemic, TSSEZL is committed to fulfil the creation of the infrastructure as committed to the customers. We are witnessing a surge of investments in the field of new age sectors like green energy, advanced technologies, textiles, food processing and white goods against the backdrop of revival of electricity demand after the Covid-19 lull, Government schemes and commitments made by corporations and financial institutions to net-zero emissions and to exit fossil fuels. Gopalpur Industrial Park with its built-in common infrastructure will aid in providing an integrated ecosystem which can be leveraged to command production efficiency and economies of scale.

Your Company embarked on the journey of Integrated Quality Management Systems (IQMS) to encourage employees' participation in the improvement journey and strengthening the culture of innovation to achieve excellence. TSSEZL, being part of the Tata Steel Group, is committed to ensuring safety of all employees and contractors at all our sites. The 'Committed to Zero' initiative launched across the Company has continued to accentuate its efforts and implemented many initiatives in this regard.

On behalf of the Board, I would like to take this opportunity to acknowledge the valuable contributions made by Mr. R Ranganath as Director during his long tenure on the Board of the Company. I would like to extend congratulations to Mr. Prasanta Mallick for being re-appointed as the Managing Director with effect from September 06, 2021 till June 30, 2024.

I wish to compliment the Company's Management and all the employees of the Company for their sustained dedication to deliver results. I would also like to acknowledge the trust reposed on the management by our shareholders and other stakeholders.

TSSEZL family joins me in conveying our gratitude to our promoter, Tata Steel Limited, for continued support and guidance.

5. a) STRATEGIC REVIEW

Our strategic choices and actions help us fulfil our purpose and vision.

Strategy	Detail	Enabler
Developing our brand		
Accelerating the customer acquisition	Enhance our brand presence across multiple channels	Driving Premiumisation
Build differentiated products and services offerings		
World class infrastructure development in collaboration/partnership with prospective infrastructure developers	Improve products and services powered by purpose and innovation	Developing competitive pricing policy catering to different customers
Adapting to post-Covid19 World		
Digital transformation to improve product delivery	Adoption of technology to improve customer experience	Developing multiple vendors for project diversification and minimise risk
Becoming Atmanirbhar - Self Sufficient (Cash Rich) by FY27		
Adopting and maintaining capex lite model	Maximize Revenue from Product and Service Offerings	Capital investment for infrastructure development from customers
Evolving Sustainably		
Park Development in line with UN Priority Sustainable Development Goals (SDG).	Operate the industrial park as a zero liquid discharge	Rain-water harvesting and rooftop solar panel installation
Our Growth Model		



Consistent
Growth



Competitive
Growth



Profitable
Growth



Responsible
Growth

5. b) STRATEGY DEPLOYMENT - MANAGEMENT SPEAKS

Dear All,

There is no denying in the fact that impact of 2nd wave of Covid-19 compounded by geo-political tensions have made irreversible impact on individuals, business and country as a whole. The most important lesson learnt from the year 2021-22 is the importance of business being self-reliant. We must strive for pragmatic approach to believe in our capabilities especially in times of crisis.



Prasanta Mallick, Managing Director

Safety and health of our employees along with safe operation of the units within our industrial park is of paramount importance to us. We have conducted mock drills across various scenarios within our industrial park, achieved safety training man-hours of 2,839 hours and ensured 100% safety training for all visitors as well as employees within our industrial park.

The past year has been vital for the Company in achieving its maiden profit. This was achieved by our constant endeavour to devise our strategy along the lines of being self-reliant. Underlying all our actions was our commitment to create positive impact on environment, people and communities. We continue to operate as a zero liquid discharge (ZLD) industrial park. We employ local communities on a best effort basis for various infrastructure works or at the units operating inside Gopalpur Industrial Park.

During the year 2021-22, the Company have executed sub-lease deed agreements with two customers for a committed investment of INR 3,000 crore. Further, this year have witnessed two inaugurations by Hon'ble Chief Minister of Odisha within Gopalpur Industrial Park viz. Tata Consumer Product's Tea Packaging Plant which is slated to be the largest tea packaging unit with an investment of Rs. 100 crore and Smartchem Technologies Limited (a 100 percent subsidiary of the Deepak Fertilisers and Petrochemicals Corporation (DFPCL), which will build Technical Ammonium Nitrate (TAN) complex with an investment of Rs. 2,200 crore.

The ongoing infrastructure development work within the park will be an attraction to the existing and prospective investors.

A holistic and effective stakeholder management forms an important part of our strategy. We have constituted a grievance redressal cell with an objective to address the concerns of the displaced and project affected people. In the last year, our inputs on comparative study of incentives among various states was instrumental for Industries Department, Govt. of Odisha for formulating incentives towards new age mega sectors.

I truly believe that with a focussed strategy, agile approach and on our thrust to build world class emerging industrial park supported by our objective to remain cash positive and self-reliant will pave the journey for the Company ahead.

I would like to take this opportunity to thank all our employees who have been working to ensure that we continue to be the most preferred investment destination in an extremely challenging environment. Most importantly, I would like to thank our customers for their overwhelming trust, support, and confidence in Tata Steel Special Economic Zone Limited.

6. STAKEHOLDER MANAGEMENT

Our five strategic pillars are driven by our corporate philosophy. These five strategic pillars are built around our business priorities and reflect the integrated thinking of the Company. We deploy our resources around these strategic priorities to create value for our stakeholders.

Effective stakeholder communication forms an important part of our strategy. We have built strong relations with our stakeholders, based on mutual trust and respect. We continuously engage with them through multiple channels to understand their concerns and aspirations and focus on addressing them.

Customers

Importance to Business

Our customers sub-lease land from Tata Steel Special Economic Zone Limited along with the provision of utilities like water, providing the basis of revenue growth. The feedback of customers helps us to develop better value offerings that suit their evolving needs.

Expectations and Aspirations

Adherence to quality, timely delivery, and sustained customer relationship throughout the project lifecycle.

Engagement Mechanisms

- Customer meet
- Quarterly customer feedback for existing customer
- Support to customers for liaisoning with Government offices on a best effort basis.
- Email marketing and B2B events for new customer acquisition

Employees

Importance to Business

The knowledge, skills and productivity of our employees drive the organization towards achieving its goals. The environment is evolving dynamically and we want to attract and retain strong and diverse talent.

Expectations and Aspirations

Safety, health, ethics, environment, productivity, quality and customer focus.

Engagement Mechanisms

- Mentor-Mentee Interaction
- Employee Engagement
- TMDC training sessions for upskilling employees
- Internal Faculty training sessions

Community

Importance to Business

We give utmost importance to managing stakeholder expectations regarding local issues like employment as well as global ones like climate change.

Expectations and Aspirations

Improved livelihood, education, employment and promotion of entrepreneurship.

Engagement Mechanisms

- Comprehensive air, water and noise monitoring
- Collaboration with Tata Steel Foundation for driving CSR activities
- Supporting District administration in various development activities

6. STAKEHOLDER MANAGEMENT (continued)

Vendor Partners

Importance to Business

Our vendor partners determine our ability to provide timely and quality products and services as committed to customers. We engage with our suppliers, share knowledge with them and continuously evaluate options for reducing cost for the Company.

Expectations and aspirations

Clarity in scope of work, defining service level agreements, quality and delivery.

Engagement Mechanisms

- Vendors meet
- Engagement with key vendors

Government

Importance to Business

Besides adhering to compliance, we engage with Government authorities of district, state and national level by offering our inputs for the development of regulations and policies that impact our business.

Expectations and aspirations

Compliance with statutory and regulatory norms.

Engagement Mechanisms

- Participation in Industry Care Meeting for highlighting concerns.
- Engagement with Industries Department, Govt. of Odisha for seeking inputs on drafting of various policies.
- Engagement with the Industrial Promotion & Investment Corporation of Odisha for involvement in roadshows.

7. RISK MANAGEMENT

Enterprise risk management framework enables putting up an effective framework for safeguarding assets and conducting our business. Scanning of external environment and inputs from stakeholder engagement provides inputs to our risk identification process.

Risk identification involves a two-tier process. Process level risks are identified by each function, while the risks which impacts multiple functions, high level and impacts the entity as a whole are categorised as entity level risks. Risks are prioritised based on severity of impact and likelihood of occurrence using a rating scale.

Risks are classified as Strategic, Operational, Compliance, Reputational, Safety, Health and Environment (SHE) and security, Financial and Business Continuity within our Company. Risk mitigation plans based on a cost benefit analysis, following the principles of acceptance, avoidance, transfer and mitigation for all critical (class A) and moderate (class B) risks, whereas contingency plans are put in place for low (class C) risks. Acceptance is an intelligent risk taking mechanism to leverage upon emerging opportunities.

Type	Risk	Impact	Mitigation
Strategic	(a) Non-availability of adequate water resources. (b) Construction and Operation of Water Treatment Plant and Effluent Treatment Plant on EPC Mode.	(a) Sub-leasing of land (b) Non-recovery of costs and non-adherence to environmental guidelines	▪ Robust evaluation of prospective co-developers ▪ Developing a viable business model for capital contribution for EPC model of operation
	Regulatory changes	▪ Opportunity ▪ Viability	▪ Liasoning with the Government at the policy drafting stage ▪ Understanding implications and mitigate its effect to the extent possible
	Delay in project timelines	(a) Increase in project cost (b) Customer dissatisfaction	▪ Resouces (incl. Manpower) to be increased to meet overall time line ▪ Proactive planning and mobilisation of resources based on past year weather patterns and accurate weather prediction by Meterological Department ▪ Due diligence of vendors ▪ Expanding vendor base at Gopalpur site

7. RISK MANAGEMENT (continued)

Type	Risk	Impact	Mitigation
Operational	Local agitation due to non fulfillment of employment commitment resulting in delay in project implementation.	Disruption in Project Work and Operations leading to financial losses of the Company and its customers	- Stakeholder enagement - Identify displaced persons / nominee and provide jobs in time
	(a) Un-authorised entry into the industrial park due to unfinished Boundary leading to disruption. (b) Encroachment of land.	- Disruption of business; - Profitability	- Proper identification of men, material & vehicle - Strengthening of security services - Identification and demarcation - Pillar posting - Completion of the unfinished boundary wall
	Non-implementation of integrated ERP system.	Financial losses	- Introduction of Maker-Checker mechanism in all processes - Creation of SOPs - Implementation of IQMS
Compliance	Environmental & Safety Conditions	Hazards can lead to fatality and human losses	- Hazardous material to be identified and be handled suitably, so that there is no impact on the project and environment - Implementation of Safety, Health and Environment Management system. Safety observation, incident investigation, audit and safety training to all the departmental and contractor employees - Accident policy for employees
Business Continuity	Outbreak of COVID-19	Uninterrupted operations will be impacted	- Ensure cashflow management - Vaccination of all employees - Use of digital technologies - Ensuring office with appropriate safety and hygiene

8. STATUTORY REPORTS

BOARD'S REPORT

To the Members,

Your Directors take pleasure in presenting the 16th Annual Report of Tata Steel Special Economic Zone Limited along with Annual Accounts on the business and operations of your Company along with the summary of financial statements for the year ended March 31, 2022.

FINANCIAL SUMMARY AND HIGHLIGHTS

(₹ In lakh)

Particulars	FY 2021-22	FY 2020-21
Revenue from Operations	3564.07	1120.31
Other Income	85.25	22.76
Total Income	3649.32	1143.07
Total Expenses	2131.71	1811.16
Profit/(Loss) before taxation	1517.61	(668.09)
Tax Expense	16.77	-
Profit/(Loss) after tax	1500.84	(668.09)
Other comprehensive income/(Loss)	0.39	2.05
Profit/(Loss) carried for the Year (Carried forward)	1501.23	(666.04)
Profit/(Loss) at the beginning of the year	(3638.23)	(2,972.19)
Profit/(Loss) at the end of the year	(2137.00)	(3638.23)

Note: As on March 31, 2022, the Company was a 100% step-down subsidiary of Tata Steel Limited. The financials of the Company are based on accrual method of accounting and in accordance with the Companies Act, 2013 ('Act'). It complies with the accounting standards specified under Section 133 of the Act read with rule 7 of Companies (Accounts) Rules 2014 to the extent applicable to the Company.

OPERATIONS AND PERFORMANCE

The Company is developing "Gopalpur Industrial Park" in the east coast region of India at Gopalpur, Chhatrapur in the district of Ganjam, Odisha. The Industrial Park is spread across 2,970 acres of area of which 1,235 acres has been notified as a 'Special Economic Zone' and the remaining 1,735 acres as a 'Domestic Tariff Area' cum Private Industrial Park. The land is owned by the Industrial Infrastructure Development Corporation of Odisha (IDCO), of which 2,955 acres has already been leased to Tata Steel Special Economic Zone Limited with necessary rights to sub-lease the land to prospective unit holders. The Company is in the process of leasing the remaining 15 acres from IDCO.

During the year under review, the Company has executed two sub-lease agreements with new companies viz., Smartchem Technologies Limited (100% subsidiary of Deepak Fertilizers Deepak Fertilizers and Petrochemicals Corporation Limited) and GAIL Gas Limited. The Company also signed sub-lease deed with Tata Steel Limited for 12.069 acres of land for J N Tata Technical Education Center

which runs various skill development and entrepreneurship programs among youth through its Corporate Social Responsibility (CSR) programme.

Smartchem Technologies Limited (STL) has sub-leased 40.24 acres of land for developing Technical Ammonium Nitrate (TAN) project. Smartchem Technologies Limited plans to invest ₹2,200 crore in setting up 3.37 lakh tonnes per annum Technical Ammonium Nitrate complex at Tata Steel Industrial Park in Gopalpur, Odisha, which in turn will generate employment for 1,500 people during the project phase and 325 people during the operation phase. It also holds the possibility of attracting investment in ancillary units like explosive manufacturers, manufacturers of LDPE/HDPE bags and liners, among others.

GAIL Gas Limited has sub-leased 2 acres land for setting up a unit for gasification of Liquefied Natural Gas (LNG) for supply in mobile cascades and supply of Compressed Natural Gas (CNG) and Piped Natural Gas (PNG) in the city of Berhampur.

During the year under review, the Company also renewed the rent agreement with Anadrone Systems Private Limited (ASPL) for further two years from April 01, 2022 till March 31, 2024. Anadrone Systems Private Limited (ASPL) is operating at Gopalpur Industrial Park since 2016 and is in the field of Aerial Targets Manufacturing & Assembling.

The following list of projects were undertaken during the year under review:

- Construction of motorable GSB (Granular Subbase) Road connecting the "Green Cluster" which houses manufacturing companies belonging to "Green" and "White" category of the industry classifications to Main Trunk Road for connectivity to NH.
- Commencement of Main trunk Road upto GSB (Granular Subbase) motorable level with 2 Minor Bridges and Culverts.
- Commencement of Main Gate Complex with Civil finishing, Lift, Electrical, External development and Façade Works.
- Completion of Drain and Water Supply for Gas Authority of India Limited (GAIL) Gas plot.
- Commencement of Storm Water Drain & Power Cable Trench for Smartchem Technologies Limited plot.
- Commencement of Street Light works for NH Entry/Exit, Heavy vehicle entry road and Smartchem Technologies Limited area.

During the year under review, the Company has received the Integrated Management System (IMS) and Project Management certification (ISO 21500:2021) from IRCLASS.

IMPACT OF COVID – 19 ON COMPANY'S PERFORMANCE

The day-to-day business of the Company was partially impacted due to the lockdowns enforced by the State and Central Government on account of the Covid-19 pandemic. The Company has followed all the guidelines of the Government and have prepared and implemented key strategies to combat the negative effects of the Covid-19 pandemic on its business.

DIVIDEND

In view of the accumulated net losses till the financial year, the Directors do not recommend payment of any dividend to its shareholders for Fiscal 2021-22.

TRANSFER TO RESERVES

The Company does not propose to transfer any amount to its General Reserve. However, the losses have been carried forward to reserves and surplus account.

CAPITAL AND DEBT STRUCTURE

a) Details of Authorized Share Capital:

The authorized share capital of the Company is ₹750 crore which includes 55,00,00,000 Equity Shares of ₹10/- each and 20,00,00,000 Preference Shares of ₹10/- each.

b) Details of issued / subscribed / paid-up capital:

As on March 31, 2022, the total paid up capital of Company stands at ₹40.84 crore. The details of the capital are given in the Annual Return (Form MGT-7) available on the website of the Company at <https://gip.city/annual-report-fy-2021-22/>.

c) Changes in paid-up share capital:

As a part of the process of carrying out a corporate level restructuring of its portfolio of Tata Steel Group Companies (TSGC), with a view to attain simplicity, synergy and drive better business performance and control, thereby enhancing stakeholder value across Tata Steel Group, Tata Steel Utilities and Infrastructure Services Limited (TSUISL), a wholly owned subsidiary of Tata Steel Limited (TSL), had been identified as the holding company of the Utilities and Infrastructure Services cluster. Subsequently, on April 3, 2021, TSL's investment (other than share held jointly with TSL nominees) of 39,94,60,441 Equity Shares in the Company had been transferred to TSUISL electronically.

On September 6, 2021, the Board of Directors of the Company approved issue of 89,63,888 (Eighty-Nine lakh Sixty-Three Thousand Eight hundred and Eighty-Eight) Equity Shares of face value of ₹10/- each, at an issue price of ₹13.22 per share aggregating to ~₹11.85 crore (Rupees Eleven crore Eighty-Five lakh) to Tata Steel Limited (the Promoter), in single or multiple tranches, on a preferential basis for a consideration other than cash, in lieu of transfer of assets from TSL to the Company effected in March 2021. The allotment of shares was done on September 22, 2021 by way of a circular resolution passed by the Board of Directors of the Company.

CORPORATE SOCIAL RESPONSIBILITY

The provisions pertaining to Corporate Social Responsibility were not applicable to the Company, since the Company was not falling within the ambit of the statutory thresholds as prescribed under Section 135 of the Act.

However, the Company volunteers various CSR activities sponsored by Tata Steel Foundation in the areas related to health, agriculture, environment (including gardening), empowerment, education and infrastructure.

CORPORATE GOVERNANCE

The Company makes the best effort to comply with the corporate and related laws, as applicable to it in a timely and accurate manner.

Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance system established and maintained by the Company, the work performed by internal, statutory and secretarial auditors including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during financial year 2021-22.

In accordance with the provisions of Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i. In the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of financial year and of the profit and loss of the Company for that period;
- iii. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. We have prepared the annual accounts on a going concern basis;
- v. We have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems are adequate and operating effectively.

MANAGEMENT

- a) Composition of the Board:

At the beginning of the financial year 2021-22, the Board of the Company comprises of the following Directors:

TATA STEEL SPECIAL ECONOMIC ZONE

Name of the Director	Category	Date of Appointment	Remarks
Mr. Chanakya Chaudhary (Chairman)	Non-Independent, Non-executive	November 20, 2019	-
Mr. R Ranganath	Non-Independent, Non-executive	June 29, 2018	-
Ms. Samita Shah	Non-Independent, Non-executive	Mach 22, 2016	-
Mr. Prasanta Mallick	Non-Independent, Executive	July 1, 2019	-

During the financial year under review, Mr. R Ranganath resigned from the Board effective September 7, 2021, and Mr. Manas Bandyopadhyay was appointed as a Chief Financial Officer effective September 6, 2021.

At the end of the financial year, the Board comprises following members:

Name of the Director	Category
Mr. Chanakya Chaudhary (Chairman)	Non-Independent, Non-executive
Ms. Samita Shah	Non-independent, Non-executive
Mr. Prasanta Mallick (Managing Director)	Non-Independent, Executive

Pursuant to section 152(6) of the Act, Mr. Chanakya Chaudhary (DIN: 02139568), Director of the Company shall retire by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The resolution confirming the re-appointment of Mr. Chanakya Chaudhary, as Director of the Company forms part of the Notice convening the ensuing Annual General Meeting. The Board recommends the re-appointment of Mr. Chanakya Chaudhary for approval of the shareholders.

The profile and particulars of experience, attributes and skills that qualify him for the Board Membership is disclosed in the Notice convening the AGM.

During the financial year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending Board meetings of the Company.

b) Key Managerial Personnel:

During the Financial year under review, Mr. Manas Bandyopadhyay was appointed as a Chief Financial Officer effective September 6, 2021, at a remuneration of ₹64,04,482/- per annum.

As on March 31, 2022, the details of Key Managerial Personnel ('KMP') were given as under:

Name of KMP	Designation	Date of Appointment
Mr. Prasanta Mallick	Managing Director	July 1, 2019
Mr. Manas Bandyopadhyay	Chief Financial Officer	September 6, 2021
Ms. Swati Sheth	Company Secretary	April 16, 2021

c) Board Meetings

During the Financial Year 2021-22, seven (7) meetings of Board of Directors were held on April 16, 2021, July 14, 2021, September 6, 2021, October 11, 2021, December 1, 2021, January 13, 2021 and March 17, 2022 respectively. The intervening gap between the meetings did not exceed the period of 120 days as prescribed under the Act and applicable secretarial standards.

d) Board Evaluation

The Board has formulated a Policy and formats for evaluation of the Board and individual Directors. Pursuant to section 134 (3)(p) of the Act and the policy of the Company, the annual evaluation of performance of the Board and individual directors pursuant to the provisions of the Act has been carried out for the year under review.

e) Company's policy on Director's appointment and remuneration

Policy on appointment and remuneration of Directors, Senior Management and Key Managerial Personnel

Pursuant to section 178(3) of the Act, the Board has adopted the following policies in FY2015-16:

- Policy on appointment and removal of Directors which includes Board membership criteria, Board Diversity policy and criteria for determining independent directors.
- Policy on remuneration for Directors, key management personnel and other employees.

The aforesaid policies are enclosed as **Annexure - 1 & 2**, respectively.

f) Internal Financial Controls

The Company has an established internal control system which commensurates with the size, scale, and complexity of its operations. The internal control system has been designed to ensure orderly and efficient conduct of its business including adherence to the Company's policy by safeguarding of assets, the prevention and detection of frauds and errors, ensuring the accuracy and completeness of the accounting records and timely preparation of reliable financial information.

In compliance with Section 143(3) clause (i) of the Act, the Statutory Auditors have issued a report on the internal financial controls over financial reporting which forms part of Statutory Auditors' report.

TATA STEEL SPECIAL ECONOMIC ZONE

The Company also assesses and evaluates the adequacy of Internal controls of the parameters such as risk assessment, control activity, Information and communication and monitoring.

AUDITORS

a) Statutory Auditors

In terms of the Companies Act, 2013 ('Act') and the Rules framed thereunder, the term of the current Statutory Auditors, Price Waterhouse & Co. Chartered Accountants LLP (PW), expires at the conclusion of the ensuing AGM of the Company.

Based on the services provided by PW, the Board at the meeting held on April 18, 2022 has approved the re-appointment of PW for a period of five years commencing from the conclusion of this AGM until the conclusion of 21st AGM of the Company to be held in the year 2027.

PW has audited the book of accounts of the Company for the Financial Year ended March 31, 2022 and have issued the Auditors' Report thereon. There are no qualifications or reservations or adverse remarks or disclaimers in the said Report. Further, during the year under review, the Auditors did not report any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

b) Cost Auditors

The Company is not required to maintain cost records under Section 148(1) of the Act. Accordingly, such accounts and records are not made and hence, the appointment of cost auditors was not applicable to the Company during the financial year under review.

c) Secretarial Auditors

Pursuant to section 204 of the Act read with respective rules, every unlisted public company having the prescribed paid capital, is required to annex a Secretarial Audit Report issued by a Company Secretary in practice, in the prescribed form with Board's report.

Accordingly, the Board has appointed M/s. Saroj Ray & Associates, Company Secretaries firm bearing (CP No. 3770) as the secretarial auditors to conduct the secretarial audit of the Company for FY2021-22. The Secretarial Auditors have conducted the secretarial audit of the Company for the financial year ending March 31, 2022 and have submitted their report in Form MR-3, enclosed as **Annexure – 3** to this Board's report.

AUDIT REPORT

There was no qualification, reservation or adverse remark contained in the reports of Statutory Auditors and the Secretarial Auditor for the financial year under review.

Therefore, no explanation(s) or comment(s) were offered by the Board.

DETAILS OF DEPOSITS

During the financial year under review, the Company has neither accepted any deposit nor has defaulted in repayment of deposit or payment of interest thereon as under chapter V of the Act.

Therefore, as on March 31, 2022, no deposit remained unpaid or unclaimed.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197 of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure – 4**.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the financial year under review, the Company has not given any loans directly or indirectly to any person or to other body corporate, or any guarantee or any security in connection with a loan to any other body corporate or any person pursuant to section 186 of the Act. The Company has neither subscribed nor made any investment in securities of any other body corporate by way of purchase.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has formulated a policy on Related Party Transaction which is appearing in the website of the Company at <https://gip.city/>. All the related party transactions entered into by the Company during the financial year under review were in ordinary course of business and at arm's length basis and were in compliance with the applicable provisions of the Act and related Rules. There were no materially significant Related Party Transactions/Contracts made by the Company with Promoters, Directors which may have a potential conflict with the interest of the Company at large.

There are no transactions to be reported in Form AOC-2. The details of the transactions with Related Parties are provided in the accompanying Financial Statements.

DISCLOSURE OF POLICIES, GUIDELINES AND CONTROL MECHANISM

a) Risk Management Policy:

Many factors such as geo-political environment, stringent regulatory and environment requirements have substantial impact on the operations of the Company. The Company is also exposed to inherent uncertainties owing to the sectors in which it operates. Therefore, the Board of Directors have adopted a Risk Management Policy which has been implemented in the organization. The Company prepares its risk register on an annual basis by identifying Risk and measures for mitigation thereof. The status of critical risks and measures to be taken for mitigations are reviewed on a periodical basis. The Company also has a system of assessing risks for critical business transaction before finalization of the same.

TATA STEEL SPECIAL ECONOMIC ZONE

During the financial year under review, the Company has not identified any elements of risk which may threaten the existence of the Company.

b) Policy on Corporate Social Responsibility:

Since the provisions of Corporate Social Responsibility (CSR) as per section 135 of the Act are not applicable to the Company, no policy on CSR has been formulated or developed during the financial year under review.

c) Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013:

The Company has adopted and implemented a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. The POSH policy promotes gender neutrality. The Company organizes awareness programs at the workplace to promote zero tolerance towards sexual harassment.

In the financial year 2021-22, no cases of sexual harassment have been reported in the Company.

d) Constitution of Internal Complaints Committee:

In compliance to the section 4 of Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 the Company has formed a four-member team of Internal Complaints Committee which includes an external independent member from non-governmental organization (NGO). The presiding officer of the Committee is the senior most female employee. The members of the Committee meets from time to time and are responsible for redressal of grievances/complaints as and when raised by the employees.

e) Vigil Mechanism System:

The Company is committed towards highest moral and ethical standards. As a part of Tata Group, the Company has adopted and follows the Tata Code of Conduct (TCoC) across the organization to implement highest level of ethical standards.

In furtherance to prevent any unethical conduct in the organization, the Company has implemented vigil mechanism which provides adequate safeguards against victimization of persons who report genuine concerns such as unethical behavior, actual or suspected fraud or violation of Tata Code of Conduct (TCOC) in the Company. The Policy is available on Company's website <https://gip.city/>.

The vigil mechanism is developed and established within the organization through various policies viz. Whistle-Blower Policy, the Gift and Hospitality Policy, the Anti-Bribery & Anti-Corruption ('**ABAC**') Policy and the Anti-Money Laundering ('**AML**') Policy.

The Whistle-Blower Policy ensures a mechanism for Directors, officers and employees of the Company to have direct and assured access to the Ethics Counsellor and make protective disclosures. The ABAC and AML policies primarily cover risk assessment, third party due diligence, training & awareness, and audit & reporting. The Gift and Hospitality Policy aims to provide guidance to Directors, officers and employees or persons who perform services for or on behalf of the Company on what is appropriate and acceptable, and what is not acceptable, for offering, giving and accepting gifts and hospitality. The Policy is in consonance with ABAC and AML policies.

The Company makes an effort to communicate and conduct training program for its internal as well as external stakeholders with an aim to create awareness among them. The Company has association with a third-party helpline which takes care of the ethical complaints.

In order to further strengthen the vigil mechanism of the Company, the Company has adopted the "Conflict of Interest" Policy which requires the employees of the Company to declare their interest at the beginning of every financial year and act in the best interest of the Company adhering to the ethical standards and guidelines as laid down.

f) Frauds reported by Auditor:

During the financial year under review, no fraud has been reported by both the Statutory Auditor and Secretarial Auditor.

g) Compliance with Secretarial Standards:

The Company has complied with all applicable secretarial standards during the financial year under review.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

The Company did not have any subsidiary, joint venture or associate Company during the financial year 2021-22.

DETAILS OF MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year under review, no material orders have been passed by the regulators or court or tribunal against the Company.

ANNUAL RETURN

The details forming part of the Annual Return in form MGT-7 as per the provisions of the Act and related Rules, each as amended, is available on the Company's website <https://gip.city/annual-report-fy-2021-22/>

OTHER DISCLOSURES

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

There has been no change in the nature of Company's business during FY 2021-22.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Details of the Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo is given as under:

A. Conservation of Energy:

Particulars	Initiatives planned / taken during FY 2021-22
The steps taken or impact on conservation of energy	1. The streetlights in Gopalpur Industrial Park and lights of Gopalpur Project Office have been replaced with LED lights for improving energy efficiency. Besides, all the lights for office and main gate has been replaced with LED energy efficient lights. 2. The transformers are compliant with BIS Energy Efficient Level – II. 3. While constructing the PEB shed for Tata Consumer Products, we have made provisions for installation of solar panels for the plant to utilize solar energy. The plant is now utilizing solar energy for its operations 4. The Company has cut down travelling for meeting and conferences and have replaced it with online meetings wherever possible.
The steps taken by the Company for utilizing alternate sources of energy	Efforts are underway to utilize Solar Power for future in project development work.
The capital investment on energy conservation equipment's	Nil

B. Technology Absorption:

Particulars	Initiatives planned / taken during FY 2020-21
i. The efforts made towards technology absorption	NA

Particulars	Initiatives planned / taken during FY 2020-21
ii. The benefits derived like product improvement, cost reduction, product development or import substitution	NA
iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	NA
a) The details of technology imported	
b) The year of import	
c) Whether the technology been fully absorbed	
d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and the reasons thereof	
iv. The expenditures incurred on Research & Development	NA

C. Foreign Exchange Earnings and Outgo:

Particulars	Initiatives planned / taken during FY 2020-21
Foreign Exchange earned in terms of actual inflow	NIL
Foreign Exchange outgo in terms of actual outflow	NIL

ACKNOWLEDGEMENTS

The Directors would like to place on record their appreciation for all employees of the Company for their effort and their contribution of the Company's performance.

The Directors would also like to thank the shareholder, customers, vendors, bankers, financial institutions, Central and Government agencies and all other stakeholders for their trust and continuous support to the Company.

For and on behalf of the Board of Directors

Sd/-

Chanakya Chaudhary

Chairman

DIN: 02139568

Place: Bhubaneswar

Date: April 18, 2022

Policy for Appointment and Removal of Directors

(*The Nomination and Remuneration Committee (NRC) has been dissolved with effect from February 19, 2018. All matters shall be directly reported to Board as applicable. The term "NRC" in the policy will be termed as "Board")

1. INTRODUCTION

- 1.1. In terms of Section 178 of the Companies Act, 2013, rules made thereunder and the Listing Regulations as amended from time to time, the Committee has formulated this policy on appointment and removal of Directors. The Policy has been adopted by the NRC vide its resolution dated 31st March 2016 and approved by the Board of Directors vide its resolution dated 31st March 2016.
- 1.2. This policy will be applicable to the Company to the extent required under the Companies Act, 2013 as the Company is not a listed Company. The Compliance of provisions of Listing Regulations forming part of this policy are to be observed as best practices and are voluntary in nature.
- 1.3. This policy shall act as a guideline for determining qualifications, positive attributes, independence of a Director and matters relating to the appointment and removal of Directors.

2. OBJECTIVE OF THE POLICY

To lay down criteria and terms and conditions with regards to the identification of persons who are qualified to become Directors (executive, non-executive and independent) including their qualifications, positive attributes and independence. [CA Sec. 178] and who may be appointed as the Senior Management of the Company.

3. APPOINTMENT OF DIRECTORS

This Policy enumerates guidelines to be used by NRC in selecting/appointing/re-appointing and removal of a Director.

For all the above stated matters, the Parent Company may make suggestions from time to time, to Chairman, NRC or to representative of the Parent Company, who may incorporate the same while recommending to the Board.

- 3.1. Assess skill-sets the Board needs given the strategies, challenges faced by the Company.
- 3.2. In selecting individuals for appointment/re-appointment/removal of directors, the NRC to refer to the following guidelines/policies:
 - 3.2.1. Board Membership Criteria (Refer Schedule A)

3.2.2. Board Diversity Policy, if any, framed as per the requirement of law (Refer Schedule B)

3.2.3. Criteria for determining independence of directors (in case of appointment of Independent Directors (Refer Schedule C).

3.2.4. Request candidature from the database maintained by Parent Company/GIM Center.

3.2.5. NRC members (either jointly/individually, as delegated) shall meet the potential candidate and assess his/her suitability for the role.

3.2.6. NRC to recommend the appointment of shortlisted candidate to the Board for its consideration.

3.3. Emergency Succession: If position of a Director suddenly become vacant by reason of death or other unanticipated occurrence, the NRC shall convene a special meeting at the earliest opportunity to fill such vacancy.

4. POLICY IMPLEMENTATION

4.1. The Committee is responsible for recommending this Policy to the Board.

4.2. The Board is responsible for approving and overseeing implementation of this Policy (with the support of the Committee)

5. REVIEW OF THE POLICY

This Policy will be reviewed and reassessed by the Committee as and when required and appropriate recommendations shall be made to the Board to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise.

6. APPLICABILITY TO SUBSIDIARY / ASSOCIATE /JOINT VENTURE COMPANIES

This Policy may be adopted by the Company's subsidiaries/ Associates and Joint Ventures, if any, subject to suitable modifications and approval of the Board of Directors of the respective companies.

7. COMPLIANCE RESPONSIBILITY

Compliance of this policy shall be the responsibility of the Company Secretary of the Company who shall have the power to ask for any information or clarifications from the management in this regard.

Note : Pursuant to The Companies (Appointment and Qualification of Directors) Amendment Rules, 2017[1] ('Amendment Rules, 2017') dated July 5, 2017, appointment of Independent Director is not mandatory for the Company. Therefore, the provisions related to independent Directors contained in the "Policy on Appointment and removal of directors" are voluntary in nature.

Schedule-A**(BOARD MEMBERSHIP CRITERIA)**

The Nominations and Remuneration Committee works with the Board to determine the appropriate characteristics, skills, and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education, and public service. Characteristics expected of all directors include independence, integrity, high personal and professional ethics, sound business judgment, ability to participate constructively in deliberations and willingness to exercise authority in a collective manner.

In evaluating the suitability of individual Board members, the Committee considers many factors, including general understanding of marketing, finance, operations management, public policy, international relations, legal, governance and other disciplines relevant to the success of the Company in today's business environment; understanding of the Company's business; experience in dealing with strategic issues and long-term perspectives; maintaining an independent familiarity with the external environment in which the company operates and especially in the directors particular field of expertise; educational and professional background; personal accomplishment; and geographic, gender, age, and ethnic diversity.

The Board evaluates each individual in the context of the Board as a whole, with the objective of having a group that can best perpetuate the success of the Company's business and represent stakeholders' interests through the exercise of sound judgment, using its diversity of experience.

In determining whether to recommend a director for re-election, the Committee, also considers the director's past attendance at meetings, participation in meetings and contributions to the activities of the Board, and the results of the most recent Board self-evaluation.

Board members are expected to rigorously prepare for, attend and participate in all Board and applicable committee meetings. Each member is expected to ensure that their other current and planned future commitments do not materially interfere with the responsibilities at Tata Steel Special Economic Zone Limited.

Schedule-B
(BOARD DIVERSITY POLICY)

1. PURPOSE

The need for diversity in the Board has come into focus post the changes in the provisions of the Companies Act, 2013 ("Act") and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Listing Regulations.

The NRC has framed this policy to set out the approach to diversity on the Board of the Company ("Policy").

2. SCOPE

This Policy is applicable to the Board of the Company.

3. POLICY STATEMENT

The Company recognizes the importance of diversity in its success. It is essential that the Company has as diverse a Board as possible.

A diverse Board will bring in different set of expertise and perspectives. The combination of Board having different skill set, industry experience, varied cultural and geographical background and belonging to different race and gender will bring a variety of experience and viewpoints which will add to the strength of the Company.

While all appointments to the Board are made on merit, the diversity of Board in aggregate will be of immense strength to the Board in guiding the Company successfully through various geographies.

The Committee reviews and recommends appointments of new directors to the Board. In reviewing and determining the Board composition, the Committee will consider the merit, skill, experience, race, gender and other diversity of the Board.

To meet the objectives of driving diversity and an optimum skill mix, the Committee may seek the support of Parent company/GIM Center.

4. MONITORING AND REPORTING

The Committee will report annually, in the corporate governance section of the Annual Report of the Company, the process it employed in Board appointments, if required by the law. The report will include summary of this Policy including purpose and the progress made in achieving the same.

5. REVIEW OF THE POLICY

This Policy will be reviewed and reassessed by the Committee as and when required and appropriate recommendations shall be made to the Board to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise.

6. APPLICABILITY TO SUBSIDIARY / ASSOCIATE / JOINT VENTURE COMPANIES

This Policy may be adopted by the Company's subsidiaries/ Associates and Joint Ventures, if any, subject to suitable modifications and approval of the board of directors of the respective companies.

7. COMPLIANCE RESPONSIBILITY

Compliance of this policy shall be the responsibility of the Company Secretary of the Company who shall have the power to ask for any information or clarifications from the management in this regard.

Schedule-C

(CRITERIA FOR DETERMINING THE INDEPENDENCE OF DIRECTORS)

1. PURPOSE

The purpose of this policy is to define guidelines that will be used by the Board to assess the independence of Directors of the Company.

2. INDEPENDENCE GUIDELINES

A Director is considered independent if the Board makes an affirmative determination after a review of all relevant information. The Board has established the categorical standards set forth below to assist it in making such determinations. An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director—

- 2.1. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- 2.2. i. who is or was not a promoter of the company or its holding, subsidiary or associate company;

ii. who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- 2.3. has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- 2.4. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- 2.5. who, neither himself nor any of his relatives—
 - 2.5.1. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - 2.5.2. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
 - 2.5.2.1. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

- 2.5.2.2. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
- 2.5.3. holds together with his relatives two percent or more of the total voting power of the company; or
- 2.5.4. is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five percent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two percent or more of the total voting power of the company; or
- 2.6. An independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.

3. DEFINITIONS IN ADDITION TO THOSE PROVIDED ABOVE

- 3.1. "Nominee Director" implies a Director nominated by any financial institution in pursuance of the provisions of any law for the time being in force, or of any agreement, or appointed by any government or any other person to represent its interests. [Companies Act 2013 – 149 Explanation]
- 3.2. "Associate Company" in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company. [Sec 2(6) of CA, 2013]
Explanation - For the purposes of this clause, "significant influence" means control of at least twenty per cent. of total share capital, or of business decisions under an agreement.
- 3.3. "Relative" implies anyone who is related to another if they are members of HUF; if they are husband and wife; or if one person is related to the other in such manner as may be prescribed under the Act. A person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely – Father (includes step-father), Mother (includes step-mother), Son (includes step-son), Son's wife, Daughter, Daughter's husband, Brother (includes step-brother), Sister (includes step-sister) [CA Sec. 277].

4. EXPLANATIONS:

Consecutive Terms: He/ she shall be eligible for appointment as Independent Director after the expiration of three years of ceasing to be a Director on the Board of the Company provided that he / she shall not during the said period of three years, be appointed in or associated with Tata Steel Special Economic Zone Limited in any other category, either directly or indirectly.

Policy for Remuneration of Directors

(*The Nomination and Remuneration Committee has been dissolved with effect from 19th February 2018. All matters shall be directly reported to Board as applicable.)

The philosophy for remuneration of directors, Key Managerial Personnel ("KMP") and all other employees of Tata Steel Special Economic Zone Limited ("Company") is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act") and Clause 49(IV)(B)(1) of the Equity Listing Regulations ("Listing Regulations"). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals"

For all matters related to remuneration to directors, the Parent Company/GIM Center may make suggestions from time to time, to Chairman, NRC or to representative of the Parent Company, who may incorporate the same while recommending to the Board.

Key principles governing this remuneration policy are as follows:

1. Remuneration for independent directors and non-independent non- executive directors
 - 1.1. Overall remuneration should be reflective of the size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay the remuneration.
 - 1.2. Independent directors ("ID") and non-independent non-executive directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members). Quantum of sitting fees and NED Commission may be subject to review on a periodic basis, as required.
 - 1.3. Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.

- 1.4. Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the company (taking into consideration the challenges faced by the company and its future growth imperatives).
 - 1.5. Overall remuneration practices should be consistent with recognized best practices.
 - 1.6. The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board, based on company's performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
 - 1.7. The NRC will recommend to the Board, the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.
 - 1.8. In addition to the sitting fees and commission, the company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/ her role as a director of the company. This could include reasonable expenditure incurred by the director for attending Board/ Board committee meetings, general meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organized by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a director.
2. Remuneration for managing director ("MD")/ executive directors ("EDs")/ KMP/ rest of the employees
 - 2.1. The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be:
 - 2.1.1. Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent)
 - 2.1.2. Driven by the role played by the individual,
 - 2.1.3. Reflective of size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay,
 - 2.1.4. Consistent with recognized best practices and
 - 2.1.5. Aligned to any regulatory requirements.
 - 2.2. In terms of remuneration mix or composition,

- 2.2.1. The remuneration mix for the MD/ EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
 - 2.2.2. Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
 - 2.2.3. In addition to the basic/ fixed salary, the company may provide employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The company may also provide all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imbursements or insurance cover and accidental death and dismemberment through personal accident insurance.
 - 2.2.4. The company provides retirement benefits as applicable.
 - 2.2.5. In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the company may provide MD/ EDs such remuneration by way of bonus/performance linked incentive and/or commission calculated with reference to the net profits of the company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.
 - 2.2.6. The company may provide the rest of the employees a performance linked bonus and/or performance linked incentive. The performance linked bonus/performance linked incentive would be driven by the outcome of the performance appraisal process and the performance of the company.
3. Remuneration payable to Director for services rendered in other capacity
 - 3.1. The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such director in any other capacity unless:
 - 3.2. The services rendered are of a professional nature; and
 - 3.3. The NRC is of the opinion that the director possesses requisite qualification for the practice of the profession.
 4. Premium on Insurance policy
 - 4.1. Where any insurance is taken by the Parent Company or by the company on behalf of the Company's NEDs, for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration.

- 4.2. Where any insurance is taken by the Parent Company or by the company on behalf of the Company's MD/EDs, KMP and any other employees for indemnifying them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

5. Others

5.1. Policy implementation

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

5.2. Review of the Policy

This Policy will be reviewed and reassessed by the NRC as and when required and appropriate recommendations shall be made to the Board to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise.

5.3. Applicability to subsidiaries, associates and joint venture companies

This policy may be adopted by the company's subsidiaries, associates and joint venture companies, if any, subject to suitable modifications and approval of the board of directors of the respective companies.

5.4. Compliance Responsibility

Compliance of this policy shall be the responsibility of the Company Secretary of the company who shall have the power to ask for any information or clarification from the management in this regard.

GLOSSARY

"Act" or "CA,2013" or "CA"	means the Companies Act, 2013, to the extent notified, from time to time, and includes any re-enactment thereof, with all schedules and tables thereunder, as notified, with effect from the date of such notification in the official gazette of India including all rules, notifications, circulars, clarifications and orders issued thereunder including certain provisions of the Companies Act, 1956, as and where specified, and "Section" shall mean a section of the said Act
"Board"	implies the Board of Directors of the Company
"Company"	implies "Tata Steel Special Economic Zone Limited"
"Committee"/or "NRC"	implies the Nomination and Remuneration Committee of the Company
"Directors"	implies the directors on the Board
"Executive Director" or "ED"	implies Executive Director of the Company
"Independent Director" or "ID"	implies a non-executive Director of the Company, other than a nominee Director and who is neither a promoter nor belongs to the promoter group of the Company, and who satisfies other criteria for independence mentioned in the Companies Act, 2013 and the Listing Regulations entered into, with the respective Stock Exchanges in India
"Key Managerial Personnel" "KMP"	In relation to the Company, means the following key managerial personnel: the Chief Executive Officer and/or Managing Director Company Secretary Whole-time Director Chief Financial Officer
"Listing Regulations" or "LA"	implies the Listing Regulations as entered into by the Company with the Stock Exchanges in India
"MD"	implies the Managing Director of the Company
"Policy"	implies this Policy on appointment and removal of Directors as framed by the Committee; Policy on remuneration for directors, key managerial personnel and other employees; Process and criteria for annual performance evaluation of the Board, its Committees and Directors, as applicable
"Parent Company"	Parent Company means a person/company who has control over the affairs of the Company, directly or indirectly, as a shareholder or otherwise and in accordance with whose advice, directions or instructions, the Board of Directors of the company is accustomed to act.
"Group Investment Management Center" or "GIM Center"	Group Investment Management Center means department of Tata Steel Corporate function led by Group Director (Investments and New Ventures), Tata Steel. GIM acts as a single window among the Tata Steel Group Companies (i.e. Tata Steel, its subsidiaries, associates and JVs).

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR 2021-22

To
 The Members,
 Tata Steel Special Economic Zone Limited,
 2B, 2nd Floor, Fortune Towers, Chandrasekharpur,
 Bhubaneswar- 751023, Odisha.

We have conducted the Secretarial Audit of the compliance of applicable Statutory Provisions and the adherence to good Corporate Governance practices by **M/s. Tata Steel Special Economic Zone Limited** (hereinafter called 'the Company') for the financial year ended **31st March, 2022**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate Conduct/Statutory Compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period complied with the Statutory Provisions listed hereunder and also that the Company has proper Board Processes and Compliance Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021, according to the provisions of:

- (i) The Companies Act, 2013 (the Act), and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under; **Not applicable during the period under review.**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz:-
 - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; **Not applicable**
 - b. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not applicable during the period under review.**
 - c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended; **Not applicable during the period under review.**

- d. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; **Not applicable during the period under review.**
 - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not applicable during the period under review.**
 - f. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not applicable during the period under review.**
 - g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not applicable during the period under review.**
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not applicable during the period under review.**
 - i. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not applicable during the period under review.**
 - j. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not applicable during the period under review.**
 - k. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; **Not applicable during the period under review.**
- (vi) Other laws applicable specifically to the Company namely:
- 1) The Special Economic Zones Act, 2005
 - 2) The Special Economic Zones Rules, 2006
 - 3) Odisha SEZ Policy

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1 General Meetings (SS-2) & Report of the Board of Directors (SS-4) issued by The Institute of Company Secretaries of India (ICSI).
- ii. The Listing Agreements entered into by the Company with any Stock Exchange(s); **(Not Applicable)**

During the period under review, the Company has complied with all the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that;

A. COMPOSITION OF BOARD:

The Board of Directors of the Company comprised of the following Directors:

TATA STEEL SPECIAL ECONOMIC ZONE

Sl. No.	Name of the Directors	Position Held	Date of Appointment	Date of Cessation
1	Mr. Chanakya Chaudhary	Chairman, Non-Executive Director	20.11.2019	-
2	Ms. Samita Shah	Non-Executive Director	22.03.2016	-
3	Mr. Prasanta Mallick	Managing Director	01.07.2019	-

During the financial year Mr. R. Ranganath, Non-Executive Director resigned from the post of Director of the Company with effect from September 7, 2021 and necessary e-forms has been filed in respect to the Cessation as prescribed in the Companies Act, 2013.

Mr. Prasanta Mallick was re-appointed as Managing Director and Key Managerial Personnel of the Company for a further period of 3 years effective from July 1, 2021 to June 30, 2024 not liable to retire by the members at 15th Annual General Meeting of the Company.

At the end of the Financial Year the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors & Woman Director in compliance with the provisions of Section 149 of the Companies Act, 2013.

As per notification of Ministry of Corporate Affairs dated July 5, 2017, appointment of Independent Director(s) under Section 149 of the Companies Act, 2013 is not applicable to wholly owned subsidiary company. Since, Tata Steel Special Economic Zone Limited is a wholly owned subsidiary of Tata Steel Limited, it is not mandatory for the company to appoint Independent Director.

During the Financial year, consequent upon resignation of Mr. Tanmay Kumar Sahu as Company Secretary of the Company w.e.f March 15, 2021, Ms. Swati Sheth was appointed as Company Secretary, a Key Managerial Personnel of the Company w.e.f. April 16, 2021 under Section 205 & 203 of the Companies Act, 2013.

Further the vacancy caused by resignation of Mr. Amit Kumar Kundu, Chief Financial Officer, a Key Managerial Personnel of the Company w.e.f March 15, 2021 was filled-up by the Board by appointment of Mr. Manas Bandyopadhyay as Chief Financial Officer (Key Managerial Personnel) of the Company w.e.f September 06, 2021 as per Section 203 of the Companies Act, 2013.

B. BOARD MEETINGS

Seven (7) Meetings of the Board of Directors, were held on April 16, 2021, July 14, 2021, September 6, 2021, October 11, 2021, December 1, 2021, January 13, 2022, March 17, 2022 respectively during the Financial Year.

In view of the COVID-19 pandemic situation, the meetings were held through Microsoft Teams Application. All the members of the Board and invitees attended the meetings through Microsoft Teams Application.

MCA notification dated March 19, 2020, also provides for discussion of restricted items through audio visual mode.

The meetings were held through Video Conferencing (Microsoft Teams Application). All the members of the Board of Directors and Invitees attended the meeting through Video Conferencing which are capable of recording and recognizing the participation of directors and of recording and storing of proceedings of the meetings along with date and time.

Board Meeting No.	Date of Board Meeting	Name of Directors present in the Meeting	Name of Directors Absent in the Meeting
67th Board Meeting	April 16, 2021	1. Mr. Chanakya Chaudhary 2. Mr. Prasanta Mallick 3. Mr. R Ranganath 4. Ms. Samita Shah	Nil
68th Board Meeting	July 14, 2021	1. Mr. Chanakya Chaudhary 2. Mr. R Ranganath 3. Ms. Samita Shah 4. Mr. Prasanta Mallick	Nil
69th Board Meeting	September 6, 2021	1. Mr. Chanakya Chaudhary 2. Mr. R Ranganath 3. Mr. Prasanta Mallick	Ms. Samita Shah
70th Board Meeting	October 11, 2021	1. Mr. Chanakya Chaudhary 2. Ms. Samita Shah 3. Mr. Prasanta Mallick	Nil
71st Board Meeting	December 1, 2021	1. Mr. Chanakya Chaudhary 2. Ms. Samita Shah 3. Mr. Prasanta Mallick	Nil
72nd Board Meeting	January 13, 2022	1. Mr. Chanakya Chaudhary 2. Ms. Samita Shah 3. Mr. Prasanta Mallick	Nil
73rd Board Meeting	March 17, 2022	1. Mr. Chanakya Chaudhary 2. Ms. Samita Shah 3. Mr. Prasanta Mallick	Nil

Adequate notice, Agenda and detailed notes on agenda for all the Board Meetings were sent in advance i.e., 7 days prior to the Meeting, to all the Directors of the Board in compliance with the provisions of the Companies Act and the Secretarial Standards.

A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

For all the Board meetings, the required confirmation has been obtained from the Directors for attending the meeting(s) through video conferencing and proper roll check was conducted by the Company. All decisions at the Board Meetings were carried out unanimously and recorded in the Minute Book maintained for the purpose as per the provisions of the Act.

All the meetings were convened as per the provisions of the Companies Act, 2013 and as per the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI). The requisite quorum was present in all the Board Meeting(s) held during the quarter as per the provisions and requirements of the Companies Act, 2013 and Articles of Association of the Company.

C. OTHER COMMITTEES OF THE BOARD:**Audit Committee:**

Consequent upon dissolution of Audit Committee by the Board on the ground of cessation of Independent Director and as per notification of Ministry of Corporate Affairs dated July 5, 2017 and July 13, 2017, appointment of Independent Director(s) and constitution of Audit Committee under section 149 and 177 of the Companies Act, 2013, respectively, are not applicable to wholly owned subsidiary companies, all the matters which are required to place in the Audit Committee are placed in the Board.

The periodic quarterly report on Statutory Compliance of various laws and statutes which are earlier put up to Audit Committee by different departments of the Company for its review are reported to the meeting of Board of Directors pursuant to Section 205(1)(a) of the Companies Act, 2013.

D. MAINTENANCE OF STATUTORY RECORDS:

During the period under review all Statutory Registers, Records and other Registers as prescribed under various Provisions of the Companies Act, 2013, Secretarial Standards & the Depositories Act, 1996 and the Rules made there under were kept and maintained properly with all necessary entries made therein.

E. FILING OF STATUTORY FORMS & RETURNS AS PER COMPANIES ACT, 2013:

During the Financial Year, the Company has filed all e-Forms with the MCA/Registrar of Companies as per the provisions of the Companies Act, 2013 and rules made there under within the prescribed time limit along with the requisite fees.

All the provisions of the Act and other statutes were duly complied with regard to filing of various e-Forms and Returns as per the provisions of the Companies Act, 2013 with the MCA/Registrar of Companies within the prescribed time limit with payment of requisite fees.

F. COMPLIANCE WITH APPLICABLE LAWS, RULES & REGULATIONS:

During the period under review, and as per the Master list of laws in the Legatrix System of the Company, there are several laws applicable to the Company.

As per explanations provided to us by the Company, we report that adequate systems and processes commensurate with its size and operations of the Company exist to monitor and ensure the compliance with applicable laws, rules & regulations.

However, we have not verified the correctness and appropriateness of the specific laws applicable to the Company. The compliances and processes under the Specific Laws are maintained by the concerned departments.

The periodic quarterly report on Statutory Compliance of various laws and statutes by different departments of the Company for its review are reported to the meeting of the Board of Directors pursuant to Section 205(1)(a) of the Companies Act, 2013.

G. 15TH ANNUAL GENERAL MEETING:

The 15th Annual General Meeting of the Members of the Company was held on Monday, September 6, 2021 at 4.15 P.M. through video Conferencing/ Other audio-visual means (Microsoft Teams application)

in pursuance to the General Circulars issued by the Ministry of Corporate Affairs (MCA) dated January 13, 2021 in continuation with General Circular dated May 05, 2020.

The 15th Annual General Meeting of the Members of the Company was held at a Shorter Notice in compliance with the provisions of the Companies Act and the Secretarial Standards. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

H. REGISTRAR AND SHARE TRANSFER AGENT:

M/s Alankit Assignments Limited, New Delhi, is the Registrar and Share Transfer Agent (RTA) of the company.

I. DEMATERIALIZATION OF SHARES:

M/s. Tata Steel Special Economic Zone Limited, has been allotted INE04MD01010 as its International Securities Identification Number (ISIN). Out of 40,84,24,389 Equity Shares of the Company, only 40,84,24,329 Equity Shares have been dematerialised and 60 Equity Shares have not been dematerialised.

J. TRANSFER OF SHARES:

Tata Steel Limited (TSL), promoter/holding Company of Tata Steel Special Economic Zone Limited is in the process of carrying out a corporate level restructuring of its portfolio of TSL Group Companies (TSGC) with a view to drive better business performance & control and enhancing stakeholder value across the TSL Group.

Tata Steel Utilities and Infrastructure Services Limited (TSUISL) is a wholly owned subsidiary of TSL. TSL's investment (other than share held jointly with TSL nominees) of 39,94,60,441 Equity Shares of Rs.10/- each in the Company was transferred to TSUISL electronically on April 3, 2021. Subsequently 60 (sixty) Equity Shares of the Company jointly held by TSL nominees were transferred in favor of TSUISL nominees jointly with TSUISL.

K. ISSUE & ALLOTMENT OF EQUITY SHARES:

In accordance with the provisions of the Companies Act, the consent was given by the Board of Directors and the shareholders of the Company at their meetings held on September 6, 2021 to issue 89,63,888 (Eighty-Nine lakh Sixty-Three Thousand Eight hundred and Eighty-Eight) of Rs. 10/- each (Rupees Ten) on a preferential basis to Tata Steel Limited ('TSL' / eligible shareholder'), at a price of Rs.13.22 per share (Rupees Thirteen and Twenty-Two paise) per share including a premium of Rs.3.22 (Rupees Three and Twenty-Two paise) per share, aggregating to Rs.11,85,02,599/- (Rupees Eleven Crore Eighty-Five Lakhs Two Thousand and Five Hundred and Ninety-Nine) for consideration other than cash, on such terms and conditions, as mentioned in the draft Private Placement Offer Letter ('Letter of Offer').

Subsequently on September 22, 2021 vide Resolution by Circulation 89,63,888 Equity Shares having a face value of ₹10/- each, at a premium of ₹3.22 per share, aggregating to ₹11,85,02,599/- was allotted to Tata Steel Limited in dematerialized form, for consideration other than cash, in terms of the Letter of Offer dated September 17, 2021.

L. ISSUE OF EQUITY SHARES ON PREFERENTIAL BASIS:

In accordance with the provisions of the Companies Act, the consent was given by the Board of Directors of the Company at the meeting held on October 11, 2021 to offer and issue 74,13,010 (Seventy-Four lakh Thirteen Thousand and Ten) of Rs. 10/- each (Rupees Ten) on a preferential basis to Tata Steel Utilities and Infrastructure Services Limited ('TSUISL' / eligible shareholder'), at a price of Rs.13.22 per share (Rupees Thirteen and Twenty-Two paise) per share including a premium of Rs.3.22 (Rupees Three and Twenty-Two paise) per share, aggregating to Rs.9,79,99,992/- (Rupees Nine crore Seventy-Nine Lakh Ninety-Nine Thousand and Nine Hundred and Ninety-Two) for a cash consideration, on such terms and conditions, as mentioned in the draft Private Placement Offer Letter ('Letter of Offer').

We further report that, during the audit period of the Company there are no major events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

We further report that as informed, the company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that, during the audit period on the basis of documents and explanations provided by the Company, there are adequate systems & processes exist in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards and guidelines.

**For Deba Mohapatra & Co.
Company Secretaries**

**Place: Bhubaneswar
Date: 15/04/2022
UDIN: F009393D000123826**

**Sd/-
CS Anchal Agarwal, FCS
Partner
CP No. 10548, FCS No. 9393**

(This report is to be read with our letter of even date which is annexed as Annexure - A and forms an integral part of this report)

To
The Members,
Tata Steel Special Economic Zone Limited,
2B, 2nd Floor, Fortune Towers, Chandrasekharpur,
Bhubaneswar - 751023, Odisha

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verifications were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, followed by the Company provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Deba Mohapatra & Co.
Company Secretaries**

**Place: Bhubaneswar
Date: 15/04/2022
UDIN: F009393D000123826**

**Sd/-
CS Anchal Agarwal, FCS
Partner
CP No. 10548, FCS No. 9393**

Annexure 4

Details of top 10 employees in terms of remuneration drawn during FY 2021-22

Sl. No.	Name	Designation / Role	Remuneration (₹)	Qualification	Experience (years)	Date of commencement of employment	Age (in years)	Last Employment
1	Mr. Prasanta Mallick	Managing Director	14,344,214	B.E., MBA	34	July 1, 2019	58	Deputation from Tata Steel
2	Mr. Manas Bandyopadhyay*	Chief Financial Officer	6,404,482	B.Com., CA	21	September 1, 2021	47	Deputation from Tata Steel
3	Mr. Amulya Kumar Goel	Chief - Procurement	4,753,860	B.E., MBA	25	September 1, 2019	47	Deputation from Tata Steel
4	Mr. Sabyasachi Kar	Head - Corporate Services	3,083,576	M.A., LLM	15	January 1, 2020	41	Aditya Birla Group
5	Mr. Umesh Sharma	Head - Projects	2,516,575	B.Tech., MBA	18	December 5, 2016	38	Mahindra Group
6	Mr. Chittaranjan Mahali	Head - SHE	2,419,140	M. Tech., PDIS	22	October 10, 2019	46	GMR Group
7	Ms. Anusha Chinam*	Sr. Manager - F&A	2,139,308	B.Com., CA	11	September 15, 2019	34	Deputation from Tata Steel
8	Mr. Ashok Kumar Ray	Sr. Manager - Security	2,109,079	M.A.	34	December 2, 2019	56	Central Industrial Security Forces (CISF)
9	Mr. Debasis Mohanty	Sr. Manager - Marketing & BD	2,013,250	B.E., MBA	7	April 01, 2021	30	UOP India Pvt. Ltd. (Honeywell)
10	Mr. Rakesh Kumar Mandal	Manager - Finance & Accounts	2,011,572	B.Com., CA, CS	11	November 25, 2019	34	DCM Shriram Ltd.

* employed for part of the financial year 2021-22.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 16th Annual General Meeting of the Members of Tata Steel Special Economic Zone Limited will be held on Thursday, August 25, 2022 at 3:00 p.m. (IST) through Video Conferencing ('VC') / Other Audio Visual Means, to transact the following business:

ORDINARY BUSINESS:

Item No. 1 – Adoption of Audited Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2022, together with the Reports of the Board of Directors and the Auditors thereon.

Item No. 2 – Re-appointment of a Director

To appoint a Director in place of Mr. Chanakya Chaudhary (DIN: 02139568), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, seeks re-appointment.

Item No. 3 – Re-appointment of Statutory Auditors

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Messrs Price Waterhouse & Co Chartered Accountants LLP, Chartered Accountants having Firm Registration No. 304026E/E300009, be and is hereby re-appointed as the Statutory Auditors of the Company to hold office for a second term commencing from the conclusion of this Annual General Meeting till the conclusion of the 21st Annual General Meeting of the Company to be held in the year 2027, to examine and audit the accounts of the Company, on such remuneration, as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors.

RESOLVED FURTHER THAT the Board of Directors and/or any person authorised by the Board, be and is hereby severally authorized to settle any question, difficult or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

NOTES:

1. The Statement, pursuant to Section 102 of the Companies Act, 2013, as amended ('Act') setting out material facts concerning the business with respect to Item No. 3 forms part of this Notice. Additional information pursuant to Secretarial Standard - 2 on General Meetings, issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking re-appointment at this Annual General Meeting ('Meeting' or 'AGM') is furnished as an Annexure to the Notice.
2. In view of the ongoing COVID-19 pandemic and pursuant to General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 21/2021 dated December 14, 2021 and all other relevant circulars issued by the Ministry of Corporate Affairs

TATA STEEL SPECIAL ECONOMIC ZONE

(collectively referred to as 'MCA Circulars'), the Company is convening the 16th Annual General Meeting ("AGM") Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM'), without the physical presence of the Members. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at 2B, 2ndFloor, Fortune Towers, Chandrasekharpur, Bhubaneswar, Khordha, Odisha – 751023, which will be deemed venue of the AGM.

3. **PURSUANT TO THE PROVISIONS OF THE COMPANIES ACT, 2013, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON THEIR BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**
4. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
5. Institutional / corporate shareholders (i.e., other than individuals, HUFs, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authorization etc., at swati.sheth@tatasteel.com, authorizing their representative to attend the AGM through VC/OAVM on their behalf and cast their vote by show of hands.
6. This AGM Notice is being sent by e-mail only to those eligible Members who have already registered their e-mail addresses with the Depositories and the Company.
7. Members can post their questions in advance at the above-mentioned e-mail address, in relation to the items of business proposed to be transacted at the Meeting. Further, they can also post their queries on the same e-mail address during the meeting as well.
8. The Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the Meeting.
10. Voting on each resolution will be done by show of hands by Members during the Meeting.
11. If a poll is demanded under Section 109 of the Act, the designated e-mail address of the Company viz. swati.sheth@tatasteel.com will be used for voting purposes.
12. The manner in which the Members can participate in the AGM through VC/OAVM is given hereunder:
 - i) The Members will be provided with a facility to attend the AGM through VC/OAVM using 'Microsoft Teams', which is a two-way Video-conferencing facility. The web link for the same has been sent to

the Members on their registered e-mail addresses along with the Notice convening the AGM and Annual Report for the Financial Year 2021-22.

- ii) Members are encouraged to join the Meeting through laptops having webcam facility and a high-speed internet facility for better connectivity and to avoid any disturbance during the Meeting.
 - iii) Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
 - iv) The Members who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, e-mail address, mobile number at swati.sheth@tatasteel.com. The same will be suitably responded to during the AGM.
13. If any Member wishes to inspect any documents pursuant to the resolutions set out in this notice, they may do so by sending the request to the authorized signatory of the Company at swati.sheth@tatasteel.com.
14. In case of any queries with respect to joining the meeting, the Members may write to the Company at swati.sheth@tatasteel.com or call at +91 9830365783.

(Ms. Swati Sheth for Support other than IT related issues or Mr. Dipti Ranjan Bal for IT Support at +91 9937069852, either before or during the Meeting).

By Order of the Board of Directors

Kolkata
July 12, 2022

Sd/-
Swati Sheth
Company Secretary
Membership No. ACS: 23852

Registered Office:

2B, 2nd Floor, Fortune Towers
Chandrasekharapur, Bhubaneswar, Khordha
Odisha – 751 023
Tel: 0674-2603000
CIN: U45201OR2006PLC008971
Website: www.gip.city
E-mail: swati.sheth@tatasteel.com

Statement pursuant to Section 102(1) of the Companies Act, 2013, as amended ('Act')

The following Statement sets out all material facts relating to Item No.3 mentioned in the accompanying Notice.

Item No. 3

At the 11th AGM of the Company held on September 26, 2017, the shareholders had approved the appointment of Messrs Price Waterhouse & Co Chartered Accountants LLP, Chartered Accountants ('PW') having Firm Registration No. 304026E/E300009), as Statutory Auditors of the Company, to hold office till the conclusion of the 16th AGM of the Company to be held in the year 2022.

Considering PW's performance as auditors of the Company during their present tenure, the Board of Directors of the Company, after due deliberations and discussions, at their meeting held on April 18, 2022, approved re-appointment of PW as the Statutory Auditors of the Company for a second term of 5 (five) years to hold office from the conclusion of 16th AGM till the conclusion of the 21st AGM of the Company to be held in year 2027. The re-appointment is subject to approval of the shareholders of the Company.

The Board of Directors in recommending the re-appointment of PW as the Statutory Auditors of the Company considered the performance of PW as the Statutory Auditors of the Company during their present tenure and the ability of the firm to seamlessly scale and understand the Company's operations, systems and processes.

PW has consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The proposed remuneration to be paid to PW for serving their 2nd term as the the Statutory Auditors of the Company is Rs. 91,000/- (plus applicable taxes and reimbursement of out-of-pocket expenses).

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.3 of the Notice.

The Board recommends the Resolution set forth in Item No. 3 for the approval of the Members.

By Order of the Board of Directors

Sd/-

Swati Sheth

Company Secretary

Membership No. ACS: 23852

Kolkata

July 12, 2022

Registered Office:

2B, 2nd Floor, Fortune Towers

Chandrasekharapur, Bhubaneswar, Khordha

Odisha – 751 023

Tel: 0674-2603000

CIN: U45201OR2006PLC008971

Website: www.gip.city

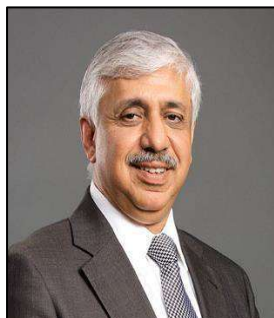
E-mail: swati.sheth@tatasteel.com

Annexure to the Notice

Details of the Directors seeking re-appointment at the 16th Annual General Meeting

[Pursuant to SS-2 – Secretarial Standard on General Meetings]

Particulars of experience and qualification of Mr. Chanakya Chaudhary (DIN: 02139568)



Mr. Chanakya Chaudhary (57) was appointed as a Non-Executive Director of the Company effective November 20, 2019.

Qualification

Mr. Chaudhary completed his graduation in Mechanical Engineering from the prestigious BITS, Pilani. Mr Chaudhary has undertaken various distinguished management programs like the Young Managers Program at INSEAD, France, in 1997, the Tata Group Executive Leadership Program conducted by the Michigan Ross School of Business in 2007, and has earned an Executive MBA degree from CEDEP, France in 2008-09.

Experience

He joined Tata Steel (TSL) in 1988 as a Graduate Engineer Trainee, in the Raw Material Division at Jharia, Dhanbad, India. During his stint at the Collieries division, he worked in various capacities at TSL and was subsequently transferred to Total Quality Management (TQM) (Business Excellence Group), where he worked with various divisions of TSL for obtaining ISO-9000 certification and in their improvement journey towards Business Excellence. He has worked as a lead assessor for Tata Group in its journey of Business Excellence and for JRD Quality Value Award based on the Malcom Baldrige Award Criteria. Mr. Chaudhary took over as Chief Resident Executive, Delhi in 2004 and was leading Corporate Affairs at TSL dealing with its external stakeholders.

On November 01, 2013, he was designated as Group Director-Corporate Communication & Regulatory Affairs at TSL where he spearheaded the Communication Strategy and Policy Advocacy.

In May 2018, he was entrusted with the role of Vice President, Raw Materials, where he was instrumental in bringing about several significant improvements, in order to meet formidable challenges and make the captive mining operations of various minerals (coal, iron ore, Manganese, Chromium etc.) even more robust and sustainable.

In November 2018, Mr. he was appointed as Vice President-Corporate Services at TSL (position he currently holds), where he is responsible for spearheading branding and communication strategy along with policy advocacy and regulatory affairs for the company. His portfolio also includes various functions

TATA STEEL SPECIAL ECONOMIC ZONE

like Corporate Social Responsibility, Medical Services, Corporate Administration, Security Services, Aviation Services and Sports.

Board Meeting Attendance and Remuneration

Mr. Chaudhary attended all the seven Board Meetings held during the year. As per the guidelines of Tata Steel Group, he is not paid any remuneration.

Relationship with other Directors, Manager and other KMPs

There is no inter-se relationship between Mr. Chanakya Chaudhary and other Members of the Board.

Terms and Conditions of Appointment

Mr. Chaudhary is a Non-Executive Chairman of the Company.

Shareholding in the Company

Mr. Chanakya Chaudhary does not hold any Equity Shares in the Company.

Bodies Corporate (other than Tata Steel Special Economic Zone Limited) in which Mr. Chanakya Chaudhary holds Directorships and Committee Memberships

Directorships:

- Tata Steel Foundation
- Medica TS Hospital Private Limited
- Jamshedpur Football and Sporting Private Limited
- S & T Mining Company Limited
- Steel City Press Private Limited
- Tata Steel Mining Limited
- Nicco Jubilee Park Limited
- Tata Steel Utilities and Infrastructure Services Limited
- Rohit Ferro-Tech Limited
- Hockey Ace Foundation

Member of Board Committees

Tata Steel Utilities and Infrastructure Services Limited

- Nomination and Remuneration Committee
- Committee of Board (Chairperson)

Tata Steel Mining Limited

- Corporate Social Responsibility Committee (Chairperson)

Rohit Ferro-Tech Limited

- Corporate Social Responsibility Committee (Chairperson)

Annual Accounts (Audited)

FY 2021-22

Independent Auditor's Report

To the Members of Tata Steel Special Economic Zone Limited

Report on the Audit of the financial statements

Page 1 of 4

Opinion

1. We have audited the accompanying financial statements of Tata Steel Special Economic Zone Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2022, and total comprehensive income (comprising of profit/ loss and other comprehensive income) changes in equity and its cash flow 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 Directors' report but does not include the financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available 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.

When we read the Directors' report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Steel Special Economic Zone Limited
Report on audit of the Financial Statements
Page 2 Of 4

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 flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Steel Special Economic Zone Limited
Report on audit of the Financial Statements
Page 3 of 4

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
12. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company was not required to recognise a provision as at March 31, 2022 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2022.

INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Steel Special Economic Zone Limited
Report on audit of the Financial Statements
Page 4 of 4

- 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, 2022.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 53 (f) to the financial statements);

(b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 53 (f) to the financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year.
13. The Company has paid 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
Chartered Accountants

sd/-
Dhiraj Kumar
Partner
Membership Number: 060466

UDIN: 22060466AHHSZ6064
Place: Kolkata
Date: April 18, 2022

Annexure A to Independent Auditor's Report

Referred to in paragraph 12f of the Independent Auditor's Report of even date to the members of Tata Steel Special Economic Zone Limited on the financial statements for the year ended March 31, 2022.

Page 1 of 2

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

1. We have audited the internal financial controls with reference to financial statements of Tata Steel Special Economic Zone Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

Annexure A to Independent Auditor's Report

Referred to in paragraph 12f of the Independent Auditor's Report of even date to the members of Tata Steel Special Economic Zone Limited on the financial statements for the year ended March 31, 2022.

Page 2 of 2

fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, 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
Chartered Accountants

sd/-
Dhiraj Kumar
Partner
Membership Number: 060466

UDIN: 22060466AHHSZ6064
Place: Kolkata
Date: April 18, 2022

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Tata Steel Special Economic Zone Limited on the financial statements as of and for the year ended March 31, 2022.

Page 1 of 4

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

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

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(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), other than those disclosed in Note 3 on Property, Plant and Equipment and Note 5 on Right of Use assets to the financial statements, are held in the name of the Company.

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

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) The Company is in the business of leasing of real estate and consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii)(a) of the Order are not applicable to the Company.

(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. (a) The Company has made investments in Eleven Mutual Fund schemes during the year.

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

(c) The Company has not granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii)(c), (iii)(d), (iii)(e) and (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.

Annexure B to Independent Auditors' Report

Referred to in paragraph [11] of the Independent Auditors' Report of even date to the members of Tata Steel Special Economic Zone on the financial statements as of and for the year ended March 31, 2022

Page 2 of 4

- v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, 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) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. (Also refer Note 23 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, the Company has not raised funds on short term basis.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year.
- (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.

Annexure B to Independent Auditors' Report

Referred to in paragraph [11] of the Independent Auditors' Report of even date to the members of Tata Steel Special Economic Zone on the financial statements as of and for the year ended March 31, 2022

Page 3 of 4

- (x)(b) The Company has made a preferential allotment during the year, in compliance with the requirements of Section 42 and Section 62 of the Act. The funds have not been raised since the total consideration was adjusted against the liability existing in the books, and therefore the question of our commenting that the fund have been used for the purpose does not arises.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (xi)(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (xi)(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- (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 such related party transactions have been disclosed in the financial statements as required Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (xiv) (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connect 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.

Annexure B to Independent Auditors' Report

Referred to in paragraph [11] of the Independent Auditors' Report of even date to the members of Tata Steel Special Economic Zone on the financial statements as of and for the year ended March 31, 2022

Page 4 of 4

- (d) Based on the information and explanations provided by the management of the Company, the Group has Six CICs in the group, CICs as part of the Group as detailed in note 54 to the financial statements. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- (xvii) The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 50 to the financial statements), 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 Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- (xx) The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

sd/-
Dhiraj Kumar
Partner
Membership Number: 060466

UDIN: 22060466AHHSZ6064
Place: Kolkata
Date: April 18, 2022

Tata Steel Special Economic Zone Limited
Balance Sheet as at March 31, 2022

Amount in INR

	Note	As at March 31, 2022	As at March 31, 2021
(I) Assets			
(1) Non-current assets			
(a) Property, plant and equipment	03	1,110,010,282	1,224,304,294
(b) Intangible assets	04	938,692	1,776,712
(c) Right-of-use assets	05	1,752,551,903	1,804,217,557
(d) Capital work-in-progress	06	1,084,199,352	949,961,098
(e) Intangible assets under development	07	-	30,000
		3,947,700,229	3,980,289,661
(f) Financial assets			
(i) Lease receivable	08	415,974,269	414,073,586
(g) Other financial assets			
(i) Security deposits	09	578,780	578,780
(h) Other non-current assets	10	1,731,662	24,594,892
(i) Tax asset (Net)	11	8,180,210	2,273,454
Total non-current assets		4,374,165,150	4,421,810,373
(2) Current assets			
(a) Financial assets			
(i) Trade receivables	12	-	82,590
(ii) Cash and cash equivalents	13	315,236,199	118,074,732
(iii) Lease receivable	14	48,881,437	47,457,706
(iv) Other financial assets	15	76,596,289	1,617,799
(b) Other current assets	16	30,593,491	72,021,440
Total current assets		471,307,416	239,254,267
Total assets		4,845,472,566	4,661,064,640
(II) Equity and liabilities			
(1) Equity			
(a) Equity share capital	17	4,084,243,890	3,994,605,010
(b) Other equity	18	(184,836,966)	(363,823,209)
Total equity		3,899,406,924	3,630,781,801
(2) Liabilities			
(A) Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	19	381,065	-
(ii) Other financial liabilities	20	25,985,374	24,429,059
(b) Other non-current liabilities	21	40,927,699	26,739,982
(c) Employee benefit obligations	22	511,624	335,768
Total non-current liabilities		67,805,762	51,504,809
(B) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	590,000,000	590,000,000
(ii) Lease liabilities	24	1,866,008	2,499,740
(iii) Trade payables	25		
total outstanding dues of micro and small enterprises		-	-
total outstanding dues other than above		11,661,337	13,121,409
(iv) Other financial liabilities	26	210,173,485	327,970,860
(b) Employee benefit obligations	27	628,978	401,286
(c) Other current liabilities	28	63,930,072	44,784,735
Total current liabilities		878,259,880	978,778,030
Total liabilities		946,065,642	1,030,282,839
Total equity and liabilities		4,845,472,566	4,661,064,640

The accompanying notes form an integral part of the financial statements.

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

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

For and on behalf of Board of Directors

sd/-
Dhiraj Kumar
Partner
Membership No.: 060466

sd/-
Chanakya Chaudhary
Chairman
DIN: 02139568

sd/-
Prasanta Mallick
Managing Director
DIN: 02347304

sd/-
Manas Bandyopadhyay
Chief Financial Officer

sd/-
Swati Sheth
Company Secretary

Place: Kolkata
Date: April 18, 2022

Place: Bhubaneswar
Date: April 18, 2022

Tata Steel Special Economic Zone Limited
Statement of Profit and Loss for the year ended March 31, 2022

Amount in INR

	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Income			
(a) Revenue from operations	29	356,407,610	112,031,227
(b) Other income	30	8,524,870	2,275,571
Total income		364,932,480	114,306,798
Expenses			
(a) Cost of Sales	31	12,407,692	-
(b) Employee benefit expense	32	11,628,699	17,442,743
(c) Finance Costs	33	194,967	490,490
(d) Depreciation and amortisation expense	34	145,156,185	126,977,993
(e) Other expenses	35	43,784,097	36,205,053
Total expenses		213,171,640	181,116,279
Profit/ (loss) before tax		151,760,840	(66,809,481)
Income tax expense		1,677,158	-
Profit/ (loss) after tax for the year		150,083,682	(66,809,481)
Other comprehensive income			
Item that will not be reclassified to profit or loss in subsequent periods:			
Remeasurement gains on defined benefit plans		38,841	205,301
Other comprehensive income for the year		38,841	205,301
Total comprehensive profit/ (loss) for the year		150,122,523	(66,604,180)
Earning per equity share			
Basic earning per share (in Rs.)		0.37	(0.17)
Diluted earning per share (in Rs.)		0.37	(0.17)

The accompanying Notes form an integral part of the financial statements.

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

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

For and on behalf of Board of Directors

sd/-
Dhiraj Kumar
Partner
Membership No.: 060466

sd/-
Chanakya Chaudhary
Chairman
DIN: 02139568

sd/-
Prasanta Mallick
Managing Director
DIN: 02347304

sd/-
Manas Bandyopadhyay
Chief Financial Officer

sd/-
Swati Sheth
Company Secretary

Place: Kolkata
Date: April 18, 2022

Place: Bhubaneswar
Date: April 18, 2022

Tata Steel Special Economic Zone Limited
Statement of changes in equity for the year ended March 31, 2022

Amount in INR

A) Equity share capital

Particulars	Number of shares	Amount
Balance as at April 01, 2021	399,460,501	3,994,605,010
Changes in equity share capital	-	-
Balance as at March 31, 2022	399,460,501	3,994,605,010
Changes in equity share capital	8,963,888	89,638,880
Balance as at March 31, 2022	408,424,389	4,084,243,890

B) Other equity

As at March 31, 2021	Share application money pending allotment	Retained earnings	Securities premium	Total
At beginning of the year	10	(297,219,039)	-	(297,219,029)
Loss for the year	-	(66,809,481)	-	(66,809,481)
Other comprehensive income	-	205,301	-	205,301
Total comprehensive income/ (loss) for the year	-	(66,604,180)	-	(66,604,180)
At end of the period	10	(363,823,219)	-	(363,823,209)

As at March 31, 2022	Share application money pending allotment	Retained earnings	Securities premium	Total
At beginning of the year	10	(363,823,219)	-	(363,823,209)
Profit for the year	-	150,083,682	-	150,083,682
Other comprehensive income	-	38,841	-	38,841
Total comprehensive income/ (loss) for the year	-	150,122,523	-	150,122,523
Transactions with owners in their capacity as owners:				
Issue of shares	-	-	28,863,720	28,863,720
At end of the period	10	(213,700,696)	28,863,720	(184,836,966)

The accompanying Notes form an integral part of the financial statements.

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

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

For and on behalf of Board of Directors

sd/-
Dhiraj Kumar
Partner
Membership No.: 060466

sd/-
Chanakya Chaudhary
Chairman
DIN: 02139568

sd/-
Prasanta Mallick
Managing Director
DIN: 02347304

sd/-
Manas Bandyopadhyay
Chief Financial Officer

sd/-
Swati Sheth
Company Secretary

Place: Kolkata
Date: April 18, 2022

Place: Bhubaneswar
Date: April 18, 2022

Tata Steel Special Economic Zone Limited
Statement of Cash Flow for the year ended March 31, 2022

Amount in INR

	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash flow from operating activities:		
Profit/ (loss) before tax for the year	150,083,682	(66,809,481)
Adjustments for:		
Depreciation and amortisation expenses	145,156,185	126,977,993
Dividend/Gain from mutual fund	(5,209,840)	837,366
Finance cost	194,966	490,490
Interest income from financial assets	(3,051,891)	(1,162,012)
Interest on unwinding of security deposit	(111,929)	(149,240)
Interest on lease receivable	(271,073,025)	(19,093,075)
Loss/ (profit) on sale/ discard of property, plant and equipment	280,067	218,550
Operating profit/(loss) before working capital changes	16,268,215	41,310,591
Adjustments for:		
(Increase)/decrease in non-current/ current financial and other assets	258,960,384	18,680,588
Increase/ (decrease) in non-current/ current financial and other liabilities/ provisions	33,962,179	37,616,560
Cash generated from operations	309,190,778	97,607,739
Income taxes paid	(5,906,756)	(1,191,226)
Net cash inflow from operating activities	303,284,022	96,416,513
B. Cash flow from investing activities:		
Payment for acquisition of property, plant and equipment (including capital work in progress and intangible assets)	(110,749,501)	(328,678,143)
Proceeds from sale of property plant and equipment	-	29,766
Interest on fixed deposits/ sweep account	2,856,088	1,197,822
Dividend/ sale from mutual fund	5,209,840	(837,366)
Net cash outflow from investing activities	(102,683,573)	(328,287,921)
C. Cash flow from financing activities:		
Proceeds from borrowings	-	210,000,000
Principal element of lease payments	(2,859,246)	(3,777,867)
Interest paid on lease liabilities	(579,736)	(658,689)
Net cash inflow (outflow) from financing activities	(3,438,982)	205,563,444
Net increase (decrease) in cash and cash equivalents (A+B+C)	197,161,467	(26,307,964)
Cash and cash equivalents at the beginning of the financial year (refer Note 13)	118,074,732	144,382,696
Cash and cash equivalents at the end of the financial year (refer Note 13)	315,236,199	118,074,732

The accompanying Notes form an integral part of the financial statements.

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

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

For and on behalf of Board of Directors

sd/-
Dhiraj Kumar
Partner
Membership No.: 060466

sd/-
Chanakya Chaudhary
Chairman
DIN: 02139568

sd/-
Prasanta Mallick
Managing Director
DIN: 02347304

sd/-
Manas Bandyopadhyay
Chief Financial Officer

sd/-
Swati Sheth
Company Secretary

Place: Kolkata
Date: April 18, 2022

Place: Bhubaneswar
Date: April 18, 2022

1) Background

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

The Company, a 100% subsidiary of Tata Steel Utilities and Infrastructure Services Limited, is in the process of developing an Industrial Park at Gopalpur, in Ganjam District of Odisha. Tata Steel Limited is the ultimate holding company of the company. The Industrial park includes a Domestic Tariff Area and a multi-product Special Economic Zone in which the Company will act as a developer.

2) Significant Accounting Policies:

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

2.1 Basis of preparation

(i) Compliance with Ind AS

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

(ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis.

(iii) Current versus Non-current Classification

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

(A) An asset is classified as current when it is:

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

All other assets are classified as non-current.

(B) A liability is classified as current when:

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

All other liabilities are classified as non-current.

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

(iv) New and amended standards adopted by the Company

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

- (a) Definition of Material – amendments to Ind AS 1 and Ind AS 8.
- (b) COVID-19 related concessions – amendments to Ind AS 116.

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

v) Reclassifications consequent to amendments to Schedule II

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 1, 2021.

Consequent to above, the company has changed the classification/ presentation of 'lease liabilities' in the current year.

The lease liabilities has now been included in the "Lease liabilities" line item. Previously, lease liabilities were included in 'Other financial liabilities' line item.

The company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

Balance sheet (extract)	As at March 31, 2021 (as previously reported)	Increase/ (Decrease)	As at March 31, 2021 (restated)
Current liabilities			
Financial liabilities			
Lease liabilities	-	2,499,740	2,499,740
Other financial liabilities	330,470,600	(2,499,740)	327,970,860

2.2 Critical Estimates and Judgements

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

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

The areas involving critical estimates or judgements are:

(a) Employee Benefits (Estimation of Defined Benefit Obligations) — Notes 2.11 and 39

Post-employment benefits represent obligations that will be settled in the future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit costs over the employee's approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Company to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

(b) Estimation of Expected Useful Lives of Property, Plant and Equipment and Intangible Assets— Notes 2.3, 2.4 3 and 4

Management reviews its estimate of the useful lives of property, plant and equipment and intangible assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment and intangible assets.

2.3 Property, Plant and Equipment

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they occurred.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Depreciation methods, estimated useful lives and residual value :

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

The useful lives have been determined based on technical evaluation done by the management's experts which are same as those specified by Schedule II to the Companies Act 2013, except in case of Porta Cabins and Portable toilet units capitalized under building and other structures, furniture and fixtures and office equipment, where the useful life is less than that specified in Schedule II. The residual values are not more than 5% of the original cost of the assets.

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

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

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

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

2.4 Intangible assets

Intangible assets have a finite useful life and are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

(a) Computer Software

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

Computer Software are amortised on a pro-rata basis using the straight-line method over its estimated useful life of 3 to 5 years from the date they are available for use. Amortisation method and useful lives are reviewed periodically including at each financial year end.

(b) Website development and Company logo

Website development and company logo related costs, which is primarily carried by third-party vendors is capitalised. Subsequent costs associated with maintaining such website is recognised as expense as incurred.

(c) Amortisation methods and periods

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

Particulars	Estimated useful life
Computer Software	3 to 5 years
Website development	3 years
Company logo	2 years

2.5 Impairment of Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units).

2.6 Leases

As a Lessee:

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

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payment: -

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

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

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

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

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

As a Lessor

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in relation to an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

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

2.7 Cash and Cash Equivalents

For the purpose of presentation in the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held with banks / financial institutions with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.8 Borrowing Costs

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

2.9 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade discounts, rebates, value added taxes, goods and service tax (GST) and amounts collected on behalf of third parties.

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

(a) Rental income

Rental income is recognised on a straight-line basis over the term of the relevant leases.

2.10 Foreign Currency transactions and translation

(a) Functional and Presentation Currency

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

(b) Transactions and Balances

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

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2.11 Employee benefits

(a) Short-term Employee Benefit:

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(b) Other Long-Term Employee Benefit Obligation

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

(c) Post-employment obligations

Defined Benefit Plans:

The liability recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. These are included in 'Retained Earnings' in the Statement of Changes in Equity.

Defined Contribution Plans:

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

2.12 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expenses relating to a provision is recognised in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.13 Income taxes

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

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

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

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

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

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

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

2.14 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.15 Investments and other Financial Assets

i. Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortized cost.

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

For assets measured at fair value, gains and losses will either be recorded in the statement of profit and loss or other comprehensive income. For investments in debt instrument, this will depend on the business model in which the investment is held. For investment in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

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

ii. Recognition

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

iii. Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.

a. Debt Instruments:

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

• Amortized cost

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

• **Fair value through Other Comprehensive Income (FVOCI)**

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

• **Fair value through Profit or Loss (FVTPL)**

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

b. Equity Instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

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

iii. Impairment of financial assets

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

For trade receivables only, the company applies the simplified approach required by Ind AS 109- "Financial Instruments", which requires expected lifetime losses to be recognised at the time of initial recognition of the receivables.

iv. De-recognition of financial assets

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial assets, or
- Retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipient.

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

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

v. Income recognition

• **Interest Income**

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

• **Dividends**

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

2.16 Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest rate method.

2.17 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable rights must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.18 Contributed equity

Equity shares are classified as equity.

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

a) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(b) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- a) The profit attributable to owners of the Company
- b) by the weighted average number of equity shares outstanding during the financial year

(ii) Diluted earnings per share

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

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

2.19 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Tata Steel Special Economic Zone Limited
Notes to Financial Statements as at March 31, 2022

Amount in INR

03 - Property, plant and equipment

As at March 31, 2022	Buildings and other structures	Roads	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Electrical installation & equipment	Laboratory equipment	Total
Opening gross carrying amount	574,045,885	402,694,965	413,470,275	11,580,368	9,075,294	2,574,505	7,470,597	530,500	1,421,442,389
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	(296,880)	(188,960)	-	-	-	(485,840)
Closing gross carrying amount	574,045,885	402,694,965	413,470,275	11,283,488	8,886,334	2,574,505	7,470,597	530,500	1,420,956,549
Opening accumulated depreciation	49,035,538	135,850,574	2,774,343	3,787,157	3,706,164	979,652	946,261	58,406	197,138,095
Charge for the year	20,716,372	77,242,682	11,251,502	1,957,234	1,596,892	489,156	709,709	50,398	114,013,945
Disposals	-	-	-	(85,569)	(120,204)	-	-	-	(205,773)
Closing accumulated depreciation	69,751,910	213,093,256	14,025,845	5,658,822	5,182,852	1,468,808	1,655,970	108,804	310,946,267
Net carrying amount - opening period	525,010,347	266,844,391	410,695,932	7,793,211	5,369,130	1,594,853	6,524,336	472,094	1,224,304,294
Net carrying amount - closing period	504,293,975	189,601,709	399,444,430	5,624,666	3,703,482	1,105,697	5,814,627	421,696	1,110,010,282

As at March 31, 2021	Buildings and other structures	Roads	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Electrical installation & equipment	Laboratory equipment	Total
Opening gross carrying amount	505,727,464	346,182,737	-	9,292,880	8,143,338	2,574,505	4,149,019	530,500	876,600,443
Additions	68,318,421	56,512,228	413,470,275	2,287,488	1,358,057	-	3,321,578	-	545,268,047
Disposals	-	-	-	-	(426,101)	-	-	-	(426,101)
Closing gross carrying amount	574,045,885	402,694,965	413,470,275	11,580,368	9,075,294	2,574,505	7,470,597	530,500	1,421,442,389
Opening accumulated depreciation	31,127,174	66,692,618	-	1,611,465	1,887,721	490,496	380,050	8,008	102,197,532
Charge for the year	17,908,364	69,157,956	2,774,343	2,175,692	1,996,228	489,156	566,211	50,398	95,118,348
Disposals	-	-	-	-	(177,785)	-	-	-	(177,785)
Closing accumulated depreciation	49,035,538	135,850,574	2,774,343	3,787,157	3,706,164	979,652	946,261	58,406	197,138,095
Net carrying amount - opening period	474,600,290	279,490,119	-	7,681,415	6,255,617	2,084,009	3,768,969	522,492	774,402,911
Net carrying amount - closing period	525,010,347	266,844,391	410,695,932	7,793,211	5,369,130	1,594,853	6,524,336	472,094	1,224,304,294

Tata Steel Special Economic Zone Limited
Notes to Financial Statements as at March 31, 2022

04 - Intangible assets

Amount in INR

As at March 31, 2022	Website Development Costs	Software Costs	Company Logo	Total
Opening gross carrying amount	1,168,988	1,231,944	401,564	2,802,496
Additions	-	-	-	-
Closing gross carrying amount	1,168,988	1,231,944	401,564	2,802,496
Opening accumulated amortisation	177,750	479,107	368,927	1,025,784
Amortisation charge for the year	584,495	220,888	32,637	838,020
Closing accumulated amortisation	762,245	699,995	401,564	1,863,804
Net carrying amount - opening period	991,238	752,837	32,637	1,776,712
Net carrying amount - closing period	406,743	531,949	-	938,692

As at March 31, 2021	Website Development Costs	Software Costs	Company Logo	Total
Opening gross carrying amount	-	723,250	401,564	1,124,814
Additions	1,168,988	508,694	-	1,677,682
Closing gross carrying amount	1,168,988	1,231,944	401,564	2,802,496
Opening accumulated amortisation	-	286,575	235,072	521,647
Amortisation charge for the year	177,750	192,532	133,855	504,137
Closing accumulated amortisation	177,750	479,107	368,927	1,025,784
Net carrying amount - opening period	-	436,675	166,492	603,167
Net carrying amount - closing period	991,238	752,837	32,637	1,776,712

Tata Steel Special Economic Zone Limited
Notes to Financial Statements as at March 31, 2022

Amount in INR

05 - Right-of-use assets

	As at March 31, 2022	As at March 31, 2021
Carrying amounts of:		
Leasehold land	1,750,347,753	1,801,847,524
Office building	2,204,150	2,370,033
Total	1,752,551,903	1,804,217,557

As at March 31, 2022	Leasehold land	Office building	Total
Opening gross carrying amount	1,858,795,930	10,447,888	1,869,243,818
Additions	-	2,991,347	2,991,347
Disposals	(25,312,334)	-	(25,312,334)
Closing gross carrying amount	1,833,483,596	13,439,235	1,846,922,831
Opening accumulated depreciation	56,948,406	8,077,855	65,026,261
Charge for the year	27,146,989	3,157,231	30,304,220
Disposals	(959,553)	-	(959,553)
Closing accumulated depreciation	83,135,842	11,235,086	94,370,928
Net carrying amount - opening period	1,801,847,524	2,370,033	1,804,217,557
Net carrying amount - closing period	1,750,347,753	2,204,150	1,752,551,903

As at March 31, 2021	Leasehold land	Office building	Total
Opening gross carrying amount	1,858,795,930	10,447,888	1,869,243,818
Additions	-	-	-
Closing gross carrying amount	1,858,795,930	10,447,888	1,869,243,818
Opening accumulated depreciation	29,613,170	4,057,583	33,670,753
Charge for the year	27,335,236	4,020,272	31,355,508
Disposals	-	-	-
Closing accumulated depreciation	56,948,406	8,077,855	65,026,261
Net carrying amount - opening period	1,829,182,760	6,390,305	1,835,573,065
Net carrying amount - closing period	1,801,847,524	2,370,033	1,804,217,557

(i) Refer to note 36 for disclosure with respect to leases as per Ind AS 116.

(ii) Out of the total areas of 2955 acres, 226 acres are subleased as on March 31,2022 (172 acres as on March 31, 2021)

(iii) The Company is in the process of developing an Industrial Park at Gopalpur, in Ganjam District of Odisha over a land parcel of 2970 acres. The Industrial park includes a multi-product special economic zone and domestic tariff area. Land admeasuring 1235 acres meant for development of special economic zone has been leased in favour of the Company by Industrial Infrastructure Development Corporation of Odisha and the same has been notified as Special Economic Zone by Ministry of Commerce & Industry, Government of India. Land admeasuring 1735 acres is meant for development of domestic tariff area, out of which 1720 acres have been leased in favour of the Company by Industrial Infrastructure Development Corporation of Odisha in financial year 2018-19 and remaining 15 acres is in process of being acquired by the Company.

	As at March 31, 2022	As at March 31, 2021
06- Capital work-in-Progress		
Capital work-in-progress	1,084,199,352	949,961,098
	1,084,199,352	949,961,098

Ageing for Capital-work-in progress (CWIP) as at March 31, 2022

Capital-work-in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital works-in-progress at Gopalpur site	155,203,172	109,332,464	163,012,237	656,651,479	1,084,199,352
Projects temporarily suspended	-	-	-	-	-
Total	155,203,172	109,332,464	163,012,237	656,651,479	1,084,199,352

Ageing for Capital-work-in progress (CWIP) as at March 31, 2021

Capital-work-in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital works-in-progress at Gopalpur site	129,785,616	163,524,004	215,334,764	441,316,714	949,961,098
Projects temporarily suspended	-	-	-	-	-
Total	129,785,616	163,524,004	215,334,764	441,316,714	949,961,098

	As at March 31, 2022	As at March 31, 2021
07- Intangible assets under development		
Travel management software	-	30,000
	-	30,000

Ageing for Intangibles assets under development (IAUD) as at March 31, 2021

Intangibles assets under development	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	30,000	-	30,000
Projects temporarily suspended	-	-	-	-	-
Total	-	-	30,000	-	30,000

	As at March 31, 2022	As at March 31, 2021
08 - Lease receivable		
Lease receivable	415,974,269	414,073,586
	415,974,269	414,073,586

	As at March 31, 2022	As at March 31, 2021
09- Security deposits		
Unsecured, considered good unless otherwise stated		
Security deposits	578,780	578,780
	578,780	578,780

	As at March 31, 2022	As at March 31, 2021
10 - Other non-current assets		
Unsecured, considered good unless otherwise stated		
Balance with government authorities	-	24,371,992
Capital advances	1,731,662	222,900
	1,731,662	24,594,892

	As at March 31, 2022	As at March 31, 2021
11- Tax asset (Net)		
Advance tax	8,180,210	2,273,454
	8,180,210	2,273,454

Amount in INR

	As at March 31, 2022	As at March 31, 2021
12- Trade receivables		
Trade receivables from contract with customers – billed	-	82,590
Trade receivables from contract with customers – unbilled	-	-
Trade receivables from contract with customers – related parties	-	-
	-	82,590
Break-up of security details		
Trade receivables considered good – secured	-	-
Trade receivables considered good – unsecured	-	82,590
Trade receivables which have significant increase in credit risk	-	-
Trade receivables – credit impaired	-	-
	-	82,590

Trade receivables ageing as at March 31, 2021

Amount in Rs

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables						
considered good	-	82,590	-	-	-	82,590
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Disputed trade receivables						
considered good	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Total	-	82,590	-	-	-	82,590

*There are no unbilled and not due trade receivable as at the reporting date.

	As at March 31, 2022	As at March 31, 2021
13- Cash and cash equivalents		
Balance with bank -		
In current account	299,068,541	1,161,015
Deposits with original maturity of less than three months	16,167,658	116,913,717
	315,236,199	118,074,732

	As at March 31, 2022	As at March 31, 2021
14- Lease receivable		
Lease receivable	48,881,437	47,457,706
	48,881,437	47,457,706

	As at March 31, 2022	As at March 31, 2021
15- Other financial assets		
Accrued interest on sweep account	195,803	-
Fixed deposits (maturity less than 1 year)	76,400,486	-
Security deposits	-	1,617,799
	76,596,289	1,617,799

	As at March 31, 2022	As at March 31, 2021
16- Other current assets		
Advance - Irrigation division, Berhampur	325,763	325,763
Advance for expenses	194,147	125,524
Prepaid expenses	46,369	58,513
Deposit - Irrigation division, Berhampur	108,588	108,588
Balance with government authorities	29,918,624	71,403,052
	30,593,491	72,021,440

17- Equity share capital		
	Number of shares	Amount
Authorised equity share capital:		
As at April 01, 2020	550,000,000	5,500,000,000
Increase during the year	-	-
As at March 31, 2021	550,000,000	5,500,000,000
Increase during the year	-	-
As at March 31, 2022	550,000,000	5,500,000,000
Authorised preference share capital:		
As at April 01, 2020	200,000,000	2,000,000,000
Increase during the year	-	-
As at March 31, 2021	200,000,000	2,000,000,000
Increase during the year	-	-
As at March 31, 2022	200,000,000	2,000,000,000
(i) Movements in equity share capital:		
As at April 01, 2020	399,460,501	3,994,605,010
Share issued	-	-
As at March 31, 2021	399,460,501	3,994,605,010
Share issued to Tata Steel Limited (ultimate holding company)	8,963,888	89,638,880
As at March 31, 2022	408,424,389	4,084,243,890

Term and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- (March 31, 2021: Rs. 10/-) per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Shares of the company held by holding company	As at March 31, 2022	As at March 31, 2021
Tata Steel Limited (Refer Note 1)	-	3,994,605,010
Tata Steel Utilities and Infrastructure Services Limited (Refer Note 1)	408,424,389	-
	408,424,389	3,994,605,010

Note 1

During the FY 2021-22, Tata Steel Limited (TSL), carried out a corporate level restructuring of its portfolio. Accordingly, Tata Steel Utilities and Infrastructure Services Limited (TSUISL), a wholly owned subsidiary of TSL, had been identified as the holding company of the Utilities and Infrastructure Services cluster. Subsequently, TSL's holding (other than shares held jointly with nominees) in the Company had been transferred to TSUISL.

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

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% holding	Number of shares	% holding
Tata Steel Utilities and Infrastructure Services Limited	408,424,389	100%	-	-
Tata Steel Limited	-	-	399,460,501	100%

(iv) Details of shareholding of promoters:

Name of the promoter	As at March 31, 2022		
	Number of shares	% of total number of shares	% of change during the year
Tata Steel Utilities and Infrastructure Services Limited	408,424,329	100%	100%
Tata Steel Limited (Refer Note 1)	-	0%	-100%
Mr. Deepak Kamath*	10	0%	0%
Mr. Pranay Sinha*	10	0%	0%
Mr. Ramadhar Rai*	10	0%	0%
Mr. Rabindra K Singh*	10	0%	0%
Mr. Sanjay Kumar*	10	0%	0%
Mr. Pramod Kumar Singh Rathore*	10	0%	0%
Total	408,424,389	0%	0%

Name of the promoter	As at March 31, 2021		
	Number of shares	% of total number of shares	% of change during the year
Tata Steel Limited	399,460,441	100%	0%
Mr. Deepak Kamath*	10	0%	0%
Mr. Pranay Sinha*	10	0%	0%
Mr. Ramadhar Rai*	10	0%	0%
Mr. Rabindra K Singh*	10	0%	0%
Mr. Sanjay Kumar*	10	0%	0%
Mr. Pramod Kumar Singh Rathore*	10	0%	0%
Total	399,460,501	100%	0%

*below the companies rounding off limit.

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

Particulars	As at March 31, 2022	As at March 31, 2021
	Number of shares	Number of shares
Shares issued to ultimate holding company as consideration for liability existing in the books	8,963,888	-

	As at March 31, 2022	As at March 31, 2021
18 - Other equity		
(i) Retained earnings		
Opening balance	(363,823,219)	(297,219,039)
Add: Net Profit / (loss) for the year	150,083,682	(66,809,481)
Add: Items of other comprehensive income recognised directly in retained earnings		
- Other comprehensive income for the year	38,841	205,301
Closing balance	(213,700,696)	(363,823,219)
(ii) Securities premium		
Opening balance	-	-
Received from Tata Steel Limited, ultimate holding company	28,863,720	-
Closing balance	28,863,720	-
(iii) Share application money pending allotment		
Opening balance	10	10
Received from Tata Steel Limited, ultimate holding company	118,502,600	-
Transfer of assets against equity pending allotment	-	-
	118,502,610	10
Less: Share allotted	89,638,880	-
Less: Securities premium	28,863,720	-
Closing balance	10	10
	(184,836,966)	(363,823,209)
19 - Lease liabilities		
Lease liability	381,065	-
	381,065	-
20 - Other financial liabilities		
Security deposits	25,985,374	24,429,059
	25,985,374	24,429,059
21 - Other non-current Liabilities		
Prepaid rent - land sublease	40,927,699	26,739,982
	40,927,699	26,739,982
22 - Employee benefit obligations		
Gratuity	511,624	335,768
	511,624	335,768
23 - Borrowings		
Loan from ultimate holding Company (March 31, 2021: holding company)	590,000,000	590,000,000
	590,000,000	590,000,000
24 - Lease liabilities		
Lease liability	1,866,008	2,499,740
	1,866,008	2,499,740
25 - Trade payables		
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues other than above	11,661,337	13,121,409
	11,661,337	13,121,409

Trade payables ageing as at March 31, 2022

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small	-	-	-	-	-	-	-
Others	2,872,875	5,445,264	3,020,511	79,163	243,524	-	11,661,337
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	2,872,875	5,445,264	3,020,511	79,163	243,524	-	11,661,337

Trade payables ageing as at March 31, 2021

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small	-	-	-	-	-	-	-
Others	3,776,489	8,123,755	653,582	567,583	-	-	13,121,409
Disputed trade payables							
Micro enterprises and small	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	3,776,489	8,123,755	653,582	567,583	-	-	13,121,409

	As at March 31, 2022	As at March 31, 2021
26 - Other financial liabilities		
Employee related liabilities	2,735,863	2,856,870
Security deposit	211,500	-
Payable for purchase of property, plant and equipment	96,891,416	265,224,284
Interest accrued on borrowings	110,334,706	59,889,706
	210,173,485	327,970,860

Borrowings:

Particulars	Terms of repayment	Coupon/ Interest rate	As at March 31, 2022	As at March 31, 2021
Unsecured				
Inter corporate deposit from Tata Steel Limited (including accrued interest)	One year	9.50% (March 31, 2021 10.00% to 10.50%)	700,334,706	649,889,706
Less: Interest accrued (Net of TDS)			110,334,706	59,889,706
Principal amount of borrowing			590,000,000	590,000,000

	As at March 31, 2022	As at March 31, 2021
27 - Employee benefits obligation		
Gratuity	3,754	2,000
Leave benefits	625,224	399,286
	628,978	401,286

	As at March 31, 2022	As at March 31, 2021
28 - Other current liabilities		
Statutory dues	5,635,666	3,190,879
Advance rent from Sure Safety Solutions	-	640,000
Advance from customer	57,429,806	40,393,856
Prepaid rent - land sublease	864,600	560,000
	63,930,072	44,784,735

	For the year ended March 31, 2022	For the year ended March 31, 2021
29 - Revenue from operations		
Income from lease rent and other services	85,334,585	92,938,152
Other operating income	271,073,025	19,093,075
	356,407,610	112,031,227
	For the year ended March 31, 2022	For the year ended March 31, 2021
30 - Other income		
Mutual fund dividend/ gain on sale	5,209,840	837,366
Interest income from financial assets at amortised cost	3,051,891	1,162,012
Interest on income tax refund	41,892	53,760
Unwinding of discount on security deposits	111,929	149,240
Other miscellaneous income	109,318	73,193
	8,524,870	2,275,571
	For the year ended March 31, 2022	For the year ended March 31, 2021
31- Cost of Sales		
Cost of Sales	12,407,692	-
	12,407,692	-
	For the year ended March 31, 2022	For the year ended March 31, 2021
32- Employee benefit expense		
Salary, wages and bonus	10,091,513	15,950,327
Contribution to provident fund	722,049	1,023,222
Gratuity	216,451	217,677
Staff welfare expenses	598,686	251,517
	11,628,699	17,442,743
	For the year ended March 31, 2022	For the year ended March 31, 2021
33- Finance costs		
Interest on financial liabilities not at fair value through profit or loss	56,050,000	43,280,137
Interest on lease liabilities	194,967	490,490
Less: Amount capitalised (see note below)	(56,050,000)	(43,280,137)
	194,967	490,490

Note: The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the actual interest rate applicable to the entity's borrowings during the year in this case is 9.50% (March 31, 2021: 10.00% to 10.50%).

	For the year ended March 31, 2022	For the year ended March 31, 2021
34- Depreciation and amortisation expense		
Depreciation of property plant and equipment	114,013,945	95,118,348
Amortisation of intangible assets	838,020	504,137
Depreciation of right-of-use assets	30,304,220	31,355,508
	145,156,185	126,977,993

Tata Steel Special Economic Zone Limited

Notes to Financial Statements for the year ended March 31, 2022

Amount in INR

	For the year ended March 31, 2022	For the year ended March 31, 2021
35- Other expenses		
Legal & professional fees	1,529,829	1,457,110
Telecommunication expenses	9,992	37,399
Auditors remuneration		
- As Audit Fees	91,000	91,000
Outsourcing expenses	22,785,977	17,145,451
Travelling and conveyances	316,780	133,415
Directors' sitting fee	40,000	370,000
Marketing expenses	396,719	195,699
Rates & taxes	13,732,313	13,116,418
Loss on sale/ discard of property plant and equipment (Net)	280,067	218,550
Miscellaneous expenses	4,601,420	3,440,011
	43,784,097	36,205,053

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

Amount recognised in Balance Sheet	As at March 31, 2022	As at March 31, 2021
Right of Use assets		
Leasehold Land	1,750,347,753	1,801,847,524
Office Building	2,204,150	2,370,033
Total	1,752,551,903	1,804,217,557

Lease liabilities	As at March 31, 2022	As at March 31, 2021
Current	1,866,008	2,499,740
Non-current	381,065	-
Total	2,247,073	2,499,740

Amounts recognised in the statement of profit and loss	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on lease liabilities	194,967	490,490
Depreciation charge for the Year	30,304,220	31,355,508
Total	30,499,187	31,845,998
Total cash outflow for leases for the year	3,438,982	4,436,556

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

Maturity analysis of lease payments	As at March 31, 2022	As at March 31, 2021
Less than one year	2,042,376	2,587,991
One to two years	340,396	-
Total undiscounted lease payments	2,382,772	2,587,991

37. Contingent Liability and Commitments:

(a) There is no contingent liability as at March 31, 2022 and March 31, 2021 which are required to be disclosed in the financial statements.

(b) Commitments:

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on Capital account and not provided for	192,609,139	170,530,877

38. There are no amounts payable of micro and small enterprises as at March 31, 2022 and March 31, 2021. There are no micro and small enterprises to whom the Company owes dues, which are outstanding for more than 45 days during the years ended March 31, 2022 and March 31, 2021. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties could be identified on the basis of information available with the Company.

39. Employee Benefits:

i. Defined Contribution Obligation:

The Company maintains a provident fund with Regional Provident Fund Commissioner. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulation. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expenses recognised during the period towards defined contribution plan is Rs. 721,319 (March 31, 2021- Rs. 10,23,222)

ii. Defined Benefit Obligation:

The Company has defined benefit gratuity plan as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible to get gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days multiplied with number of years of completed services. The gratuity plan is unfunded plan.

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

Gratuity Benefit:

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 1, 2021.

Consequent to above, the company has changed the classification/ presentation of 'lease liabilities' in the current year.

The lease liabilities has now been included in the "Lease liabilities" line item. Previously, lease liabilities were included in 'Other financial liabilities' line item.

The company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

Changes in Present Value of Obligation	As at March 31, 2022	As at March 31, 2021
Present value of obligation - Opening	337,768	783,171
Current Service Cost	191,625	179,100
Interest Cost	24,826	38,578
Actuarial gain/loss on obligations due to Change in Financial Assumption	(34,823)	(18,925)
Actuarial gain/loss on obligations due to Unexpected Experience	(4,018)	(186,376)
Benefits paid	-	(457,780)
Present value of obligation - Closing	515,378	337,768

Table showing Reconciliation to Balance Sheet:

Reconciliation to Balance Sheet	As at March 31, 2022	As at March 31, 2021
Fund Liability	515,378	337,768

Table Showing Plan Assumptions:

Plan assumptions	As at March 31, 2022	As at March 31, 2021
Discount Rate	7.35%	6.96%
Rate of Compensation Increase (Salary Inflation)	6.00%	6.00%
Average expected future service (Remaining working Life)	22	20
Average Duration of Liabilities	22	20
Mortality Table	IALM 2012-2014 Ultimate	IALM 2012 - 2014 Ultimate
Superannuation at age	60	60
Early Retirement & Disablement (All Causes Combined)	1.00%	1.00%

Table showing Expense Recognised in statement of Profit and Loss:

Expense recognised in statement of Profit and Loss	For the year ended March 31, 2022	For the year ended March 31, 2021
Current Service Cost	191,625	179,100
Interest Cost	24,826	38,578
Benefit Cost(Expense Recognized in Statement of Profit and loss)	216,451	217,678

Table showing amount recognised in Other Comprehensive Income:

Other Comprehensive Income	For the year ended March 31, 2022	For the year ended March 31, 2021
Actuarial gain/loss on obligations due to Change in Financial Assumption	34,823	18,925
Actuarial gain/loss on obligations due to Unexpected Experience	4,018	186,376
Income for the year recognised in Other Comprehensive Income	38,841	205,301

Table showing Sensitivity Analysis:

Sensitivity Analysis	March 31, 2022		March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 1%)	474,622	560,541	308,791	370,001
%Change Compared to base due to sensitivity	-7.91%	8.76%	-8.58%	9.54%
Salary Growth (-/+ 1%)	560,705	474,137	370,015	308,531
%Change Compared to base due to sensitivity	8.80%	-8.00%	9.55%	-8.66%

Risk Exposure

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

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

iii. Leave Benefits:

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

The total provision recorded by the Company towards these benefits as at year end was Rs. 625,224/- (March 31, 2021: Rs.399,285/-).

40. Computation of Earnings Per Share (EPS):

Particulars	Current Year	Previous Year
Profit/ (Loss) for the year	150,083,683	(66,809,481)
Number of equity shares at the beginning of the year	399,460,501	399,460,501
Number of equity shares at the end of the year	408,424,389	399,460,501
Weighted average number of shares considered for computation of Basic and Diluted EPS (Numbers)	404,151,193	399,460,501
Weighted average number of shares for computation of Diluted EPS (Numbers)	404,151,193	399,460,501
Face Value of Each Equity Share (in Rs.)	10	10
Basic and Diluted earning per share (in Rs.)	0.37	(0.17)

41. Related Parties Transactions:

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

i. List of Related Parties and Relationship

Name of the Related Parties	Description of Relationship
Tata Steel Limited	Ultimate holding company
Tata Steel Utilities and Infrastructure Services Limited	Immediate holding company
Prasanta Mallick (Managing Director from July 01, 2019)	Key Managerial Person
Manas Bandyopadhyay (Chief Financial officer from September 06, 2021)	Key Managerial Person
Amit Kumar Kundu (Chief Financial officer till March 16, 2021)	Key Managerial Person
Swati Sheth (Company Secretary from April 16, 2021)	Key Managerial Person
Tanmay Kumar Sahu (Company Secretary till March 15, 2021)	Key Managerial Person

ii. Details of Related Party Transactions and balance outstanding

Transactions	Tata Steel Limited (Ultimate Holding Company)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Equity Share Capital issued	118,502,600	-
Receivable Balance adjusted with Equity share capital issued (Non-Cash Transfer)	118,502,600	-
Inter-corporate deposit received/ renewed	590,000,000	210,000,000
Income from lease rent	53,513,241	85,000,000
Outsourcing Expenses (Including GST)	33,917,449	31,477,787
Legal and Professional Fees (Including GST)	241,551	199,546
Interest expenses on borrowings	56,050,000	43,280,137
Purchase of property, plant and equipment	-	120,587,051
Balances outstanding as at the year end	Tata Steel Limited (Ultimate Holding Company)	
	As at March 31, 2022	As at March 31, 2021
Share Application Money pending Allotment	10	10
Trade Payables- Current	7,975,730	7,132,519
Borrowings- Current	590,000,000	590,000,000
Payable for purchase of Property, Plant & Equipment	-	118,502,612
Interest accrued on borrowings	110,334,706	59,889,706

Transactions	Independent Director	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Sitting Fees	40,000	370,000

Transactions	Amit Kumar Kundu, Chief Financial Officer till March 16, 2021		Tanmay Kumar Sahu, Company Secretary till March 15, 2021	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Short Term Employee Benefits	-	4,182,664	-	3,912,255
Contribution to Provident Fund	-	170,520	-	176,082
Other Long Term Benefits	-	308,487	-	1,009,930
Total	-	4,661,671	-	5,098,267
Balances outstanding as at the year end	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Employee Related Liabilities	-	-	-	1,032,834

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

Mr. Prasanta Mallick, Managing Director, Tata Steel Special Economic Zone Limited is on Deputation from Tata Steel Limited with effect from July 01, 2019, his remuneration is shown under Outsourcing expenses.

Mr. Manas Bandyopadhyay, Chief Financial Officer, Tata Steel Special Economic Zone Limited is on Deputation from Tata Steel Limited with effect from September 06, 2021, his remuneration is shown under Outsourcing expenses.

Ms. Swati Sheth, Company Secretary, Tata Steel Special Economic Zone Limited is appointed with effect from April 16, 2021, she is entitiled to a nominal remuneration of Rs. 1/- per annum.

42. Deferred Tax:

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

Particulars	As at March 31, 2021	Charge/Credit	As at March 31, 2022
Deferred Tax Liability on property, plant and equipment	7,091,278	9,881,033	16,972,311
Deferred Tax Asset on carried forward of tax losses	7,091,278	9,881,033	16,972,311
Net	-	-	-

Particulars	As at March 31, 2020	Charge/Credit	As at March 31, 2021
Deferred Tax Liability on property, plant and equipment	986,115	6,105,163	7,091,278
Deferred Tax Assets on carried forward of tax losses	986,115	6,105,163	7,091,278
Net	-	-	-

43. Fair value measurement

Financial instrument by category

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets	Amortised cost	Amortised cost
Security Deposits	578,780	578,780
Trade receivables	-	82,590
Cash and cash equivalents	315,236,199	118,074,732
Other financial assets	76,596,289	1,617,799
Lease receivable (Current and Non Current)	464,855,706	461,531,292
Total Financial assets	857,266,974	581,885,193
Financial liabilities		
Other financial liabilities	238,405,932	354,899,659
Borrowings	590,000,000	590,000,000
Trade payables	11,661,337	13,121,409
Total Financial liabilities	840,067,269	958,021,068

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

44. Financial risk management

The Company's principal financial instruments comprise financial liabilities and financial assets. The Company's principal financial liabilities comprise of trade payable, borrowings and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations.

· Risk exposures and responses

The Company manages its exposure to key financial risks in accordance with the direction of board of directors. The main risks that could adversely affect the Company's financial assets, liabilities or future cash flows are foreign currency risk, liquidity risk and credit risk. Management reviews and agrees policies for managing each of these risks which are summarized below.

(a) Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company undertakes transactions denominated in foreign currencies due to which exposures to exchange rate fluctuations arise. Presently, the exposure to foreign currency risk is not significant.

(b) Liquidity risk

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

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

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

Particulars	Carrying Amount	Contractual Cash flows	Between 0 to 1 Years	Between 1 to 3 Years	More than 3 years
As at March 31, 2022					
a) Lease Liabilities	2,247,073	2,382,772	2,042,376	340,396	
b) Trade payables	11,661,337	11,661,337	11,661,337		
c) Other financial liabilities	236,158,859	288,726,382	210,173,485	1,194,706	77,358,191
d) Borrowings (Current)	590,000,000	590,000,000	590,000,000		
As at March 31, 2021					
a) Lease Liabilities	2,499,740	2,587,991	2,587,991	-	-
b) Trade payables	13,121,409	13,121,409	13,121,409	-	-
c) Other financial liabilities	352,399,919	405,787,757	327,970,860	458,706	77,358,191
d) Borrowings (Current)	590,000,000	590,000,000	590,000,000	-	-

(c) Credit Risk:

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

45. Capital Management

(a) Risk Management

The Company's capital management is intended to create value for shareholders by facilitating the achievement of long-term and short-term goals of the Company. The Company determines the amount of capital required on the basis of annual business plan coupled with long-term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, 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 less cash and cash equivalents, other bank balances and current investments.

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

Particulars	As at March 31, 2022	As at March 31, 2021
Equity share capital	4,084,243,890	3,994,605,010
Other equity	(184,836,966)	(363,823,209)
Total equity (A)	3,899,406,924	3,630,781,801
Current borrowings including accrued interest	700,334,706	649,889,706
Lease obligations	2,247,073	2,499,740
Gross debt (B)	702,581,779	652,389,446
Total capital (A+B)	4,601,988,703	4,283,171,247
Gross debt as above	702,581,779	652,389,446
Less: Cash and cash equivalents	315,236,199	118,074,732
Less: Other balances with banks	76,596,289	-
Net debt (C)	310,749,291	534,314,714
Net debt to equity ratio*	0.08	0.15

46. Estimation of uncertainties relating to the global health pandemic from COVID-19:

In preparing the sales plan for financial year 2022-23 and onwards, the company has considered only those customers who have shown keen interest in setting up units in Gopalpur Industrial Park. The current revenue base of the company is enough to meet the minimum operational expenditure requirement for financial year 2022-23 and onwards.

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

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

The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

47. Leases as a Lessor:-

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

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

Maturity analysis of lease receivable under Finance Lease	March 31, 2022	March 31, 2021
Upto one year	48,881,437	47,457,706
One to two years	50,347,880	48,881,437
Two to three years	51,858,317	50,347,880
Three to four years	53,414,066	51,858,317
Four to five years	55,016,488	53,414,066
More than five years	932,957,233	987,973,721
Total undiscounted lease payments receivable	1,192,475,421	1,239,933,127
Unearned finance income	(727,619,717)	(778,401,835)
Net investment in lease	464,855,704	461,531,292

b) Finance income on the net Investment in the lease recognized during the year is Rs. 499,61,807/- (March 2021, Rs. 193,58,717)

c) Maturity analysis of lease payments under Operating Lease

Undiscounted lease payments to be received on an annual basis	As at	As at
	March 31, 2022	March 31, 2021
Upto one year	8,690,171	8,219,071
One to two years	8,924,939	8,137,514
Two to three years	9,166,749	8,383,183
Three to four years	9,415,813	8,636,299
Four to Five years	9,672,350	8,897,089
More than Five years	200,381,912	177,090,839
Total undiscounted lease payments receivable	246,251,934	219,363,995

48. Net Debt Reconciliation :-

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

Particulars	March 31, 2022	March 31, 2021
Current borrowings including accrued interest	700,334,706	649,889,706
Lease liabilities	2,247,073	2,499,740
Net debt	702,581,779	652,389,446

Particulars	Liabilities from financing activities		
	Non-current borrowings	Current borrowings	Lease liabilities
Net debt as at 1 April 2020	44,898,461	354,957,133	6,445,806
Add/ less:			
Proceeds from borrowings during the year	-	210,000,000	-
Borrowings reclassified during the year	(44,898,461)	44,898,461	-
Payment of lease liability	-	-	(4,436,556)
Interest on lease liability	-	-	490,490
Borrowing cost capitalised	-	40,034,112	-
Repayment of borrowings during the year	-	-	-
Net debt as at 31 March 2021	-	649,889,706	2,499,740
Net debt as at 1 April 2021	-	649,889,706	2,499,740
Add/ less:			
Proceeds from borrowings during the year	-	-	-
Borrowings reclassified during the year	-	-	-
Payment of lease liability	-	-	(447,634)
Interest on lease liability	-	-	194,967
Borrowing cost capitalised	-	50,445,000	-
Repayment of borrowings during the year	-	-	-
Net debt as at 31 March 2022	-	700,334,706	2,247,073

49. Income tax expense

(a) Income tax expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Current tax	1,677,158	-
Current tax on profits for the year	1,677,158	-

(ii) Deferred tax		
Decrease/ (increase) in deferred tax assets	(9,881,033)	(6,105,163)
(Decrease)/ increase in deferred tax liabilities	9,881,033	6,105,163
Total deferred tax expense/ (benefit)	-	-
Income tax expense/ (benefit)	-	-

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

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before tax	151,760,841	(66,809,481)
Tax at the Indian tax rate of 26% (2020-21: 26%)	39,457,819	(17,370,465)
(i) Exempted income net of expenses disallowed to earn such exempted income	-	(217,715)
(ii) Tax impact on unrecognised carry forward of tax losses	30,722,444	9,430,967
(iii) Tax effect of amounts which are not deductible in calculating taxable income	7,058,217	8,152,432
(iv) Others	-	4,781
Total income tax expense	1,677,158	-

(c) Details of unrecognised carry-forward of tax losses with expiry date

Particulars	As at March 31, 2022	As at March 31, 2021
Carry-forward of tax losses balance (unrecognised)	15,237,039	160,547,688
Expiry		
AY 2025-26	-	16,098,729
AY 2026-27	-	32,157,860
AY 2027-28	-	52,498,851
AY 2028-29	15,237,039	59,792,248
AY 2029-30	-	-

Notes to Financial Statements as at and for the year ended March 31, 2022

50. Ratio

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Current Ratio	Current Assets	Current Liabilities	0.54	0.24	120%	Cash and Bank balance increased due to: 1) higher turnover due to higher sub-leasing of land; and 2) lower capital expenditure during the ongoing pandemic
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.15	0.16	-7%	Not Applicable
Debt Service Coverage Ratio	Earnings before interest, depreciation and taxes (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest)	Debt Service (Interest & Lease Payments + Principal Repayments)	5.25	1.39	279%	Increase in turnover with higher sub-leasing of land accounted for as financial lease
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	0.04	(0.02)	317%	Increased turnover and profitability, increased the net worth of the Company for the year ended March 31, 2022 resulting in an improvement in the ratio
Inventory turnover ratio*	Cost of goods sold or Sales	Average Inventory	NA	NA	NA	Not Applicable
Trade Receivables turnover ratio	Total Sales	Average Trade receivables (Opening + Closing balance / 2)	8,630.77	523.28	1549%	Increase in turnover along with better realisation from customer helped improve the ratio
Trade Payable turnover ratio	Total Purchases	Average Trade Payables (Opening + Closing balance / 2)	12.26	13.19	-7%	Not Applicable
Net capital turnover ratio	Net Sales (Total Sales - Sales Returns)	Working Capital (Current Assets - Current Liabilities)	(0.88)	(0.15)	478%	Increase in turnover alongwith better realisation resulted into better working capital ratio
Net profit ratio	Net Profit after Tax	Revenue from operations (Total Revenue from operations - Returns)	0.42	(0.60)	-171%	Company achieved positive PAT in FY22 as compared to a negative PAT of FY'21
Return on Capital employed	Earning before interest and taxes	Capital Employed (Net Worth + Intangible Assets)	0.04	(0.02)	-313%	Company achieved positive PAT in FY22 as compared to a negative PAT of FY'21
Return on investment	Gain on Investment	Total Investment	0.02	NA	NA	Investment in Fixed Deposit during FY'22 featuring in the ratio. There was no such investments during FY'21

*Since the company do not have inventory

51. Corporate Social Responsibility (CSR)

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

52. Corporate Social Code

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Notes to Financial Statements as at and for the year ended March 31, 2022

53. Additional Regulatory Information required by Schedule III**(a) Details of benami property held**

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

(b) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Relationship with struck off companies

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

(d) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

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

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

(f) Utilisation of borrowed funds and share premium

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

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

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

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

(g) Undisclosed Income

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

(h) Details of crypto currency or virtual currency

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

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

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

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

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

56. The financial statements were approved for issue by the Board of Directors on Apr 18, 2022.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration No.304026E/E-300009

For and on behalf of Board of Directors

sd/-
Dhiraj Kumar
Partner
Membership No.: 060466

Place: Kolkata
Date : April 18, 2022

sd/-
Chanakya Chaudhary
Chairman
DIN: 02139568

Place: Bhubaneswar
Date : April 18, 2022

sd/-
Prasanta Mallick
Managing Director
DIN: 02347304

sd/-
Manas Bandyopadhyay
Chief Financial Officer

sd/-
Swati Sheth
Company Secretary

GOPALPUR
INDUSTRIAL PARK

TATA STEEL SPECIAL ECONOMIC ZONE LIMITED

2B, 2nd Floor, Fortune Towers, Chandrasekharpur

Bhubaneswar, Khordha, Odisha – 751023

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