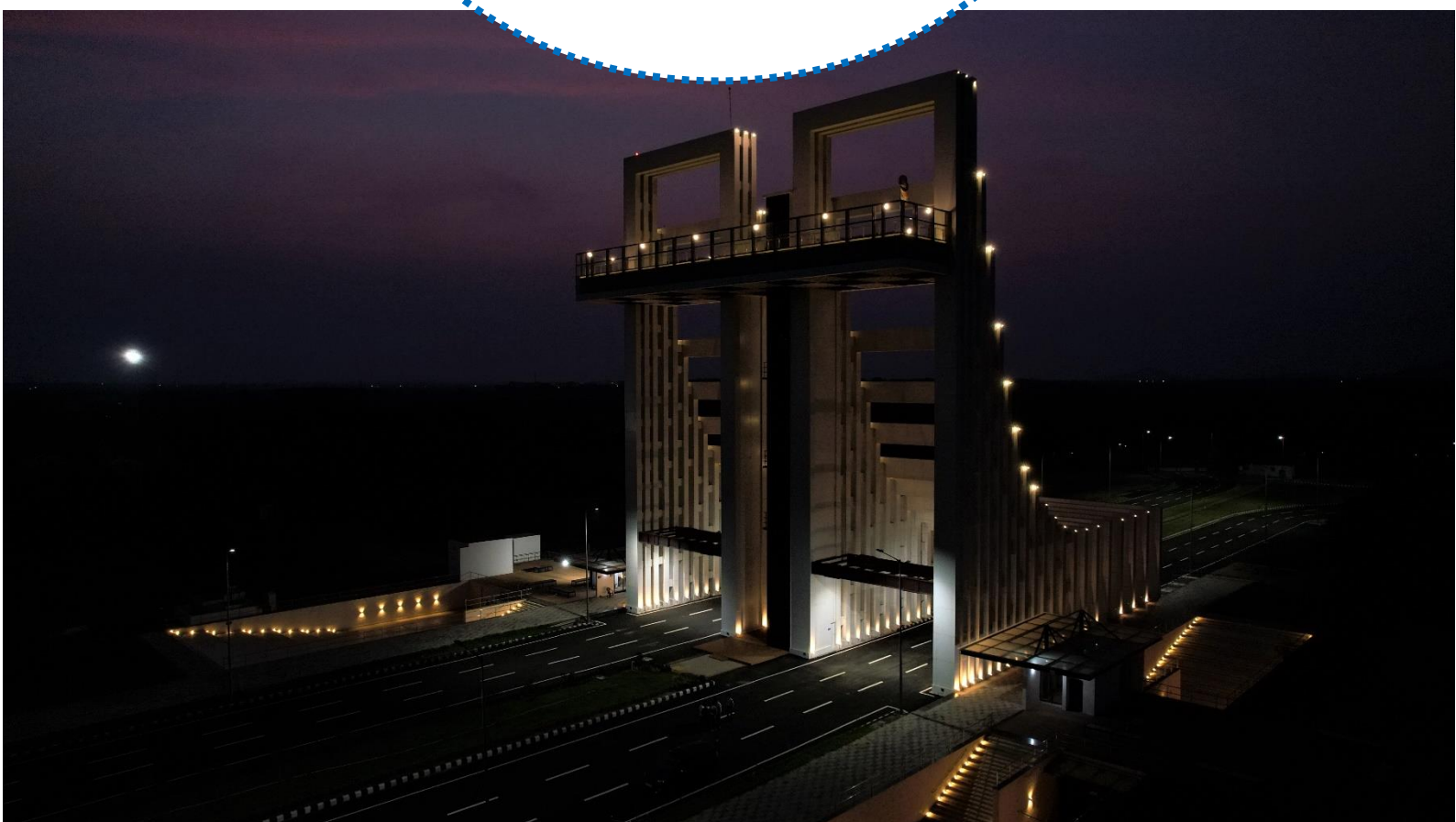


GOPALPUR
INDUSTRIAL PARK



...

17th Annual Report
FY 2022-23

TATA STEEL SPECIAL ECONOMIC ZONE LIMITED
17TH ANNUAL REPORT FOR FINANCIAL YEAR 2022-23

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 (till April 30, 2023)
(Executive, Non-Independent)

Mr. Manikanta Naik, Managing Director (effective May 3, 2023)
(Executive, Non-Independent)

Key Managerial Personnel

Mr. Manas Bandyopadhyay, Chief Financial Officer

Ms. Swati Sheth, Company Secretary

Bankers

State Bank of India
HDFC Bank

Auditors

Statutory Auditors

M/s Price Waterhouse & Co.
Chartered Accountants LLP

Income Tax Auditors

M/s Vipeen Choudhary & Associates
Chartered Accountants

Registrars and Share Transfer Agent

Alankit Assignments Limited
Alankit House
4E/2 Jhandewalan Extension
New Delhi – 110055
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: +91 81143 82585; 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 addition, the Company undertakes various other construction activities at the behest of the customers as an optional rendering.

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.

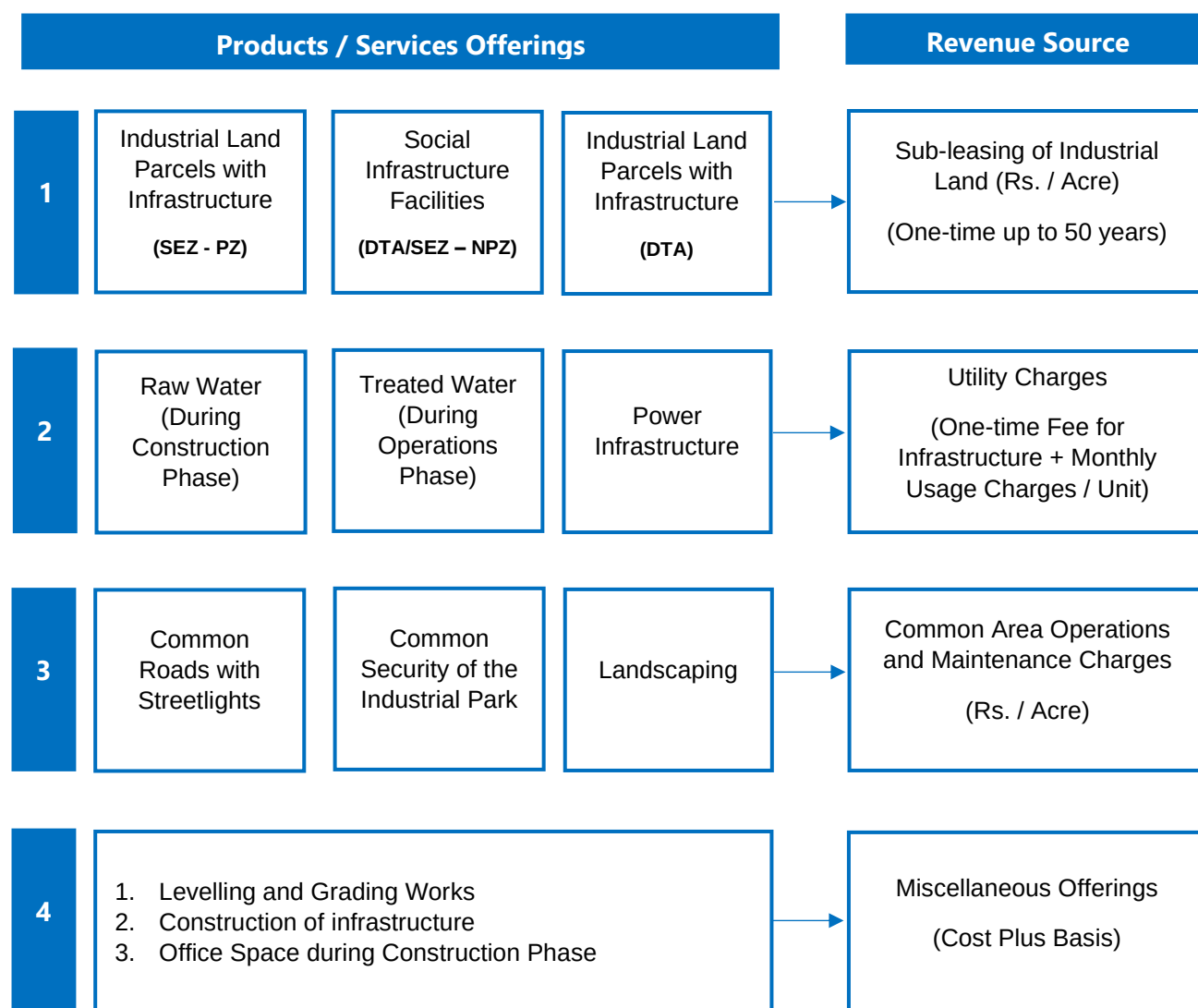
Excellence

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



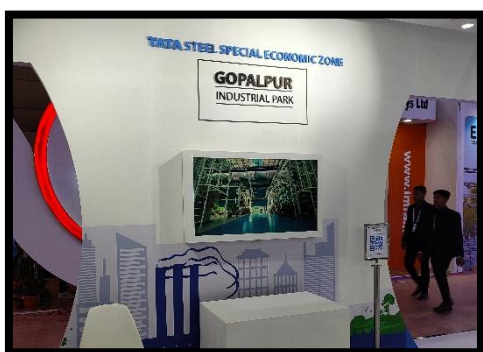
3. EVENTS DURING THE YEAR

Gopalpur Industrial Park was a proud participant and host to a myriad of events in FY 2022-23.



Inspection for PM-MITRA Park Scheme

A team of senior officials from Ministry of Textiles, Govt. of India, visited Gopalpur Industrial Park as part of an inspection process for Prime Minister's Mega Integrated Textile Region and Apparel Park (PM-MITRA Park) scheme on May 02, 2022. Gopalpur Industrial Park was the choice of location for the state of Odisha.



Make In Odisha Conclave 2022

Tata Steel Special Economic Zone Limited's Gopalpur Industrial Park participated in the Make In Odisha Conclave organised by Government of Odisha from November 29, 2022 to December 04, 2022. Tata Steel Special Economic Zone Limited was present as a part of the Tata Group Pavilion at the conclave.



India – Central Vietnam Business and Investment Summit 2023

Tata Steel Special Economic Zone Limited's Gopalpur Industrial Park participated in the India - Central Vietnam Business and Investment Summit 2023 organized by the Consulate General of India and Indian Chamber of Commerce (ICC) from March 01 – March 03, 2023. The summit hosted an array of activities in the domain of investment, trade, healthcare, education, IT, and tourism.

4. LEADERSHIP

4. a) BOARD COMPOSITION



Mr. Chanakya Chaudhary
Chairman



Ms. Samita Shah
Director



Mr. Manikanta Naik
Managing Director

4. b) Chairman's Message

Dear Shareholders,

It is my privilege to present to you Tata Steel Special Economic Zone Limited's Annual Report for FY2022-23. The macro-economic volatility and geo-political factors have dominated the global business environment during FY2022-23. Global growth has slowed down to 2.8% in 2023 (from 3.4% in 2022), led by a pronounced slowdown in developed markets. In view of the same, the Company faced significant headwinds while entering into new sub-lease agreements with new investors.



Chanakya Chaudhary, Chairman

Despite the global scenario, growth story of India, remained intact and hence provides some cushion. India's growth continues to be resilient, underpinned by the Government's capital outlay and buoyant private consumption. India's GDP is estimated to have registered a growth of 6.8% in FY2022-23 and is expected to continue to be the fastest growing large economy for the third consecutive year. While your Company could not enter into any new sub-lease agreements during the year, the Company is in discussions with many prospective investors which is likely to materialise shortly.

For the year ended March 31, 2023, the total income of the Company was ₹24.1 crore, which was substantially lower compared to the previous year's total income of ₹36.5 crore, due to delayed sub-leasing of land. In line with the above, both the EBITDA and Profit after Tax of the Company for FY2022-23 were also substantially lower compared to the previous year. In FY2022-23, the EBITDA of the company was ₹9.5 crore compared to ₹29.7 crore in the previous year. Profit after Tax in FY2022-23 was (-) ₹5.2 crore, compared to ₹15.0 crore in the previous year. The financial performance in FY2022-23 was impacted due to lower sub-lease income which was partially offset by non-core activity of site levelling and grading executed during the year.

In FY2022-23, the Company has continued to make progress towards developing the industrial park and the company has been able to complete part of the common infrastructure, aligned with the objective of developing all the basic infrastructure assets by the Financial Year 2025-26. The Company has also made substantial progress in its journey of process improvement and stakeholder engagement and management.

On a brighter side, your Company is witnessing a surge of interests in the field of new age sectors like green energy, advanced technologies, textiles, food processing and white goods against the backdrop of Make In India initiative, 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.

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.

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.

With Best Regards

sd/-

Chanakya Chaudhary
Chairman

Place: Bhubaneswar
Date: April 10, 2023

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 Covid 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	- Driving asset-lite growth strategy thus reducing dependency on parent Company for infrastructure development - Maximize Revenue from Product and Service Offerings	- Capital investment for infrastructure development from customers - Ensuring fiscal prudence through rigorous control of expenses and exercising controls to safeguard Company's assets
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

On the back of India's growth story, re-alignment of global supply chain and to reduce carbon footprint as part of India's 'net zero' target by 2070, the Company witnessed a surge of investor interests during the financial year FY'23.

The Company stepped into the shoes of the investors and took initiatives for becoming their preferred destination choice while creating a positive eco-system. The Company learned important lesson of becoming agile and self-reliant, hence embarked on 'Agility' initiative in order to imbibe agile working practices to cater to the needs and preferences of investors and stakeholders.



Manikanta Naik, Managing Director

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

The Company continued to operate in a sustainable manner as a zero liquid discharge (ZLD) industrial park. The Company engaged with the local communities on a best effort basis for various infrastructure works in order to create a credible vendor base in and around the industrial park.

The Company remained committed towards developing basic infrastructure within the park in order to attract existing and prospective investors. Accordingly, taking into consideration longer lead time required to convert investors, the Company rectified its capital structure by converting its borrowings into equity.

A holistic and effective stakeholder management forms an important part of our strategy. A grievance redressal cell with an objective to address the concerns of the displaced and project affected people have been put in place. Effective liaisoning with various policy making bodies of Government of Odisha (GoO) also helped GoO come out with a new Industrial Policy Resolution 2022 which will further improve the attractiveness of the State of Odisha in general and Gopalpur Industrial Park in particular. The Company is also engaging with the government who is supporting in development of various infrastructure projects (viz., utility corridor, water and power infrastructure, etc.) to improve attractiveness of the park.

A formal Corporate Social Responsibility (CSR) Committee of all investors within the park have been constituted for better connect with the community.

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

TSSEZL boasts of an enthusiastic and committed team and efforts are underway to further enhance the talent pipeline and cultivate a diverse skill set capable of adapting to the ever-evolving business landscape, while promoting diversity, inclusiveness and mix of experience.

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

5. c) KEY BUSINESS OBJECTIVES AND KPIS

Area	#	Objective	UoM	FY'23	FY'22	FY21
Safety	1	Safety - Zero Harm	Fatality, LTIFR	0 Fatal Incident	0 Fatal Incident	0 Fatal Incident
				Nil LTIFR	Nil LTIFR	Nil LTIFR
Financial	2	Achieve sub-leasing plan	Acres	0	56	166
	3	Develop infrastructure facilities as per CAPEX plan	Rs. Cr.	29	11	33
	4	Keep OPEX spend within plan	Rs. Cr.	9	8	9
	5	Develop park in an asset lite manner	As per Plan	Water, Power Infrastructure, ETP and Site Levelling and Grading in the scope of Investor		
	6	Cash infusion from TSL	Rs. Cr.	0	0	21
Customer	8	Sub-leasing price to investors	Rs. Lakhs / Acre	0	76	70
	9	To be the most 'Customer Centric' Industrial Park Developer	Net Promoter Score	> 30	> 40	-
	10	Develop GIP as an influential brand in Industrial Park space	Compliance to Plan	100%	100%	-
People	11	Manpower	Nos.	33	32	30

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, reliability 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, career progression, rewards & recognition, engagement & connect.

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

Inclusive growth, 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	Government	Industry-led and Industry Managed Bodies
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 Fair commercial terms and timely payment, Clarity in scope of work, defining service level agreements, quality and delivery, Long term relationships. Engagement Mechanisms • Vendors meet • Engagement with key vendors	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.	Importance to Business Improving attractiveness of the State is important for making the industrial park attractive. Expectations and aspirations Policy advocacy and raising relevant concerns as and when they arise. Engagement Mechanisms Two way communication to deliver to deliver periodic inputs on policy and industry issues

Website and Social Media:

The Company is an active user of social media through LinkedIn, Twitter & Facebook. There has been an increase in followers on all the platforms. The Company has encouraged and captured senior management interactions with business peers, colleagues, customers, other stakeholders on social media platforms.

7. RISK MANAGEMENT

Enterprise risk management framework enables putting up an effective framework for safeguarding assets and conducting Company's business. Scanning of external environment and inputs from stakeholder engagement provides inputs to 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 including co-developers for effluent treatment plants	(a) Sub-leasing of land	Engaging with the Governemnt and Department of Water Resources to implement the infrastructure
	(b) Delayed availability of power infrastucture and utility corridor to be laid by Government of Odisha	(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 vendor partners - Expanding vendor base in 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 - Strenthening of security services - Identification and demarcation - Pillar posting - Completion of the unfinished boundary wall
	Non-implementation of intergerated ERP system.	Financial losses	- Introduction of Maker-Checker mechanism in all processes - Creation of SOPs - Implemenation of IQMS and Internal Financial Control
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	Adverse events like weather, pandemic, liquidity impacting business continuity	Uninterrupted operations will be impacted	- Ensure cashflow management - Vaccination of all employees - Use of digital technologies - Ensuring office with appropriate safety and hygiene - Creating weather resilient structures

8. STATUTORY REPORTS

BOARD'S REPORT

To the Members,

Your Directors take pleasure in presenting the 17th 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, 2023.

FINANCIAL SUMMARY AND HIGHLIGHTS

(₹ In lakh)		
Particulars	FY 2022-23	FY 2021-22
Revenue from Operations	2248.11	3564.07
Other Income	161.27	85.25
Total Income	2409.38	3649.32
Total Expenses	2926.69	2131.71
Profit/(Loss) before taxation	(517.31)	1517.61
Tax Expense	-	16.77
Profit/(Loss) after tax	(517.31)	1500.84
Other comprehensive income/(Loss)	0.08	0.39
Profit/(Loss) carried for the Year (Carried forward)	(517.23)	1501.23
Profit/(Loss) at the beginning of the year	(2137.00)	(3638.23)
Profit/(Loss) at the end of the year	(2654.23)	(2137.00)

Note: As on March 31, 2023, 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 achieved operating profit of Rs. 7.8 crore and a turnover of Rs. 22.5 crore during FY'23, translating into a margin of 35% with the major contribution coming from site levelling and grading, which is a new avenue of business for the Company.

While there was operating profit, the Company achieved negative Profit Before Tax of Rs. 5.2 crore due to depreciation of Rs. 14.5 crore.

DIVIDEND

In view of the accumulated net losses till the financial year, the Directors do not recommend payment of any dividend to their shareholders for Fiscal 2022-23.

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, 2023, the total paid up capital of Company stands at ₹45.99 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-2022-23/>

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 408,424,389 Equity Shares in the Company had been transferred to TSUISL electronically.

On February 9, 2023, the Board of Directors of the Company approved allotment of 4,38,72,920 (Four crore-Thirty-Eight lakh Seventy-Two Thousand Nine hundred and Twenty) Equity Shares of face value of ₹10/- each, at an issue price of ₹13.22 per share aggregating to ~₹58 crore (Rupees Fifty Eight crore) to Tata Steel Utilities and Infrastructure Services Limited, on rights basis by way of a circular resolution passed by the Board of Directors of the Company.

Subsequently, on March 24, 2023, the Board of Directors of the Company approved allotment of 75,64,297 (Seventy-Five lakh Sixty-Four Thousand Two hundred and Ninety Seven) Equity Shares of face value of ₹10/- each, at an issue price of ₹13.22 per share aggregating to ~₹10 crore (Rupees Ten crore) to Tata Steel Utilities and Infrastructure Services Limited, on rights basis 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 applicable to the Company, since the Company was falling within the ambit of the statutory thresholds as prescribed under Section 135 of the Act.

However, pursuant to Sec 135(5), there is no obligation on the Company to spend on CSR activities during the FY23 since the average of net profits of the Company for the preceding 3 financial years (i.e., FY20, FY21 and FY22) is negative and hence, the amount required to be spent by the company during FY23 does not exceed Rs.50 lakh. Hence, the requirement of constituting a CSR Committee under Sec 135(1) of the Act, does not arise for the Company as per Sec 135(9) of the Act.

However, during FY 2022-23, the Company has volunteered for 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 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 2022-23.

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 Board:

At the beginning of the financial year 2022-23, the Board of the Company comprises of the following Directors:

Name of the Director	Category	Date of Appointment	Remarks
Mr. Chanakya Chaudhary (Chairman)	Non-Independent, Non-executive	November 20, 2019	-
Ms. Samita Shah	Non-Independent, Non-executive	Mach 22, 2016	-

Name of the Director	Category	Date of Appointment	Remarks
Mr. Prasanta Mallick	Non-Independent, Executive	July 1, 2019	-

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, Ms. Samita Shah (DIN: 02350176), 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 Ms. Samita Shah, as Director of the Company forms part of the Notice convening the ensuing Annual General Meeting. The Board recommends the re-appointment of Ms. Samita Shah for approval of the shareholders.

The profile and particulars of experience, attributes and skills that qualify her 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:

As on March 31, 2023, 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 2022-23, Six (6) meetings of Board of Directors were held on April 18, 2022, July 12, 2022, October 21, 2022, January 13, 2023, March 9, 2023, and March 28, 2023, 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:

- i. Policy on appointment and removal of Directors which includes Board membership criteria, Board Diversity policy and criteria for determining independent directors.
- ii. 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 commensurate 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. 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

The Board had at its meeting held on April 18, 2022, approved re-appointment of M/s. Price Waterhouse & Co Chartered Accountants LLP ('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, 2023, 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. Deba Mohapatra & Co., Company Secretaries firm bearing (CP No. 10548) as the secretarial auditors to conduct the secretarial audit of the Company for FY2022-23. The Secretarial Auditors have conducted the secretarial audit of the Company for the financial year ending March 31, 2023, 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, 2023, 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 to 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 on the website of the Company at <https://qip.city/>. All the related party transactions entered into by the Company during the financial year under review were in ordinary course of business and on an 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 environmental 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 has 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 transactions before finalization of the same.

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 Company is exempted from compliance of the provisions of Section 135(1) of the Act during FY'23, no policy on Corporate Social Responsibility has been formulated or developed by the Company 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 2022-23, 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 the 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://qip.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 an 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 either the Statutory Auditor or 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 2022-23.

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://qip.city/annual-reports/>

OTHER DISCLOSURES

No material changes or 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 2022-23.

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 2022-23
The steps taken or impact on conservation of energy	1. The Company has installed LED energy efficient lights in office premises, Gate Complex and streetlights at Gopalpur. 2. All transformers are compliant with BIS Energy Efficient Level – II with D.G with BIS Energy Efficient Level-4. 3. The PEB shed for Tata Consumer Products Limited, 50% of 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	Solar plant has been proposed for Gate Complex and Project office with further addition for Street light system in Gopalpur Industrial Park.
The capital investment on energy conservation equipments	Rs. 0.32 crore

B. Technology Absorption:

Particulars	Initiatives planned / taken during FY 2022-23
i. The efforts made towards technology absorption	NA
ii. The benefits derived like product improvement, cost reduction, product development or import substitution	NA

Particulars	Initiatives planned / taken during FY 2022-23
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 2022-23
Foreign Exchange earned in terms of actual inflow	NIL
Foreign Exchange outgo in terms of actual outflow	US\$1624

ACKNOWLEDGEMENTS

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

The Directors would also like to thank the shareholders, 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

Place: Bhubaneswar
Date: April 10, 2023

sd/-
Chanakya Chaudhary
Chairman
DIN: 02139568

b) ANNEXURES to STATUTORY DOCUMENTS

Annexure 1 : Policy for Appointment and Removal of Directors

*(*The Nomination and Remuneration Committee (NRC) has been dissolved with effect from 19th February 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.

Annexure 2 : 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).

Annexure 3: Secretarial Audit Report

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR 2022-23

To
The Members,
Tata Steel Special Economic Zone Limited
2B, 2nd Floor, Fortune Towers
Chandrasekharpur
Bhubaneswar – 751 023
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, 2023**. 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 31st March, 2023, 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 during the period under review.**
 - 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 are not reporting on compliance of Fiscal Laws and the maintenance of financial records and books of accounts, since those are to be reviewed by the Statutory Auditor in the course of Statutory Audit.

We further report that:

A. COMPOSITION OF BOARD:

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

LIST OF DIRECTORS DURING THE FINANCIAL YEAR				
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	-

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Woman Director in compliance with the provisions of Section 149 of the Companies Act, 2013. There is no change in the composition of the Board of Directors during the period under review.

The provisions of Sec 203 of the Companies Act, 2013 with regard to the appointment of Key Managerial Personnel (KMP) were duly complied with.

B. BOARD MEETINGS

Six (6) Meetings of the Board of Directors were held on 18th April 2022, 12th July, 2022, 21st October, 2022, 13th January, 2023, 9th March, 2023 and 28th March, 2023 respectively during the Financial Year.

In view of the COVID-19 pandemic situation the meeting was held through Video Conferencing (Microsoft Teams Application). All the members of the Board of Directors and Invitees attended the meeting through Video Conferencing and the proceedings of the meetings were recorded and saved along with date and time.

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

Board Meeting No.	Date of Board Meeting	Name of Directors present in the Meeting	Name of Directors Absent in the Meeting
74 th Board Meeting	18 th April, 2022	1. Mr. Chanakya Chaudhary 2. Mr. Prasanta Mallick 3. Ms. Samita Shah	Nil
75 th Board Meeting	12 th July, 2022	1. Mr. Chanakya Chaudhary 2. Mr. Prasanta Mallick 3. Ms. Samita Shah	Nil
76 th Board Meeting	21 st October, 2022	1. Mr. Chanakya Chaudhary 2. Mr. Prasanta Mallick 3. Ms. Samita Shah	Nil

Board Meeting No.	Date of Board Meeting	Name of Directors present in the Meeting	Name of Directors Absent in the Meeting
77 th Board Meeting	13 th January, 2023	1. Mr. Chanakya Chaudhary 2. Mr. Prasanta Mallick 3. Ms. Samita Shah	Nil
78 th Board Meeting	9 th March, 2023	1. Mr. Chanakya Chaudhary 2. Mr. Prasanta Mallick 3. Ms. Samita Shah	Nil
79 th Board Meeting	28 th March, 2023	1. Mr. Chanakya Chaudhary 2. Mr. Prasanta Mallick 3. Ms. Samita Shah	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 period as per the provisions and requirements of the Companies Act, 2013 and Articles of Association of the Company.

C. 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.

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

During the period under review, 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.

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

F. 16TH ANNUAL GENERAL MEETING:

During the period under review, the Company has conducted its 16th Annual General Meeting for the FY 2021-22 on Friday, 23rd August, 2022 at 2.30 p.m. (IST) through Video Conferencing ("VC")/ Other Audio-Visual means ("OAVM") at shorter notice. The meeting was convened as per the provisions of the Companies Act, 2013.

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.

G. REGISTRAR AND SHARE TRANSFER AGENT:

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

H. DEMATERIALIZATION OF SHARES:

M/s. Tata Steel Special Economic Zone Limited, has been allotted INE04MD01010 as its International Securities Identification Number (ISIN). Out of 45,98,61,606 Equity Shares of the Company, only 45,98,61,546 Equity Shares have been dematerialised and 60 Equity Shares have not been dematerialised.

I. ISSUE & ALLOTMENT OF EQUITY SHARES:

In accordance with the provisions of the Companies Act, the consent was given by the Board of Directors to issue 5,14,37,217 (Five crore Fourteen Lakh Thirty-Seven Thousand Two Hundred Seventeen) of Rs. 10/- each (Rupees Ten) on a right basis to Tata Steel Utilities and Infrastructure Services Limited, at a price of Rs.13.22 per share (Rupees Thirteen and Twenty-Two paise) including a premium of Rs.3.22 (Rupees Three and Twenty-Two paise) per share, aggregating to Rs..68,00,00,008.74 (Rupees Sixty-Eight crore Eight and Seventy-Four paise) for consideration cash on terms and conditions, as new equity shares shall rank *pari-passu* with the existing equity shares.

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: 10/04/2023
UDIN: F009393E000103146**

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 – 751 023
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: 10/04/2023
UDIN: F009393E000103146**

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 2022-23

SN	Name	Designation / Role	Remuneration (₹)	Qualification	Experience (years)	Date of commencement of employment	Age (in years)	Last employment
1.	Mr. Prasanta Mallick	Managing Director	16,734,460	B.E., MBA	35	July 1, 2019	59	Deputation from Tata Steel

Notes:

- a) Gross Remuneration comprises salary, allowances, monetary value of perquisites, commission to the Directors and the Company's contribution to Provident and Superannuation Funds but excludes contribution to Gratuity Fund on the basis of actuarial valuation as separate figures are not available.
- b) The nature of employment in all cases is contractual.
- c) None of the employees mentioned above is relative of any Director of the Company or Manager of the Company.

For and on behalf of the Board of Directors

Place: Bhubaneswar
Date: April 10, 2023

sd/-
Chanakya Chaudhary
Chairman
DIN: 02139568

NOTICE

Notice is hereby given that the 17th Annual General Meeting of the Members of Tata Steel Special Economic Zone Limited will be held on Thursday, August 24, 2023 at 11 a.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, 2023, 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 the place of Ms. Samita Shah (DIN: 02350176), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, seeks re-appointment.

SPECIAL BUSINESS:

Item No. 3: Appointment of Mr. Manikanta Naik as a Director

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

"RESOLVED THAT Mr. Manikanta Naik (DIN: 06634999), who was appointed as an Additional Director (Non-Executive, Non-Independent) of the Company effective May 3, 2023, by the Board of Directors of the Company, in terms of Section 161 of the Companies Act, 2013 ('Act') read with related Rules (including any modification(s) or re-enactment(s) thereof) and the Articles of Association of the Company and who holds office upto the date of the ensuing Annual General Meeting and is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

Item No. 4 – Appointment of Mr. Manikanta Naik as the Managing Director of the Company for a period of 3 (three) years

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, read along with Schedule V of the Companies Act, 2013 ('Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the consent of

the Members be and is hereby accorded to the appointment and terms of remuneration of Mr. Manikanta Naik (DIN: 06634999) as the Managing Director of the Company for a period of three years, effective May 3, 2023 to May 2, 2026, not liable to retire by rotation, upon the terms and conditions set out in the Statement annexed to the Notice convening this Meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure within the overall limits of Section 197 of the Act, with liberty to the Board of Directors to grant increments and to alter and vary, from time to time, the terms and conditions of the said appointment, within overall limits prescribed under the Act as it may deem fit and in such manner as may be agreed between the Board and Mr. Manikanta Naik.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, the Company shall pay to Mr. Manikanta Naik, remuneration by way of salary, benefits, perquisites and allowances etc. bonus/performance linked incentive, long-term incentive as approved by the Board and subject to provisions of the Act and the limits and conditions set out in Schedule V of the Act.

RESOLVED FURTHER THAT the Board of Directors (the 'Board' which term includes a duly constituted Committee of the Board) be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

Item No. 5: Adoption of new set of Memorandum of Association of the Company as per the Companies Act, 2013

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

"RESOLVED THAT pursuant to the provisions of Section 13 read with Section 4 of the Companies Act, 2013 ('**Act**'), and all other applicable provisions, if any, of the Act, read with Companies (Incorporation) Rules, 2014 (including any statutory modification or amendments thereto or re-enactment thereof) and subject to such other approvals, permission and consents as may be required, the consent of the Members be and is hereby accorded for adoption of the new set of Memorandum of Association ('**MOA**'), in place of the existing MOA in accordance with the format as prescribed under Table A of the Companies Act, 2013, be and are hereby approved and adopted in substitution, and to entire exclusion of the clauses and regulations contained in the existing MOA of the Company.

RESOLVED FURTHER THAT the existing Clause III (C) containing the "Other Objects" sub clause be and hereby also stands deleted in full.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the '**Board**') or any officer/executive/representative and/or any other person so authorised by the Board be and are hereby authorized, severally, on behalf of the Company, to do all such acts, deeds, matters and things, as may be deemed proper, necessary or expedient, including filing/submitting the requisite forms and documents and such other information as may be required, with the Ministry of Corporate

Affairs or any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard, at any stage without requiring the Board to secure any further consent or approval of the Members of the Company and that the Members shall be deemed to have given their requisite approval thereto expressly by the authority of this resolution.”

Item No. 6: Adoption of new set of Articles of Association of the Company as per the Companies Act, 2013

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

“RESOLVED THAT pursuant to the provisions of Section 14 read with Section 5 of the Act, and all other applicable provisions, if any, of the Act, read with Companies (Incorporation) Rules, 2014 (including any statutory modification or amendments thereto or re-enactment thereof) and subject to such other approvals, permission and consents as may be required, the new set of Articles of Association aligned in accordance with the provisions of the Companies Act, 2013 and Table F, be and are hereby approved and adopted in substitution, and to the entire exclusion of the clauses contained in the existing AOA of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the ‘**Board**’) or any officer/executive/representative and/or any other person so authorised by the Board be and are hereby authorized, severally, on behalf of the Company, to do all such acts, deeds, matters and things, as may be deemed proper, necessary or expedient, including filing/submitting the requisite forms and documents and such other information as may be required, with the Ministry of Corporate Affairs or any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard, at any stage without requiring the Board to secure any further consent or approval of the Members of the Company and that the Members shall be deemed to have given their requisite approval thereto expressly by the authority of 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 Nos. 3 to 6 forms part of this Notice. Additional information, pursuant to the Secretarial Standard on General Meetings (**‘SS-2’**) issued by The Institute of Company Secretaries of India, in respect of Director(s) seeking appointment / re-appointment at this Annual General Meeting (**‘Meeting’ / ‘AGM’**) is furnished as an annexure to this Notice.
2. Pursuant to General Circular No(s). 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 8, 2021,

21/2021 dated December 14, 2021, 3/2022 dated May 5, 2022 and 11/2022 dated December 28, 2022 and all other relevant circulars issued by the Ministry of Corporate Affairs (collectively referred to as '**MCA Circulars**'), the Company is convening the 17th 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, 2nd Floor, Fortune Towers, Chandrasekharpur, Bhubaneswar – 751 023, Odisha, 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 his/her 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, 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 and Attendance Slip 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. Pursuant to the provisions of the Act, the Institutional / corporate shareholders (i.e., other than individuals, HUFs, NRI, etc.) intending to appoint their authorized representatives to attend the AGM through VC are requested to send a certified and scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authorization etc., to the Company at swati.sheth@tatasteel.com, authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote at the meeting.
6. The Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. In case of joint holders, 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.
8. Voting at the AGM shall be carried out through poll or show of hands by Members.
9. If a poll is demanded under Section 109 of the Act, the designated email id of the Company viz. swati.sheth@tatasteel.com will be used for voting purposes.
10. The Notice of the AGM along with the Annual Report and Annual Accounts for FY2022-23 ('**Annual Report**') is being sent by e-mail only to those eligible Members who have already registered their e-mail addresses with the Company / Depositories.

11. 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.
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 2022-23.
 - 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) Members will be required to allow camera and use Internet with a good speed to avoid any disturbance during the Meeting.
 - iv) 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.
13. Members are encouraged to submit their questions in advance, if any, to the Company at swati.sheth@tatasteel.com on or before 2:00 p.m. (IST) on Tuesday, August 22, 2023, with respect to the Financial Statements or the business to be transacted at the AGM. Members are requested to submit their queries from their registered e-mail address, mentioning their name, DP ID and Client ID/Folio Number and mobile number. The same will be suitably responded to during the AGM.
14. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile number, Permanent Account Number, mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their respective DPs in case the shares are held in electronic form and to the Company in case the shares are held in physical form.
15. Pursuant to Section 72 of the Act, the facility for making nomination is available to the Member(s) of the Company in respect of the shares held by them. Member(s) holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participants.

16. The Register of Directors and Key Managerial Personnel and their shareholding and Register of Contracts or Arrangements in which the Directors are interested and all relevant documents referred to in the Notice, shall be available for on-line inspection by the Members of the Company, without payment of fees upto and including the date of AGM. Members desirous of inspecting the same may send their requests at swati.sheth@tatasteel.com from their registered e-mail addresses mentioning their names and folio numbers/DP ID and Client ID.
17. If any Member wishes to inspect any documents pursuant to the resolutions set out in this notice, may do so by sending the request to the Company at swati.sheth@tatasteel.com.
18. In case of any queries with respect to joining the Meeting, the Members may write to Ms. Swati Sheth at swati.sheth@tatasteel.com or call at +91 9830365783, for any support either before or during the Meeting.

(Ms. Swati Sheth for support other than IT related issues and Mr. Dipti Ranjan Bal for IT Support at +91 9937069852).

By Order of the Board of Directors

Sd/-

Swati Sheth

Company Secretary

Membership No. ACS: 23852

Kolkata

July 19, 2023

Registered Office:

2B, 2nd Floor, Fortune Towers

Chandrasekharpur

Bhubaneswar

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

The following Statement sets out all material facts relating to Item No(s). 3 and 4 mentioned in the accompanying Notice.

Item No. 3 - Appointment of Mr. Manikanta Naik as a Director

Pursuant to the provisions of Section 161 of the Act, Mr. Manikanta Naik (DIN: 06634999), was appointed as an Additional Director (Non-Executive, Non-Independent) of the Company effective May 3, 2023.

Pursuant to provisions of Section 161(1) of the Companies Act, 2013 ("Act") and in terms of Article 176 of the Articles of Association of the Company, Mr. Manikanta Naik holds office up to the date of the forthcoming Annual General Meeting ("**AGM**") and is eligible for appointment as a Director. Pursuant to Section 160 of the Act, the Company has received a notice in writing, from a member, proposing the candidature of Mr. Manikanta Naik for the office of Director of the Company. Mr. Naik will be liable to retire by rotation.

The Company has received from Mr. Naik (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, and (ii) intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act

The profile and specific areas of expertise of Mr. Naik are provided as an annexure to this Notice.

The Board recommends the Resolution set out at Item No. 3 of the Notice for approval of the Members of the Company.

None of the Directors of the Company or their respective relatives, except Mr. Manikanta Naik, to whom the resolution relates, is concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 3 of this Notice.

Item No. 4 - Appointment of Mr. Manikanta Naik (DIN: 06634999) as the Managing Director of the Company for a period of 3 (three) years

The Board of Directors (hereinafter referred to as the '**Board**') at its meeting held on May 3, 2023, approved appointment of Mr. Manikanta Naik (DIN: 06634999), as the Managing Director of the Company for a period of three years effective May 3, 2023 through May 2, 2026, subject to approval of the shareholders. The Board also approved the terms of appointment and remuneration of Mr. Naik.

The main terms and conditions relating to the appointment of Mr. Naik and terms of remuneration as MD are as follows:

Terms of Employment

I. **Period:** For a period of 3 (Three) years, i.e., from May 3, 2023 through May 2, 2026.

II. Duties & Powers

- (a) The Managing Director shall devote his whole time and attention to the business of the Company and perform such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of one or more of its associated companies and/or subsidiaries including performing duties as assigned to MD from time to time by serving on the boards of such associated companies and/or subsidiaries or any other Executive body or any committee of such a company.
- (b) The Managing Director undertakes to employ the best of his skill and ability and to make his utmost endeavours to promote the interests and welfare of the Company and to conform to and comply with the policies and regulations of the Company and all such orders and directions as may be given to him from time to time by the Board.
- (c) The Managing Director shall undertake his duties from such location as may be directed by the Board.

III. Remuneration

- (a) The Managing Director is on deputation from Tata Steel Limited for a period of 3 years starting from May 3, 2023 to May 2, 2026, unless terminated earlier or there is superannuation / retirement. During the period of deputation, the Managing Director will continue to be on the payroll of Tata Steel Limited and such deputation cost will be reimbursed by the Company to Tata Steel Limited. The deputation cost as indicated by Tata Steel Limited is Rs.1,81,90,196/- per annum (approx.). The Managing Director is eligible for annual increment and/or performance bonus and other benefits as may be decided by the Nomination and Remuneration Committee, if any, and the Board.
- (b) During the above period, the Managing Director shall be governed by the service terms and conditions of Tata Steel Limited and as agreed upon with the Board and Nomination and Remuneration Committee, if any, of the Company.

- (c) In the event of absence or inadequacy of profits of the Company in any financial year during the period of the Managing Director's appointment, the Company shall pay to the Managing Director remuneration by way of salary, benefits, perquisites and allowances, performance linked bonus/commission, subject to provisions of the Act and Schedule V of the Act.
- (d) The entire remuneration package of the Managing Director shall, however, be subject to the overall ceiling laid down under Section 196 and 197 of the Act and conditions of Schedule V of the Act.
- (e) Mr. Naik shall not, so long as she/he functions as the Managing Director of the Company entitled to receive any fee for attending any meetings of the Board or any Committee thereof.
- (f) If and when this Agreement expires or is terminated for any reason whatsoever, Mr. Naik will cease to be the Managing Director and also cease to be a Director of the Company. If at any time, the Managing Director ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Managing Director and this Agreement shall forthwith terminate. If at any time, the Managing Director ceases to be in the employment of the Company for any reason whatsoever, he shall cease to be a Director and Managing Director of the Company.
- (g) Mr. Naik, so long as he functions as such, undertakes not to become interested or otherwise concerned, directly or through his spouse and / or children, in any selling agency of the Company.
- (h) Mr. Naik's appointment may be terminated by either party giving to the other party six months' notice in writing of such termination or the Company paying six months' remuneration in lieu thereof.
- (i) Mr. Naik's employment may be terminated by the Company without notice or payment in lieu of notice:
 - a. if the Managing Director is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which he is required by the Agreement to render services; or
 - b. in the event of any serious or repeated or continuing breach (after prior warning) or non-observance by the Managing Director of any of the stipulations contained in the Agreement; or
 - c. in the event the Board expresses its loss of confidence in the Managing Director.
- (j) Upon the termination of Mr. Manikanta Naik's employment by whatever means:

- a. he shall immediately tender his resignation as a Director of the Company and from such other offices held by him in the Company or subsidiary or associate companies without claim for compensation for loss of office by virtue of Section 167(1)(h) of the Act and shall resign as trustee of any trusts connected with the Company;
 - b. he shall not without the consent of the Board at any time thereafter represent himself as connected with the Company or any of its subsidiaries and associated companies.
- (k) Mr. Naik as Managing Director would be entitled to Long Term Incentive Plan (LTIP) as per the Tata Steel Group Company's norms, subject to the approval and discretion of the Board of Directors of the Company. This would be applicable in lieu of the Special Retirement Benefits for MD/ED as per the Tata Group norms.
- (l) The terms and conditions of the appointment of Mr. Naik as the Managing Director and / or this Agreement may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Managing Director, subject to such approvals as may be required.
- (m) During Mr. Naik's employment as the MD & CEO, he shall adhere to the Tata Code of Conduct, ensure that there is no conflict of interest with the Company and maintain confidentiality.

The profile and specific areas of expertise of Mr. Naik are provided as an **Annexure** to this Notice.

In compliance with the provisions of Section 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act as amended, and based on the recommendation of the Board, approval of the Members is sought for the appointment and terms of remuneration of Mr. Manikanta Naik as MD as set out above.

Information relevant to the appointment of Mr. Manikanta Naik as MD, as required under section II of Part II of the Schedule V to the Companies Act, 2013

1. General Information

- a) **Nature of Industry:** The Company was incorporated on October 11, 2006 to set-up an Industrial park at Gopalpur, Odisha.
- b) **Date or expected date of commencement of sub-leasing:** The Company is engaged in the activity of sub-leasing of land to various industries which commenced from March 2019.
- c) **In case of new companies, expected date of commencement activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable
- d) **Financial performance based on given indicators:**

(₹ crore)

Particulars	FY 2022-23	FY 2021-22
Gross Revenue	24.1	36.5
Profit / (Loss) before Income Tax	(5.2)	15.2
Less: provision for Taxation	-	(0.2)
- Current Tax	(5.2)	15.0
- Deferred tax	-	-
Net Profit / (Loss) after tax	(5.2)	15.0

- e) **Foreign investments or collaborations, if any:** The Company has neither made any foreign investment nor entered into foreign collaboration during FY 2022-23.

2. Information about the appointee:

- a) **Background details:** Mr. Manikanta Naik joined Tata Steel as a Graduate Trainee in 1992 after completing BE Mining from NIT Rourkela. He subsequently completed the Management Programme from XLRI, Jamshedpur. Since 1992, he has worked in different capacities across functions of Mining and Corporate Services (CRE) within Tata Steel.

Mr. Naik was placed as Sr. Officer in Raw Material division in 1993 after completing his graduate training period. Subsequently, in 1995 and 1998 he was promoted as Asst. Manager and Dy. Manager at Mining division. In 2001, he was redesignated as Sr. Manager Shift Operation. In 2007, he was promoted as Head - Mining Operations, Khondbond Iron Mines and in 2008, he was transferred to as Head - Mining in Global Mineral Resources group. In 2014, he was promoted and appointed as Chief Resident Executive, Bhubaneshwar. In 2018, he was deputed to Tata Steel BSL Limited (presently Tata Steel Limited). Subsequently, in 2021 he returned from deputation and was further deputed to Tata Steel Long Products Limited, where he is working as Sr. General Manager, Sponge Business, the position he currently holds.

- b) **Past remuneration:** Not Applicable, as he did not hold any position in the Company.
- c) **Recognition or awards:** Not Applicable.
- d) **Job profile and his suitability:** Mr. Manikanta Naik has been a leader with a proven track record and has significantly contributed to the areas of Mining and Administration. Mr. Naik has a rich and varied experience of 31 years and has played a pivotal role in the success of several critical projects.

Services of Mr. Naik will benefit the Company in smooth and efficient running of the business of the Company. Mr. Naik is on deputation from Tata Steel Long Products Limited to the Company. His association with the Company will contribute immensely in future growth of the Company.

- e) **Remuneration proposed:** As mentioned above.

- f) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:** The remuneration as proposed for Mr. Manikanta Naik is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company.
- g) **Pecuniary relationship, directly or indirectly with the Company, or relationship with the managerial personnel, if any:** Besides remuneration proposed, Mr. Naik does not have any other pecuniary relationship with the Company and its Key Managerial Personnel.

3. **Other information:**

- a) **Reasons of loss or inadequate profits:** Due to delay on subleasing of land, the Company was not able to recover its non-cash expenses and hence resulted into the loss of Rs. 5.20 crore during FY23.
- b) **Steps taken or proposed to be taken for improvements:** The Company is in discussion with the various investors for sub-leasing of land with which it plans to recover the losses incurred till FY23.
- c) **Expected increase in productivity and profits in measurable terms:** As mentioned above, the Company is in discussion with various investors for sub-leasing of land with which it plans to turn into a profitable company in due course.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Manikanta Naik, to whom the resolution relates, is concerned or interested in the Resolution mentioned at Item No. 4 of the Notice.

The Board recommends the Resolution set forth in Item No. 4 for the approval of the Members.

Item No. 5 & 6 - Adoption of new set of Memorandum of Association & Articles of Association of the Company as per the Companies Act, 2013

The existing Memorandum of Association ('**MoA**') and Articles of Association ('**AoA**') are drafted basis provisions of the Companies Act, 1956. With the coming into force of the Companies Act, 2013 ('**Act**'), several provisions of MoA and AoA require alteration/deletion to align with the provisions of the Act. Considering the above, it is deemed expedient to alter the MoA (in alignment with Table A set out under Schedule I to the Act) and adopt a new set of AoA (in alignment with Table F set out under Schedule I to the Act) in place of the existing AoA.

The key changes proposed in the existing MoA include deletion of Clause III (C) of MoA in its entirety, whereas the key alterations proposed in existing AoA are as under:

- i. The AoA has been restructured and aligned with the provisions of the Act, and the Secretarial Standards issued by The Institute of Company Secretaries of India.

- ii. Reference to the sections, sub-sections, clauses etc. of the Companies Act, 1956 have been substituted with the corresponding provisions of the Act.
- iii. Provisions of the Act, which permit the Company to do certain acts when authorised by the AoA or which require the Company to do acts in a prescribed manner unless the AoA otherwise provide, have been specifically included.
- iv. Few provisions such as issue of shares at discount, which have become redundant due to change in the law, have been deleted.
- v. Provisions of the existing AoA which are also covered in the Act have not been reproduced in the new AoA to avoid duplication and adopt a more concise and succinct set of AoA.

The Board of Directors of the Company had at its meeting held on July 19, 2023 approved adoption of new set of MoA and AoA of the Company as per the provisions of the Companies Act, 2013. The proposed adoption of the new set of MoA and AoA require approval of Members of the Company through Special Resolution pursuant to the provisions of Section 13 and 14 of the Companies Act, 2013.

None of the Directors/Key Managerial Personnel of the Company or their immediate relatives (to the extent of their shareholding in the Company, if any) is concerned or interested in the Resolutions mentioned at Item Nos. 5 and 6 of the Notice.

The Board recommends the Resolutions set forth in Item Nos. 5 and 6 of the Notice for approval of the Members.

Annexure to Notice

Details of Director seeking appointment / re-appointment at the 17th Annual General Meeting

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

Profile of Ms. Samita Shah, Non-Executive Director



Particulars of experience and qualification of Ms. Samita Shah

Ms. Samita Shah (52) (DIN: 02350176) was appointed as a Non-Executive Director of the Company effective March 22, 2016.

Qualification:

Ms. Shah completed her B.A. (Economics) from Bombay University in 1990 and PG Diploma in Management from IIM, Ahmedabad in 1992.

Experience:

Ms. Shah is currently the Vice President Corporate Finance, Treasury & Risk Management at Tata Steel. She looks after the financing requirements of Tata Steel Group. She is also the Chief Risk Officer for Tata Steel and has spearheaded the implementation of an enterprise-wise risk management process across Tata Steel Group.

Ms. Shah joined Tata Steel in 2012. She has 22 years of prior experience in investment banking and has led several IPOs, bond issues, project financing, private equity and M&A transactions for Indian and multinational companies.

Board Meeting Attendance and Remuneration

Ms. Shah attended all 6 Board Meetings held during the year. She is not paid any remuneration.

Relationship with other Directors, Manager and other KMPs

There is no *inter-se* relationship between Ms. Samita Shah and other Members of the Board.

Terms and Conditions of Appointment

Ms. Shah is a Non-Executive Director of the Company.

Shareholding in the Company

Ms. Shah does not hold any Equity Shares in the Company.

Bodies Corporate (other than Tata Steel Special Economic Zone Limited) in which Ms. Samita Shah holds Directorships and Committee memberships

Directorships:

- Tata Blue Scope Private Limited
- Tata Metaliks Ltd
- Jamipol Limited
- Rujuvalika Investments Limited
- Tata Steel Foundation
- ABJA Investment Co. Pte. Ltd.
- Natsteel Asia Pte. Ltd.
- TS Global Procurement Company Pte. Ltd
- Tata Steel Minerals Canada Ltd.
- T S Global Holdings Pte. Ltd
- T Steel Holdings Pte. Ltd.

Trusteeships:

- Tata Steel Limited Gratuity Fund
- The Provident Fund of Tata Steel Limited
- Tata Steel Limited Superannuation Fund
- Tata Steel Employees' Pension Fund

Member of Board Committees

Tata Steel Limited

- Risk Management Committee

Tata Metaliks Limited

- Audit Committee

- Risk Management Committee
- Committee of the Board

Jamipol Limited

- Audit Committee
- Risk Management Committee

ABJA Investments Co. Pte. Ltd.

- Audit Committee
- Risk Management Committee

Profile of Mr. Manikanta Naik, Managing Director



Particulars of experience and qualification of Mr. Manikanta Naik

Mr. Manikanta Naik (55) (DIN: 06634999) was appointed as a Non-Executive Director of the Company effective May 3, 2023.

Qualification:

Mr. Manikanta Naik is a qualified BE Mining from NIT Rourkela and have also completed the Management Programme from XLRI, Jamshedpur. Mr. Naik is a mining engineer by profession.

Experience:

Mr. Manikanta Naik, joined Tata Steel as a Graduate Trainee in 1992. Mr. Naik is currently on deputation to Tata Steel Long Products Limited, a fellow subsidiary of the Company, and is working as Senior General Manager, Sponge Business, the position he currently holds.

Mr. Naik has worked in different capacities across functions of Mining and Corporate Services (CRE) within Tata Steel and has been a leader with a proven track record. He has significantly contributed to the areas of Mining and Administration and has a rich and varied experience of 31 years. Mr. Naik has been pivotal for the success of several critical projects.

Mr. Naik has also worked in Tata Steel BSL Limited and Tata Steel Long Products Limited during his service of 31 years.

Board Meeting Attendance and Remuneration

Mr. Naik was appointed on the Board of Directors of the Company effective May 3, 2023. Post his appointment, no Board meeting was held.

Mr. Naik, being the Managing Director would not be paid any sitting fees for attending the meetings of the Board. No remuneration was paid to him as on the date of this notice.

Relationship with other Directors, Manager and other KMPs

There is no *inter-se* relationship between Mr. Manikanta Naik and other Members of the Board.

Terms and conditions of re-appointment

Mr. Naik has been appointed as the Managing Director for a period of 3 years, i.e., from May 3, 2023 to May 2, 2026 and is liable to retire by rotation.

Shareholding in the Company

Mr. Manikanta Naik does not hold any equity shares of the Company.

Bodies Corporate (other than Tata Steel Special Economic Zone Limited) in which Mr. Manikanta Naik holds Directorships and Committee memberships

None

Annual Accounts (Audited)

FY 2022-23

Price Waterhouse & Co Chartered Accountants LLP

Independent Auditor's Report

To the Members of Tata Steel Special Economic Zone Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Tata Steel Special Economic Zone Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including 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, 2023, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

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

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

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

We have nothing to report in this regard.

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

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

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



Price Waterhouse & Co Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Steel Special Economic Zone Limited
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the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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



Price Waterhouse & Co Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Steel Special Economic Zone Limited
Report on Audit of the Financial Statements
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conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
12. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".



Price Waterhouse & Co Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

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- (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, 2023 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, 2023.
 - 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, 2023.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, 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 50(f)(i) to the financial statements);
 - (b) The management has represented that, to the best of its knowledge and belief, 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 50(f)(ii) 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.
 - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.



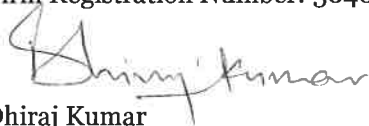
Price Waterhouse & Co Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

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

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



Dhiraj Kumar
Partner
Membership Number 060466

UDIN: 23060466BGXUXQ6627
Place: Kolkata
Date: April 10, 2023

Price Waterhouse & Co Chartered Accountants LLP

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of Tata Steel Special Economic Zone Limited on the financial statements for the year ended March 31, 2023.
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, 2023 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 fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable



Price Waterhouse & Co Chartered Accountants LLP

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of Tata Steel Special Economic Zone Limited on the financial statements for the year ended March 31, 2023.

Page 2 of 2

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

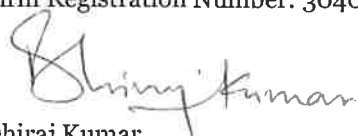
7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009



Dhiraj Kumar

Partner

Membership Number 060466

UDIN: 23060466BGXUXQ6627

Place: Kolkata

Date: April 10, 2023

Price Waterhouse & Co Chartered Accountants LLP

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, 2023

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 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 during the year in eleven Mutual Funds schemes. The Company has not granted secured/ unsecured loans/advances in nature of loans, to any companies / firms / Limited Liability Partnerships/ other parties, or stood guarantee, or provided security.
- (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.



Price Waterhouse & Co Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Tata Steel Special Economic Zone Limited on the financial statements for the year ended March 31, 2023

Page 2 of 4

- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Further, the provisions of sub-section (1) of Section 73 are not applicable to the Company as it is a non-banking financial company registered with RBI, engaged in the business of giving loans.
- 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 regular in depositing the undisputed statutory dues, including goods and services tax, provident fund 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) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.
(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.



Price Waterhouse & Co Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Tata Steel Special Economic Zone Limited on the financial statements for the year ended March 31, 2023

Page 3 of 4

- (b). The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, 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 under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv.(a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi.(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.



Price Waterhouse & Co Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Tata Steel Special Economic Zone Limited on the financial statements for the year ended March 31, 2023

Page 4 of 4

- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group has six CICs as part of the Group as detailed in note 51 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 47 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. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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



Dhiraj Kumar
Partner
Membership Number 060466

UDIN: 23060466BGXUXQ6627
Place: Kolkata
Date: April 10, 2023

Tata Steel Special Economic Zone Limited
Balance Sheet as at March 31, 2023

		As at March 31, 2023	Amount in INR As at March 31, 2022
(I) Assets	Note		
(1) Non-current assets			
(a) Property, plant and equipment	03	1,49,67,35,431	1,11,00,10,282
(b) Intangible assets	04	3,11,061	9,38,692
(c) Right-of-use assets	05	1,72,36,99,635	1,75,25,51,903
(d) Capital work-in-progress	06	87,43,74,628	1,08,41,99,352
		4,09,51,20,755	3,94,77,00,229
(e) Financial assets			
(i) Lease receivable	07	41,67,18,851	41,59,74,269
(f) Other financial assets			
(i) Security deposits	08	5,68,780	5,78,780
(g) Other non-current assets	09	73,51,890	17,31,662
(h) Tax asset (Net)	10	64,05,093	81,80,210
Total non-current assets		4,52,61,65,369	4,37,41,65,150
(2) Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	11	12,15,68,078	31,52,36,199
(ii) Lease receivable	12	5,03,47,881	4,88,81,437
(iii) Other financial assets	13	-	7,65,96,289
(b) Other current assets	14	2,32,61,937	3,05,93,491
Total current assets		19,51,77,896	47,13,07,416
Total assets		4,72,13,43,265	4,84,54,72,566
(II) Equity and liabilities			
(1) Equity			
(a) Equity share capital	15	4,59,86,16,060	4,08,42,43,890
(b) Other equity	16	(7,09,33,102)	(18,48,36,966)
Total equity		4,52,76,82,958	3,89,94,06,924
(2) Liabilities			
(A) Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	17	-	3,81,065
(ii) Other financial liabilities	18	2,69,30,269	2,59,85,374
(b) Other non-current liabilities	19	4,00,63,107	4,09,27,699
(c) Provisions	20	5,25,574	5,11,624
Total non-current liabilities		6,75,18,950	6,78,05,762
(B) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	-	59,00,00,000
(ii) Lease liabilities	22	3,36,397	18,66,008
(iii) Trade payables	23	-	-
total outstanding dues of micro and small enterprises		-	-
total outstanding dues other than micro and small enterprises		69,03,876	1,16,61,337
(iv) Other financial liabilities	24	10,91,94,794	21,01,73,485
(b) Provisions	25	6,91,386	6,28,978
(c) Other current liabilities	26	90,14,904	6,39,30,072
Total current liabilities		12,61,41,357	87,82,59,880
Total liabilities		19,36,60,307	94,60,65,642
Total equity and liabilities		4,72,13,43,265	4,84,54,72,566

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


Dhiraj Kumar
Partner
Membership No.: 060466

For and on behalf of Board of Directors



Chanakya Chaudhary
Chairman
DIN: 02139568



Prasanta Mallick
Managing Director
DIN: 02347304


Manas Bandyopadhyay
Chief Financial Officer


Swati Sheth
Company Secretary

Place: Kolkata
Date: April 10, 2023

Place: Bhubaneswar
Date: April 10, 2023

Tata Steel Special Economic Zone Limited
Statement of Profit and Loss for the year ended March 31, 2023

Amount in INR

	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
(a) Revenue from operations	27	22,48,11,616	35,64,07,610
(b) Other income	28	1,61,26,729	85,24,870
Total income		24,09,38,345	36,49,32,480
Expenses			
(a) Cost of Sales	29	6,52,02,303	1,24,07,692
(b) Employee benefits expense	30	1,76,63,164	1,16,28,699
(c) Finance Costs	31	1,31,700	1,94,967
(d) Depreciation and amortisation expense	32	14,61,04,000	14,51,56,185
(e) Other expenses	33	6,35,69,197	4,37,84,097
Total expenses		29,26,70,364	21,31,71,640
Profit/ (loss) before tax		(5,17,32,019)	15,17,60,840
Income tax expense		-	16,77,158
Profit/ (loss) after tax for the year		(5,17,32,019)	15,00,83,682
Other comprehensive income			
Item that will not be reclassified to profit or loss in subsequent periods:			
Remeasurement (gains) / loss on defined benefit plans		8,044	38,841
Other comprehensive income for the year		8,044	38,841
Total comprehensive profit/ (loss) for the year		(5,17,23,975)	15,01,22,523
Earning per equity share			
Basic earning per share (in Rs.)		(0.12)	0.37
Diluted earning per share (in Rs.)		(0.12)	0.37

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

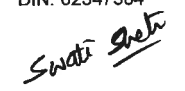

Dhiraj Kumar
Partner
Membership No.: 060466

For and on behalf of Board of Directors


Chanakya Chaudhary
Chairman
DIN: 02139568


Prasanta Mallick
Managing Director
DIN: 02347304


Manas Bandyopadhyay
Chief Financial Officer


Swati Sheth
Company Secretary

Place: Kolkata
Date: April 10, 2023

Place: Bhubaneswar
Date: April 10, 2023

Tata Steel Special Economic Zone Limited
Statement of changes in equity for the year ended March 31, 2023

Amount in INR

A) Equity share capital

Particulars	Number of shares	Amount
Balance as at April 01, 2021	39,94,60,501	3,99,46,05,010
Changes in equity share capital	89,63,888	8,96,38,880
Balance as at March 31, 2022	40,84,24,389	4,08,42,43,890
Changes in equity share capital	5,14,37,217	51,43,72,170
Balance as at March 31, 2023	45,98,61,606	4,59,86,16,060

B) Other equity

As at March 31, 2023	Share application money pending allotment	Retained earnings	Securities premium	Total
At beginning of the year	10	(21,37,00,696)	2,88,63,720	(18,48,36,966)
Loss for the year	-	(5,17,32,019)	-	(5,17,32,018)
Other comprehensive income	-	8,044	-	8,044
Issue of shares	-	-	16,56,27,839	-
At end of the period	10	(26,54,24,671)	19,44,91,559	(23,65,60,940)

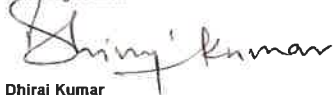
As at March 31, 2022	Share application money pending allotment	Retained earnings	Securities premium	Total
At beginning of the year	10	(36,38,23,219)	-	(36,38,23,209)
Profit for the year	-	15,00,83,682	-	15,00,83,682
Other comprehensive income	-	38,841	-	38,841
Issue of shares	-	-	2,88,63,720	2,88,63,720
At end of the period	10	(21,37,00,696)	2,88,63,720	(18,48,36,966)

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



Dhiraj Kumar

Partner

Membership No.: 060466

For and on behalf of Board of Directors



Chanakya Chaudhary

Chairman

DIN: 02139568



Prasanta Mallick

Managing Director

DIN: 02347304



Manas Bandyopadhyay

Chief Financial Officer



Swati Sheth

Company Secretary

Place: Kolkata

Date: April 10, 2023

Place: Bhubaneswar

Date: April 10, 2023

Tata Steel Special Economic Zone Limited
Statement of Cash Flows for the year ended March 31, 2023

Amount in INR

	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from operating activities:		
Profit/ (loss) before tax for the year	(5,17,32,019)	15,00,83,682
Adjustments for:		
Depreciation and amortisation expenses	14,61,04,000	14,51,56,185
Dividend/Gain from mutual fund	(91,96,573)	(52,09,840)
Finance cost	1,31,700	1,94,966
Interest income from financial assets	(43,98,098)	(30,51,891)
Interest on unwinding of security deposit	-	(1,11,929)
Interest on lease receivable	(5,01,77,568)	(27,10,73,025)
Loss/ (profit) on sale/ discard of property, plant and equipment	83,914	2,80,067
Operating profit/(loss) before working capital changes	3,08,15,356	1,62,68,215
Adjustments for:		
(Increase)/decrease in non-current/ current financial and other assets	5,53,08,095	25,89,60,384
Increase/ (decrease) in non-current/ current financial and other liabilities/ provisions	(6,59,92,114)	3,39,62,179
Cash generated from operations	2,01,31,337	30,91,90,778
Income taxes paid	17,75,116	(59,06,756)
Net cash inflow from operating activities	2,19,06,453	30,32,84,022
B. Cash flow from investing activities:		
Payment for acquisition of property, plant and equipment (including capital work in progress and intangible assets)	(22,54,62,685)	(11,07,49,501)
Proceeds from sale of property plant and equipment	7,357	-
Proceeds from maturity of Fixed Deposit	7,64,00,487	-
Interest on fixed deposits/ sweep account	45,93,901	28,56,088
Net gain on sale mutual fund	91,96,573	52,09,840
Net cash outflow from investing activities	(13,52,64,367)	(10,26,83,573)
C. Cash flow from financing activities:		
Proceeds from issue of Equity Share Capital	68,00,00,009	-
Repayment of long-term borrowings	(75,82,67,841)	-
Principal element of lease payments	(18,66,008)	(28,59,246)
Interest paid on lease liabilities	(1,76,367)	(5,79,736)
Net cash inflow (outflow) from financing activities	(8,03,10,207)	(34,38,982)
Net increase (decrease) in cash and cash equivalents (A+B+C)	(19,36,68,121)	19,71,61,467
Cash and cash equivalents at the beginning of the financial year (refer Note 11)	31,52,36,199	11,80,74,732
Cash and cash equivalents at the end of the financial year (refer Note 11)	12,15,68,078	31,52,36,199

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

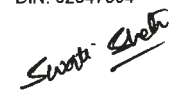
Dhiraj Kumar
Partner
Membership No.: 060466

For and on behalf of Board of Directors


Chanakya Chaudhary
Chairman
DIN: 02139568


Prasanta Mallick
Managing Director
DIN: 02347304


Manas Bandyopadhyay
Chief Financial Officer


Swati Sheth
Company Secretary

Place: Kolkata
Date: April 10, 2023

Place: Bhubaneswar
Date: April 10, 2023

Tata Steel Special Economic Zone Limited
Notes to Financial Statements as at March 31, 2023

Amount in INR

03 - Property, plant and equipment

	Buildings and other structures									
As at March 31, 2023	Roads	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Electrical installation & equipment	Laboratory equipment	Total		
Opening gross carrying amount	57,40,45,885	40,26,94,965	41,34,70,275	1,12,83,488	88,86,334	25,74,505	74,70,597	5,30,500	1,42,09,56,549	
Additions	45,63,14,882	72,741	66,22,435	-	13,59,110	-	3,90,71,553	-	50,34,40,521	
Disposals	-	-	-	-	(6,86,085)	-	-	-	(6,86,085)	
Closing gross carrying amount	1,03,03,60,567	40,27,67,706	42,00,92,710	1,12,83,488	95,59,359	25,74,505	4,65,42,150	5,30,500	1,92,37,10,985	
Opening accumulated depreciation	6,97,51,910	21,30,93,256	1,40,25,845	56,58,822	51,82,852	14,68,808	16,55,970	1,08,804	31,09,46,267	
Charge for the year	2,44,48,694	7,54,14,203	1,13,04,534	19,25,734	13,95,420	4,89,156	15,95,962	50,398	11,66,24,101	
Disposals	-	-	-	-	(5,94,814)	-	-	-	(5,94,814)	
Closing accumulated depreciation	9,42,00,604	28,85,07,459	2,53,30,379	75,84,556	59,83,458	19,57,964	32,51,932	1,59,202	42,69,75,554	
Net carrying amount - opening period	50,42,93,975	18,96,01,709	39,94,44,430	56,24,666	37,03,482	11,05,697	58,14,627	4,21,696	1,11,00,10,282	
Net carrying amount - closing period	93,61,59,963	11,42,60,247	39,47,62,331	36,98,932	35,75,901	6,16,541	4,32,90,218	3,71,298	1,49,67,35,431	

	Buildings and other structures									
As at March 31, 2022	Roads	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Electrical installation & equipment	Laboratory equipment	Total		
Opening gross carrying amount	57,40,45,885	40,26,94,965	41,34,70,275	1,15,80,368	90,75,294	25,74,505	74,70,597	5,30,500	1,42,14,42,389	
Additions	-	-	-	-	-	-	-	-	-	
Disposals	-	-	(2,96,880)	-	(1,88,960)	-	-	-	(4,85,840)	
Closing gross carrying amount	57,40,45,885	40,26,94,965	41,34,70,275	1,12,83,488	88,86,334	25,74,505	74,70,597	5,30,500	1,42,09,56,549	
Opening accumulated depreciation	4,90,35,538	13,58,50,574	27,74,343	37,87,157	37,06,164	9,79,652	9,46,261	58,406	19,71,38,095	
Charge for the year	2,07,16,372	7,72,42,682	1,12,51,502	19,57,234	15,96,892	4,89,156	7,09,709	50,398	11,40,13,945	
Disposals	-	-	-	(85,569)	(1,20,204)	-	-	-	(2,05,773)	
Closing accumulated depreciation	6,97,51,910	21,30,93,256	1,40,25,845	56,58,822	51,82,852	14,68,808	16,55,970	1,08,804	31,09,46,267	
Net carrying amount - opening period	52,50,10,347	26,68,44,391	41,06,95,332	77,93,211	53,69,130	15,94,853	65,24,336	4,72,094	1,22,43,04,294	
Net carrying amount - closing period	50,42,93,975	18,96,01,709	39,94,44,430	56,24,666	37,03,482	11,05,697	58,14,627	4,21,696	1,11,00,10,282	



Tata Steel Special Economic Zone Limited
Notes to Financial Statements as at March 31, 2023

04 - Intangible assets

Amount in INR

As at March 31, 2023	Website Development Costs	Software Costs	Company Logo	Total
Opening gross carrying amount	11,68,988	12,31,944	4,01,564	28,02,496
Additions	-	-	-	-
Closing gross carrying amount	11,68,988	12,31,944	4,01,564	28,02,496
Opening accumulated amortisation	7,62,245	6,99,995	4,01,564	18,63,804
Amortisation charge for the year	4,06,743	2,20,888	-	6,27,631
Closing accumulated amortisation	11,68,988	9,20,883	4,01,564	24,91,435
Net carrying amount - opening period	4,06,743	5,31,949	-	9,38,692
Net carrying amount - closing period	-	3,11,061	-	3,11,061

As at March 31, 2022	Website Development Costs	Software Costs	Company Logo	Total
Opening gross carrying amount	11,68,988	12,31,944	4,01,564	28,02,496
Additions	-	-	-	-
Closing gross carrying amount	11,68,988	12,31,944	4,01,564	28,02,496
Opening accumulated amortisation	1,77,750	4,79,107	3,68,927	10,25,784
Amortisation charge for the year	5,84,495	2,20,888	32,637	8,38,020
Closing accumulated amortisation	7,62,245	6,99,995	4,01,564	18,63,804
Net carrying amount - opening period	9,91,238	7,52,837	32,637	17,76,712
Net carrying amount - closing period	4,06,743	5,31,949	-	9,38,692



Tata Steel Special Economic Zone Limited
Notes to Financial Statements as at March 31, 2023

Amount in INR

05 - Right-of-use assets

	As at March 31, 2023	As at March 31, 2022
Carrying amounts of:		
Leasehold land	1,72,33,84,758	1,75,03,47,753
Office building	3,14,877	22,04,150
Total	1,72,36,99,635	1,75,25,51,903

As at March 31, 2023	Leasehold land	Office building	Total
Opening gross carrying amount	1,83,34,83,596	1,34,39,235	1,84,69,22,831
Additions	-	-	-
Disposals	-	1,04,47,888	1,04,47,888
Closing gross carrying amount	1,83,34,83,596	29,91,347	1,83,64,74,943
Opening accumulated depreciation	8,31,35,842	1,12,35,086	9,43,70,928
Charge for the year	2,69,62,996	18,89,272	2,88,52,268
Disposals	-	1,04,47,888	1,04,47,888
Closing accumulated depreciation	11,00,98,838	26,76,470	11,27,75,308
Net carrying amount - opening period	1,75,03,47,753	22,04,150	1,75,25,51,903
Net carrying amount - closing period	1,72,33,84,758	3,14,877	1,72,36,99,635

As at March 31, 2022	Leasehold land	Office building	Total
Opening gross carrying amount	1,85,87,95,930	1,04,47,888	1,86,92,43,818
Additions	-	29,91,347	29,91,347
Disposals	(2,53,12,334)	-	(2,53,12,334)
Closing gross carrying amount	1,83,34,83,596	1,34,39,235	1,84,69,22,831
Opening accumulated depreciation	5,69,48,406	80,77,855	6,50,26,261
Charge for the year	2,71,46,989	31,57,231	3,03,04,220
Disposals	(9,59,553)	-	(9,59,553)
Closing accumulated depreciation	8,31,35,842	1,12,35,086	9,43,70,928
Net carrying amount - opening period	1,80,18,47,524	23,70,033	1,80,42,17,557
Net carrying amount - closing period	1,75,03,47,753	22,04,150	1,75,25,51,903

(i) Refer to note 34 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, 2023 (226 acres as on March 31, 2022)

(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, 2023	As at March 31, 2022
06- Capital work-in-Progress		
Capital work-in-progress	87,43,74,628	1,08,41,99,352
	87,43,74,628	1,08,41,99,352

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

Capital-work-in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital works-in-progress at Gopalpur site	21,79,36,510	8,25,62,810	9,90,84,644	47,47,90,664	87,43,74,628
Projects temporarily suspended	-	-	-	-	-
Total	21,79,36,510	8,25,62,810	9,90,84,644	47,47,90,664	87,43,74,628

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	15,52,03,172	10,93,32,464	16,30,12,237	65,66,51,479	1,08,41,99,352
Projects temporarily suspended	-	-	-	-	-
Total	15,52,03,172	10,93,32,464	16,30,12,237	65,66,51,479	1,08,41,99,352

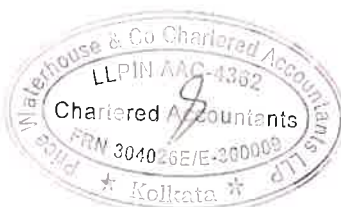
	As at March 31, 2023	As at March 31, 2022
07 - Lease receivable - Non Current		
Lease receivable	41,67,18,851	41,59,74,269
	41,67,18,851	41,59,74,269

	As at March 31, 2023	As at March 31, 2022
08- Security deposits - Non Current		
Unsecured, considered good unless otherwise stated		
Security deposits	5,68,780	5,78,780
	5,68,780	5,78,780

	As at March 31, 2023	As at March 31, 2022
09 - Other non-current assets		
Unsecured, considered good unless otherwise stated		
Balance with government authorities	-	-
Capital advances	73,51,890	17,31,662
	73,51,890	17,31,662

	As at March 31, 2023	As at March 31, 2022
10- Tax asset (Net)		
Advance tax	64,05,093	81,80,210
	64,05,093	81,80,210

	As at March 31, 2023	As at March 31, 2022
11- Cash and cash equivalents		
Balance with bank -		
In current account	9,22,078	29,90,68,541
Deposits with original maturity of less than three months	12,06,46,000	1,61,67,658
	12,15,68,078	31,52,36,199



Tata Steel Special Economic Zone Limited
Notes to Financial Statements as at March 31, 2023

	As at March 31, 2023	Amount in INR As at March 31, 2022
12- Lease receivable - Current		
Lease receivable	5,03,47,881	4,88,81,437
	5,03,47,881	4,88,81,437
	As at March 31, 2023	As at March 31, 2022
13- Other financial assets - Current		
Accrued interest on sweep account	-	1,95,803
Others	-	7,64,00,486
	-	7,65,96,289
	As at March 31, 2023	As at March 31, 2022
14- Other current assets		
Other loans and Advances	13,91,726	6,74,867
Balance with government authorities	2,18,70,211	2,99,18,624
	2,32,61,937	3,05,93,491
15- Equity share capital		
	Number of shares	Amount
Authorised equity share capital:		
As at April 01, 2021	55,00,00,000	5,50,00,00,000
Increase during the year	-	-
As at March 31, 2022	55,00,00,000	5,50,00,00,000
Increase during the year	-	-
As at March 31, 2023	55,00,00,000	5,50,00,00,000
Authorised preference share capital:		
As at April 01, 2021	20,00,00,000	2,00,00,00,000
Increase during the year	-	-
As at March 31, 2022	20,00,00,000	2,00,00,00,000
Increase during the year	-	-
As at March 31, 2023	20,00,00,000	2,00,00,00,000
(i) Movements in equity share capital:		
As at April 01, 2021	39,94,60,501	3,99,46,05,010
Share issued to Tata Steel Limited (ultimate holding company)	89,63,888	8,96,38,880
As at March 31, 2022	40,84,24,389	4,08,42,43,890
Share issued to Tata Steel Utilities and Infrastructure Services Ltd.	5,14,37,217	51,43,72,170
As at March 31, 2023	45,98,61,606	4,59,86,16,060

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, 2022: 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.

	As at March 31, 2023	As at March 31, 2022
(ii) Shares of the company held by holding company		
Tata Steel Utilities and Infrastructure Services Ltd (note 1)	45,98,61,606	40,84,24,389
	45,98,61,606	40,84,24,389

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, 2023		As at March 31, 2022	
	Number of shares	% holding	Number of shares	% holding
Tata Steel Utilities and Infrastructure Services Ltd	45,98,61,606	100%	40,84,24,389	100%



(iv) Details of shareholding of promoters:

Name of the promoter	As at March 31, 2023		
	Number of shares	% of total number of shares	% of change during the year
Tata Steel Utilities and Infrastructure Services Ltd	45,98,61,546	100%	0%
Tata Steel Limited	-	0%	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	45,98,61,606	0%	0%

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 Ltd	40,84,24,329	100%	100%
Tata Steel Limited	-	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	40,84,24,389	0%	0%

*The above mentioned persons are nominee shareholders on behalf of Tata Steel Utilities and Infrastructure Services Ltd.

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

Particulars	As at March 31, 2023	As at March 31, 2022
	Number of shares	Number of shares
Shares issued to ultimate holding company as consideration for liability existing in the books	-	89,63,888

	As at March 31, 2023	As at March 31, 2022
16 - Other equity		
(i) Retained earnings		
Opening balance	(21,37,00,696)	(36,38,23,219)
Add: Net Profit / (loss) for the year	(5,17,32,019)	15,00,83,682
Add: Items of other comprehensive income recognised directly in retained earnings		
- Other comprehensive income for the year	8,044	38,841
Closing balance	(26,54,24,671)	(21,37,00,696)
(ii) Securities premium		
Opening balance	2,88,63,720	-
Received from Tata Steel Limited, ultimate holding company	16,56,27,839	2,88,63,720
Closing balance	19,44,91,559	2,88,63,720
(iii) Share application money pending allotment		
Opening balance	10	10
Received from Tata Steel Limited, ultimate holding company	-	11,85,02,600
Received from Tata Steel Utilities and Infrastructure Services Ltd	68,00,00,009	-
68,00,00,019	68,00,00,019	11,85,02,610
Less: Share allotted	51,43,72,170	8,96,38,880
Less: Securities premium	16,56,27,839	2,88,63,720
Closing balance	10	10
	(7,09,33,102)	(18,48,36,966)
	As at March 31, 2023	As at March 31, 2022
17 - Lease liabilities - Non Current		
Lease liabilities	-	3,81,065
	-	3,81,065



Tata Steel Special Economic Zone Limited
Notes to Financial Statements as at March 31, 2023

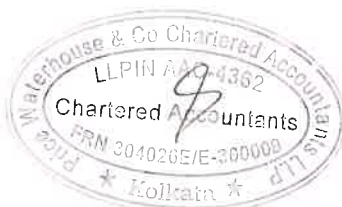
Amount in INR

	As at March 31, 2023	As at March 31, 2022
18 - Other financial liabilities - Non Current		
Security deposits	2,69,30,269	2,59,85,374
	2,69,30,269	2,59,85,374
	As at March 31, 2023	As at March 31, 2022
19 - Other non-current Liabilities		
Prepaid rent - land sublease	4,00,63,107	4,09,27,699
	4,00,63,107	4,09,27,699
	As at March 31, 2023	As at March 31, 2022
20 - Provisions - Non Current		
Gratuity (Refer Note 37)	5,25,574	5,11,624
	5,25,574	5,11,624
	As at March 31, 2023	As at March 31, 2022
21 - Borrowings		
Loan from ultimate holding Company	-	59,00,00,000
	-	59,00,00,000

Borrowings:

Particulars	Terms of repayment	Coupon/ Interest rate	As at March 31, 2023	As at March 31, 2022
Unsecured				
Inter corporate deposit from Tata Steel Limited (including accrued interest)	One year	10.58% (March 31, 2022 9.5%)	-	70,03,34,706
Less: Interest accrued (Net of TDS)			-	11,03,34,706
Principal amount of borrowing			-	59,00,00,000

	As at March 31, 2023	As at March 31, 2022
22 - Lease liabilities - Current		
Lease liability	3,36,397	18,66,008
	3,36,397	18,66,008
	As at March 31, 2023	As at March 31, 2022
23 - Trade payables		
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues other than micro and small enterprises	69,03,876	1,16,61,337
	69,03,876	1,16,61,337



Trade payables ageing as at March 31, 2023

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	30,61,020	36,07,526	2,35,330				69,03,876
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	30,61,020	36,07,526	2,35,330	-	-	-	69,03,876

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 enterprises	-	-	-	-	-	-	-
Others	28,72,875	54,45,264	30,20,511	79,163	2,43,524	-	1,16,61,337
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	28,72,875	54,45,264	30,20,511	79,163	2,43,524	-	1,16,61,337

	As at March 31, 2023	As at March 31, 2022
24 - Other financial liabilities - Current		
Employee related liabilities	26,88,687	27,35,863
Security deposit	2,11,500	2,11,500
Payable for purchase of property, plant and equipment	10,62,94,607	9,68,91,416
Interest accrued on borrowings	-	11,03,34,706
	10,91,94,794	21,01,73,485

	As at March 31, 2023	As at March 31, 2022
25 - Provisions - Current		
Gratuity (Refer Note 37)	3,787	3,754
Leave benefits	8,87,599	6,25,224
	6,91,386	6,28,978

	As at March 31, 2023	As at March 31, 2022
26 - Other current liabilities		
Statutory dues	20,70,217	56,35,666
Advance from customer	60,80,087	5,74,29,806
Prepaid rent - land sublease	8,64,600	8,64,600
	90,14,904	6,39,30,072



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Tata Steel Special Economic Zone Limited

Notes to Financial Statements for the year ended March 31, 2023

Amount in INR

	For the year ended March 31, 2023	For the year ended March 31, 2022
27 - Revenue from operations		
Income from lease rent and other services	17,46,34,048	8,53,34,585
Other operating income	5,01,77,568	27,10,73,025
	22,48,11,616	35,64,07,610
	For the year ended March 31, 2023	For the year ended March 31, 2022
28 - Other income		
Gain on sale of Mutual fund	91,96,573	52,09,840
Interest income from financial assets at amortised cost	43,98,098	30,51,891
Interest on income tax refund	4,50,443	41,892
Unwinding of discount on security deposits	-	1,11,929
Other miscellaneous income	20,81,615	1,09,318
	1,61,26,729	85,24,870
	For the year ended March 31, 2023	For the year ended March 31, 2022
29- Cost of Sales		
Cost of Sales	6,52,02,303	1,24,07,692
	6,52,02,303	1,24,07,692
	For the year ended March 31, 2023	For the year ended March 31, 2022
30- Employee benefits expense		
Salary, wages and bonus	1,60,87,668	1,00,91,513
Contribution to provident fund	8,26,322	7,22,049
Gratuity	2,18,469	2,16,451
Staff welfare expenses	5,30,705	5,98,686
	1,76,63,164	1,16,28,699
	For the year ended March 31, 2023	For the year ended March 31, 2022
31- Finance costs		
Interest on financial liabilities not at fair value through profit or loss	6,43,70,150	5,60,50,000
Interest on lease liabilities	1,31,700	1,94,967
Less: Amount capitalised (see note below)	(6,43,70,150)	(5,60,50,000)
	1,31,700	1,94,967
	For the year ended March 31, 2023	For the year ended March 31, 2022
32- Depreciation and amortisation expense		
Depreciation of property plant and equipment	11,66,24,101	11,40,13,945
Amortisation of intangible assets	6,27,631	8,38,020
Depreciation of right-of-use assets	2,88,52,268	3,03,04,220
	14,61,04,000	14,51,56,185

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 10.58% (March 31, 2022: 9.50%).



Tata Steel Special Economic Zone Limited

Notes to Financial Statements for the year ended March 31, 2023

Amount in INR

	For the year ended March 31, 2023	For the year ended March 31, 2022
33- Other expenses		
Legal & professional fees	17,61,409	15,29,829
Telecommunication expenses	68,187	9,992
Auditors remuneration		
- As Audit Fees	91,000	91,000
- Out of Pocket Exp.	1,08,920	-
Outsourcing expenses	3,21,33,896	2,27,85,977
Travelling and conveyances	19,52,184	3,16,780
Directors' sitting fee	-	40,000
Marketing expenses	21,50,326	3,96,719
Rates & taxes	1,33,74,881	1,37,32,313
Loss on sale/ discard of property plant and equipment (Net)	83,914	2,80,067
Miscellaneous expenses	1,18,44,480	46,01,420
	6,35,69,197	4,37,84,097



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 Utility Services Company 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.

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

(iv) New and amended standards adopted by the Company

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(v) New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the group's accounting policy already complies with the now mandatory treatment.

2.2 Critical Estimates and Judgements

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

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



The areas involving critical estimates or judgements are:

(a) Impairment

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

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

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

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

The 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 (years)
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: -

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

- The amount of the initial measurement of lease liability.
- Any lease payment made at or before the commencement date less any lease incentive received.
- Any initial direct cost and
- 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

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 in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

2.15 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

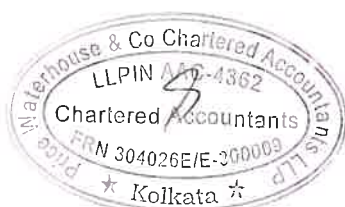
Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the group commits to purchase or sale the financial asset

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:

- The profit attributable to owners of the Company
- 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.



Amount in INR

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

Amount recognised in Balance Sheet	As at March 31, 2023	As at March 31, 2022
Right of Use assets		
Leasehold Land	1,72,33,84,758	1,75,03,47,753
Office Building	3,14,877	22,04,156
Total	1,72,36,99,635	1,75,25,51,903

Lease liabilities	As at March 31, 2023	As at March 31, 2022
Current	3,36,397	18,66,008
Non-current	-	3,81,065
Total	3,36,397	22,47,073

Amounts recognised in the statement of profit and loss	As at March 31, 2023	As at March 31, 2022
Interest on lease liabilities	1,31,700	1,94,967
Depreciation charge for the Year	2,88,52,268	3,03,04,220
Total	2,89,83,968	3,04,99,187

Total cash outflow for leases for the year	20,42,376	34,38,982
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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, 2023	As at March 31, 2022
Less than one year	3,40,396	20,42,376
One to two years	-	3,40,396.00
Total undiscounted lease payments	3,40,396	23,82,772

35. Contingent Liability and Commitments:

(a) There is no contingent liability as at March 31, 2023 and March 31, 2022 which are required to be disclosed in the financial statements.

(b) Commitments:

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on Capital account and not provided for	18,69,45,171	19,26,09,139

36. There are no amounts payable of micro and small enterprises as at March 31, 2023 and March 31, 2022. 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, 2023 and March 31, 2022. 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.

37. 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. 826,322 (March 31, 2022 - Rs. 721,319)

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 4 years and 6 months are eligible to get gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days multiplied with number of years of completed services. The gratuity plan is unfunded plan.

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

Gratuity Benefit:

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

Changes in Present Value of Obligation	As at March 31, 2023	As at March 31, 2022
Present value of obligation - Opening	5,15,378	3,37,768
Current Service Cost	1,88,142	1,91,625
Interest Cost	30,327	24,878
Actuarial gain/loss on obligations due to Change in Financial Assumption	7,283	(34,823)
Actuarial gain/loss on obligations due to Unexpected Experience	(15,327)	(4,018)
Benefits paid	(1,98,442)	-
Present value of obligation - Closing	5,29,361	5,15,378

Table showing Reconciliation to Balance Sheet:

Reconciliation to Balance Sheet	As at March 31, 2023	As at March 31, 2022
Fund Liability	5,29,361	5,15,378



Table Showing Plan Assumptions:

Plan assumptions	As at March 31, 2023	As at March 31, 2022
Discount Rate	7.27%	7.35%
Rate of Compensation Increase (Salary Inflation)	6.00%	6.00%
Average expected future service (Remaining working Life)	23	22
Average Duration of Liabilities	23	22
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	As at March 31, 2023	As at March 31, 2022
Current Service Cost	1,88,142	1,91,625
Interest Cost	30,327	24,826
Benefit Cost(Expense Recognized in Statement of Profit and loss)	2,18,469	2,16,451

Table showing amount recognised in Other Comprehensive Income:

Other Comprehensive Income	As at March 31, 2023	As at March 31, 2022
Actuarial gain/loss on obligations due to Change in Financial Assumption	7,283	34,823
Actuarial gain/loss on obligations due to Unexpected Experience	(15,327)	4,018
Income for the year recognised in Other Comprehensive Income	(8,044)	38,841

Table showing Sensitivity Analysis:

Sensitivity Analysis	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount Rate (+/- 1%)	4,85,900	5,77,972	4,74,622	5,60,541
%Change Compared to base due to sensitivity	-8.21%	9.18%	-7.91%	8.76%
Salary Growth (+/- 1%)	5,78,126	4,85,408	5,60,705	4,74,137
%Change Compared to base due to sensitivity	9.21%	-8.30%	8.80%	-8.00%

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. 687,599/- (March 31, 2022: Rs.625,224/-).

38. Computation of Earnings Per Share (EPS):

Particulars	Current Year	Previous Year
Profit/ (Loss) for the year	(5,17,32,019)	15,00,83,662
Number of equity shares at the beginning of the year	40,84,24,389	39,94,60,501
Number of equity shares at the end of the year	45,98,61,606	40,84,24,389
Weighted average number of shares considered for computation of Basic and Diluted EPS (Numbers)	41,46,99,647	40,41,51,193
Face Value of Each Equity Share (in Rs.)	10	10
Basic and Diluted earning per share (in Rs.)	(0.12)	0.37

39. 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
Mones Bandopadhyay (Chief Financial officer from September 06, 2021)	Key Managerial Person
Swati Sheth (Company Secretary from April 16, 2021)	Key Managerial Person



ii. Details of Related Party Transactions and balance outstanding

Transactions	Tata Steel Limited (Ultimate Holding Company)	
	As at March 31, 2023	As at March 31, 2022
Equity Share Capital issued	-	11,85,02,600.00
Receivable Balance adjusted with Equity share capital issued (Non-Cash Transfer)	-	11,85,02,600.00
Inter-corporate deposit received/ renewed/ paid	-75,82,67,841	59,00,00,000
Income from lease rent	5,53,47,749	5,35,13,241
Outsourcing Expenses (Including GST)	3,22,51,922	3,39,17,449
Legal and Professional Fees (Including GST)	2,88,616	2,41,551
Interest expenses on borrowings	6,43,70,150	5,60,50,000
Balances outstanding as at the year end	Tata Steel Limited (Ultimate Holding Company)	
	As at March 31, 2023	As at March 31, 2022
Share Application Money pending Allotment	10	10
Trade Payables- Current	27,62,664	79,75,730
Borrowings- Current	-	59,00,00,000
Interest accrued on borrowings	-	11,03,34,706

Transactions	Tata Steel Utilities and Infrastructure Services Ltd (Holding Company)	
	As at March 31, 2023	As at March 31, 2022
Equity Share Capital issued	68,00,00,009	-

Transactions	Independent Director	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Sitting Fees	-	40,000

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 entitled to a nominal remuneration of Rs. 1/- per annum.

40. 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, 2022	Charge/Credit	As at March 31, 2023
Deferred Tax Liability on property, plant and equipment	1,69,72,311	98,60,644	2,68,32,955
Deferred Tax Asset on carried forward of tax losses	1,69,72,311	98,60,644	2,68,32,955
Net	-	-	-

Particulars	As at March 31, 2021	Charge/Credit	As at March 31, 2022
Deferred Tax Liability on property, plant and equipment	70,91,278	98,81,033	1,69,72,311
Deferred Tax Assets on carried forward of tax losses	70,91,278	98,81,033	1,69,72,311
Net	-	-	-

41. Fair value measurement

Financial instrument by category

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets	Amortised cost	Amortised cost
Security Deposits	5,08,780	5,70,700
Trade receivables	-	-
Cash and cash equivalents	12,16,60,078	31,52,36,198
Other financial assets	-	7,65,96,289
Lease receivable (Current and Non Current)	46,70,66,732	46,48,55,706
Total Financial assets	58,92,03,590	85,72,66,974
Financial liabilities		
Lease liabilities	3,36,397	22,47,073
Other financial liabilities	13,61,25,063	23,61,58,859
Borrowings	-	59,00,00,000
Trade payables	69,03,876	1,16,61,337
Total Financial liabilities	14,33,65,336	84,00,67,269

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



42. 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, 2023					
a) Lease Liabilities	3,36,397	3,36,397	3,36,397	-	-
b) Trade payables	69,03,876	69,03,876	69,03,876	-	-
c) Other financial liabilities	13,61,25,063	13,61,25,063	10,91,94,794	-	2,69,30,269
d) Borrowings (Current)	-	-	-	-	-
As at March 31, 2022					
a) Lease Liabilities	22,47,073	23,82,772	20,42,376	3,40,396.00	-
b) Trade payables	1,16,61,337	1,16,61,337	1,16,61,337	-	-
c) Other financial liabilities	23,61,58,859	28,87,26,382	21,01,73,485	11,94,706	7,73,58,191
d) Borrowings (Current)	59,00,00,000	59,00,00,000	59,00,00,000	-	-

(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.

43. 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, 2023	As at March 31, 2022
Equity share capital	4,59,86,16,060	4,08,42,13,890
Other equity	-7,09,33,102	-18,48,36,966
Total equity (A)	4,52,76,82,958	3,89,94,06,924
Current borrowings including accrued interest	0	70,03,34,706
Lease obligations	3,36,397	22,47,073
Gross debt (B)	3,36,397	70,25,81,779
Total capital (A+B)	4,52,80,19,355	4,60,19,88,703
Gross debt as above	3,36,397	70,25,81,779
Less: Cash and cash equivalents	12,15,68,078	31,52,36,199
Less: Other balances with banks	0	7,65,96,289
Net debt (C)	-12,12,31,681	31,07,49,291
Net debt to equity ratio*	-0.03	0.08



44. 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	As at March 31, 2023	As at March 31, 2022
Upto one year	5,03,47,880	4,88,81,437
One to two years	5,18,58,317	5,03,47,880
Two to three years	5,34,14,066	5,18,58,317
Three to four years	5,50,16,488	5,34,14,066
Four to five years	5,66,66,883	5,50,16,488
More than five years	87,62,90,250	93,29,57,233
Total undiscounted lease payments receivable	1,14,35,93,884	1,19,24,75,421
Unearned finance income	(67,65,27,152)	(72,76,19,717)
Net investment in lease	46,70,66,732	46,48,55,704

b) Finance income on the net investment in the lease recognized during the year is Rs. 5,01,77,568/- (March 2022, Rs. 499,61,807)

c) Maturity analysis of lease payments under Operating Lease

Undiscounted lease payments to be received on an annual basis	As at March 31, 2023	As at March 31, 2022
Upto one year	89,24,939	86,90,171
One to two years	91,66,749	89,24,939
Two to three years	94,15,813	91,66,749
Three to four years	96,72,350	94,15,813
Four to Five years	99,36,574	96,72,350
More than Five years	19,04,45,338	20,03,81,912
Total undiscounted lease payments receivable	23,76,61,763	24,62,51,934

45. 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, 2023	March 31, 2022
Current borrowings including accrued interest	-	70,03,34,706
Lease liabilities	3,36,397	22,47,073
Net debt	3,36,397	70,25,81,779

Particulars	Liabilities from financing activities	
	Current borrowings	Lease liabilities
Net debt as at 1 April 2022	70,03,34,706	22,47,073
Add/ less:		
Proceeds from borrowings during the year	-	-
Borrowings reclassified during the year	-	-
Payment of lease liability	-	(20,42,376)
Interest on lease liability	-	1,31,700
Borrowing cost capitalised	6,43,70,150	-
TDS deposited on behalf of lender	(64,37,015)	-
Repayment of borrowings during the year	(75,82,67,841)	-
Net debt as at 31 March 2023	-	3,36,397

46. Income tax expense

(a) Income tax expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Current tax	-	16,77,158
Current tax on profits for the year	-	16,77,158
(ii) Deferred tax		
Decrease/ (increase) in deferred tax assets	(98,60,644)	(98,81,033)
(Decrease)/ increase in deferred tax liabilities	98,60,644	98,81,033
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, 2023	For the year ended March 31, 2022
Profit before tax	-5,17,32,019	15,17,60,841
Tax at the Indian tax rate of 26% (2021-22: 26%)	-1,34,50,325	3,94,57,819
(i) Exempted income net of expenses disallowed to earn such exempted income	-	-
(ii) Tax impact on unrecognised carry forward of tax losses	1,34,50,325	3,07,22,444
(iii) Tax effect of amounts which are not deductible in calculating taxable income	-	70,58,217
(iv) Others	-	-
Total income tax expense	-	16,77,158

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

Particulars	As at March 31, 2023	As at March 31, 2022
Carry-forward of tax losses balance (unrecognised)	1,60,40,115	1,52,37,039
Expiry	-	-
AY 2028-29	1,60,40,115	1,52,37,039



47. Ratio

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Current Ratio	Current Assets	Current Liabilities	1.55	0.54	188%	Cash and Bank balance increased due to: 1) lower capital expenditure during the financial year
Debt-Equity Ratio	Total Debt	Shareholder's Equity	-	0.15	-100%	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)	1.47	5.25	-72%	Decrease in turnover due to delay in execution of sub-lease plan
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	(0.01)	0.04	131%	Decrease in turnover due to delay in execution of sub-lease plan
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	-100%	There was no opening and closing debtor on reporting date
Trade Payable turnover ratio	Total Purchases	Average Trade Payables (Opening + Closing balance / 2)	41.53	12.26	239%	Higher Capex then previous year.
Net capital turnover ratio	Net Sales (Total Sales - Sales Returns)	Working Capital (Current Assets - Current Liabilities)	3.26	(0.88)	-472%	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)	(0.23)	0.42	-155%	Decrease in turnover due to delay in execution of sub-lease plan
Return on Capital employed	Earning before interest and taxes	Capital Employed (Net Worth + Intangible Assets)	(0.01)	0.04	-129%	Decrease in turnover due to delay in execution of sub-lease plan
Return on investment	Gain on Investment	Total Investment	-	0.02	NA	Investment in Fixed Deposit during FY'23 featuring in the ratio.

*Since the company do not have inventory

48. Corporate Social Responsibility (CSR)

Based on the provisions of Section 135 of the Companies Act, 2013 ('the Act') read with Schedule VII to the Act and the Companies (Corporate Social Responsibility) Rules, 2014, as amended, Corporate Social Responsibility is applicable to the Company.

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

Balance excess spent as at 1 April, 2022	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at 31 March 2023
-	-	-	-

*The provisions of section 135(5) were not applicable on the company till FY 2021-22.

49. 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.

50. 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 been recorded in the books of accounts.

(h) Details of crypto currency or virtual currency

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

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

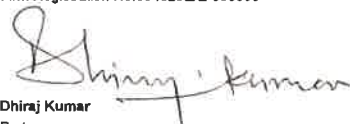
The Company has not revalued its Property, Plant and Equipment (including Right-of-use Assets) or Intangible Assets or both during the current or previous year.

51. 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.

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

53. The financial statements were approved for issue by the Board of Directors on Apr 10, 2023

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


Dhiraj Kumar
Partner
Membership No.: 060466

For and on behalf of Board of Directors


Chanakya Chaudhary
Chairman
DIN: 02139568


Prasanta Mallick
Managing Director
DIN: 02347304


Manas Bandyopadhyay
Chief Financial Officer


Swati Sheth
Company Secretary

Place: Kolkata
Date : April 10, 2023

Place: Bhubaneswar
Date: April 10, 2023

GOPALPUR
INDUSTRIAL PARK

TATA STEEL SPECIAL ECONOMIC ZONE LIMITED

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Bhubaneswar, Khordha, Odisha – 751023

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