41st ANNUAL REPORT F.Y. 2022-23

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भारत 2023 INDIA
वसुधैव कुटुम्बकम्
ONE EARTH • ONE FAMILY • ONE FUTURE

Azadi Ka Amrit Mahotsav

RINL-VIZAG STEEL

aiding atmanirbhar bharat

41st ANNUAL REPORT F.Y. 2022-23

RASHTRIYA ISPAT NIGAM LIMITED

(A Govt. of India Enterprise)

CIN: U27109 AP1982 GOI 003404

Visakhapatnam Steel Plant

Visakhapatnam-530 031, Andhra Pradesh

ISO 9001:2015, ISO 14001:2015, ISO 27001:2013, ISO 50001:2011 & OHSMS 45001:2018 Certified Company

@RINL VIZAG STEEL @RINL_VSP r.i.n.l www.vizagsteel.com

Shri Jyotiraditya M. Scindia
Hon'ble Minister of Steel & Civil Aviation,
Govt. of India

Shri Faggan Singh Kulaste
Hon'ble Union Minster of State,
Ministry of Steel & Rural Development
Govt. of India

Shri Nagendra Nath Sinha, IAS
Secretary to Govt. of India
Ministry of Steel

RAJBHASHA KEERTHI PURASKAR 2022-23

Shri Atul Bhatt, CMD, RINL receiving Rajbhasha Keerthi Puraskar - First Prize (2022-23) under Official Language Implementation Category at Rajbhasha Sammelan held at Pune, Maharashtra.

BOARD OF DIRECTORS

Shri Atul Bhatt
Chairman - cum - Managing Director

Ms. Sukriti Likhi, IAS
AS & FA, MoS & Govt. Director

Ms. Ruchika Chaudhry Govil, IRS
Addl. Secretary, MoS & Govt. Director

Shri Deb Kalyan Mohanty
Director (Commercial)

Shri Arun Kanti Bagchi
Director (Projects)

Shri Suresh Chandra Pandey
Director (Personnel)

Shri Sunil Kumar Hirani
Independent Director

Shri Ghanshyam Singh
Independent Director

CS M Jagadeeshwara Rao
Company Secretary

BOARD OF DIRECTORS

CHAIRMAN-CUM-MANAGING DIRECTOR (CMD)

Shri Atul Bhatt
(DIN: 07639362)

FUNCTIONAL DIRECTORS

Shri Deb Kalyan Mohanty
(DIN: 08520947)
Director(Commercial)

Shri Arun Kanti Bagchi
(DIN:09835584)
Director (Projects) w.e.f. 26.12.2022
& Addl. Charge Dir (Opr) w.e.f. 29.12.2022

Shri Suresh Chandra Pandey
(DIN: 10149587)
Director (Personnel) w.e.f. 11.05.2023
& Addl. Charge Dir (Fin) w.e.f. 01.08.2023

Shri V V Venugopal Rao
(DIN: 02950920)
Director (Finance)
(upto 30.04.2023)

Shri Ajit Kumar Saxena
(DIN: 08588419)
Director (Operations)
(upto: 28.12.2022)

Shri Kanak Kumar Ghosh
(DIN: 08554242)
Director (Projects)
(upto: 30.09.2022)

GOVERNMENT NOMINEE DIRECTORS

Ms. Sukriti Likhi, IAS
Additional Secretary & Financial Advisor,
Ministry of Steel, Govt. of India
(DIN: 01825997)

Ms. Ruchika Chaudhry Govil, IRS
Additional Secretary, Ministry of Steel,
Govt. of India
(DIN: 07601895)

INDEPENDENT DIRECTORS

Shri Sunil Kumar Hirani
(DIN: 09342744)

Shri Ghanshyam Singh
(DIN: 09393441)

Dr. Sita Sinha
(DIN: 08678880)
(upto 16.01.2023)

KEY MANAGERIAL PERSONNEL (KMP)

CHIEF FINANCIAL OFFICER (CFO)

CA V Santa Kumar
w.e.f. 29.08.2022 to 08.01.2023
Shri V V Venugopal Rao (upto 05.07.2022) and
w.e.f. 09.01.2023 to 30.04.2023
CA V Santa Kumar w.e.f. 09.05.2023

COMPANY SECRETARY

CS M Jagadeeshwara Rao
(FCS - 8581)

CORPORATE INFORMATION

REGISTERED OFFICE

Administrative Building,
Rashtriya Ispat Nigam Limited (RINL),
Visakhapatnam Steel Plant (VSP),
Visakhapatnam - 530 031, Andhra Pradesh.
Tel: (0891) 2759482/2518249; Fax: (0891) 2518249
E mail:jagadeeshm@vizagsteel.com Website:www.vizagsteel.com
CIN: U27109 AP1982 GOI 003404

AUDITORS

STATUTORY AUDITORS	COST AUDITORS	SECRETARIAL AUDITORS
M/s. Grandhy & Co Chartered Accountants, Visakhapatnam	**M/s. Niran & Co** Cost Accountants, Bhubaneswar	**M/s. Mehta & Mehta** Company Secretaries, Mumbai

BANKERS

State Bank of India
Canara Bank
Union Bank of India
Indian bank
IDBI Bank
Punjab National Bank
Bank of Baroda
HDFC Bank

REGISTRAR AND SHARE TRANSFER AGENT

KFIN TECHNOLOGIES LIMITED
Selenium Towers - B, Plot No. 31 & 32,
Financial District, Nanakramguda,
Serilingampally, Hyderabad -500 032,
State of Telangana, India.
Telephone: +91 40 67161605/03/ 02,
Toll free number - 1- 800-309-4001
Email: einward.ris@kfintech.com; karisma@kfintech.com
Website: www.kfintech.com
SEBI Registration Number: INR000000221

SUBSIDIARIES

Eastern Investments Limited (EIL)
The Orissa Minerals Development Company Limited (OMDC)
The Bisra Stone Lime Company Limited (BSLC)

JOINT VENTURE COMPANIES

International Coal Ventures Private Limited
RINL Powergrid TLT Private Limited

Contents

CHAIRMAN'S ADDRESS

Dear Stakeholders,

On behalf of RINL Collective and the Board of Directors, it gives me immense pleasure in welcoming you all to the 41st Annual General Meeting of your Company for the financial year 2022-23. I take this opportunity to thank you all for making it convenient to attend the meeting and express my gratitude for your continuous support and patronage. It is indeed an honour and a privilege to share my thoughts and apprise you about the achievements of your Company during the FY 2022-23. The Directors' Report, the Audited Financial Statements for the year 2022-23 and the notice to the shareholders have already been circulated and with your permission, I take them as read.

External Environment

As per World Steel Association (WSA) Reports, high inflation and increasing interest rates, the Russia Ukraine War and the lockdowns in China, led to worse than expected contraction in steel demand in 2022. Manufacturing is expected to lead the recovery in 2023 but steel demand will be impacted by inflation and high-interest rates.

In India, the steel demand is expected to grow by 7.5% in FY 2023-24 with higher CAPEX by both public and private sectors.

Company's performance

Production

As far as the performance of the Company in FY 2022-23 is concerned, it continued to be impacted by global energy crisis, muted export markets and liquidity constraints. The Company had to continue with two Blast Furnaces operation. During the period Apr-Oct'22, even the production from the two Blast Furnaces had to be restricted based on the availability of imported coking coals & PCI coal for injection in Blast Furnaces.

However, with reduction in imported coking coal prices and easing of liquidity position, Hot metal production from the two operating Blast furnaces was ramped up from the middle of Nov'22. Best production levels for any two Blast furnace operation since inception were achieved during the period Dec'22-Mar'23. The capacity utilization achieved during the period works out to 106% considering the two operating Blast furnaces and 71% considering three installed Blast furnaces. High End Value Added Steel production of 1.04 Mt for the year 2022-23 is the Best Performance since inception (17% growth over CPLY).

With improvement in production levels and with improvement in market conditions, the Company had returned to cash profits in the last quarter. However, for the year as a whole, the performance remained sub-optimal.

Marketing performance

During the year, the focus of the Company was to maximise the sales of Finished Steel and High End Value Added Steel. The sale of High End Value Steel increased to 27% of total domestic sales from 23% in the previous year. The Company established itself firmly as a major player in Boron WRC segment by achieving a sales volume of 0.60 lakh tonnes, with a growth of 82% over previous year. The market share increased to about 15% from about 8% in the previous year. Original Equipment Manufacturers (OEMs) approvals were received from 8 reputed customers for various grades of supplies. During the year, 11 new grades were developed and successfully launched in the market.

The Company continued to be one of the most important contributors in building infrastructure for the country. During the year, it was one of the main suppliers for major projects of national importance, which include Metro Rail projects across the country, Pradhan Mantri Awas Yojana (PMAY) projects across the country, Jagannath Ballav Pilgrim centre at Puri, Ganga Water Lift Project in Bihar, Naval Seabird Project at Karwar, Nagpur-Mumbai / Delhi-Vadodara express highways, Andaman Airport, Mumbai Ahmedabad High Speed Rail Corridor, Kudankulam Nuclear power project, DRDO Army Depot at Vizag, Central Vista Project at New Delhi, NF Railways Tunnel Projects in Manipur & Mizoram and World Trade Centre Project at New Delhi.

The sales through Direct Despatch from Plant has increased to 22% from 18% in the previous year. This has not only reduced the cost of handling for RINL and its customers, but ensured collection of money in advance, which is the need of the hour. The sales of high NSR products such as TMT Rebar, WRC & Rounds increased to 72% from 57% in the previous year.

After the commencement of operations from Central Despatch Yard (CDY), the despatch rake retention time (RTT) has reduced continuously from 21.70 hr in 2018-19 to 11.30 hr in 2022-23. The despatch rake retention time of 11.30 hr is the best for any year since inception.

Materials Management

Due to high Coking Coal / PCI Coal prices and the liquidity constraints, sourcing of required quantities of Coking Coal / PCI Coal was a challenge during the year. In order to maximize the availability within the available resources, the Company focused on procurement of Coking Coal / PCI Coals through various tenders on Open Account payment terms.

Finance

To meet liquidity issues due to abnormal surge in coal prices, Short term Ad hoc loan of ₹ 960 cr was availed from SBI which was duly repaid by July 2022 as per the terms. Infusion of Working Capital of ₹ 2050 Crs in October and November 2022 improved the performance from October 2022 onwards. The fund position was managed without any default in repayments to the banks.

Projects

The capital expenditure (CAPEX) of ₹ 581.31 Cr (audited) was achieved during the year 2022-23 against the target of ₹ 603 Cr, which is a fulfillment of 96.40%.

After several phases during the wheel manufacturing process, particularly in developing the recipe & stabilizing the heat treatment process of LHB wheels, Preliminary Acceptance Test (PAT) was completed successfully and Preliminary Acceptance Certificate (PAC) was issued on 31st March 2023.

MOU Performance

RINL achieved ‘Excellent’ rating for the Financial Year 2021-22 and was exempted from signing of MoU with Ministry of Steel for the Financial Year 2022-23.

Dividend

Considering the current financial position of the Company, the Company is not in a position to declare any dividend for the financial year 2022-23.

Contribution to the Exchequer

The Company contributed ₹ 3032.70 Crs & ₹ 530.90 Crs (total ₹ 3563.60 Crs) to the Central & State Exchequer, respectively in the form of taxes, duties, etc., to various government agencies.

Sustainability initiatives

Sustainable development continues to be a focus area for RINL. In Mar'23, BOF briquetting plant with a capacity of 1.5 Lakh tonnes per annum was commissioned. This is a unique project of its kind for effective solid waste management for utilizing metallurgical wastes generated in the plant by converting into 'BOF briquettes and Micro pellets'.

Under waste management, the Company achieved overall slag utilization of 117% during the year.

Modification/ Augmentation of Electro Static Precipitators (ESPs) of Boiler 3 of Thermal Power Plant (TPP) was completed and upgradation of ESP of Boiler 2 is under progress.

The plant is enveloped by lush green man-made forest with about 55.09 lakh trees planted in an area of 6,502 Ha and is moving towards 7.3 million trees with the motto of one tree per every ton of steel capacity. During the year under review, Block plantation of 31,322 saplings was done.

RINL received the "National Energy Leader" Award for consecutively winning "Excellent Energy Efficient Unit Award" for the years 2017, 2018, 2019, 2020, 2021 & 2022" by CII Godrej Green Business Centre at Hyderabad during National Competition for Excellence in Energy Management-2022.

RINL received "TOP PERFORMER" Award from the Ministry for Power & Renewable Energy, GoI for obtaining highest Energy Savings Certificates (ESCerts) among all industries for PAT 2nd Cycle. Value of total Energy Savings Certificates (ESCerts) is ₹ 23.90 crores (@ ₹ 1840/-).

Corporate Social Responsibility (CSR)

Taking your Company's commitment to socio economic transformation of people in and around the Plant and Mines forward, your Company has undertaken a number of projects/ activities and programs as part of its CSR initiatives. I would like to underline that in spite of incurring successive losses during the last three financial years, the Company spent an amount of ₹ 32.89 Lakhs during the year which stands as a testimony to RINL's commitment and concern towards inclusive growth. A separate section is provided in Directors' Report regarding CSR activities.

Corporate Governance

Corporate Governance is given highest priority as the Company strongly believes that a high reputation for integrity and ethical conduct is an important corporate asset. Your Company has been granted with "Excellent" Grading by the Department of Public Enterprises (DPE) under Ministry of Finance for six consecutive years i.e. from F.Y. 2016-17 to F.Y. 2021-22. This has been issued as part of Grading of CPSEs on the basis of their compliance with the Guidelines of Corporate Governance for CPSEs. A separate Report on Corporate Governance along with Certificate on Compliances of CG Guidelines and Secretarial Audit Report forms part of the Directors' Report.

Awards & Accolades won during the year

The Company bagged the prestigious Ispat Suraksha Puraskar-2023 of JCSSI (Joint Committee on Safety, Health & Environment in Steel Industry) for No Fatal accidents in the year 2021 and 2022 under scheme-II in Blast Furnaces, Slag Granulation Plant, Sinter Plants & Raw Materials Department Centralized Maintenance, Utilities, Services, Rail & Road Traffic areas.

Three teams from RINL has bagged “GOLD Awards” at ‘The International Convention on Quality Control Circles (ICQCC-2022), organized by Indonesia Quality Management Association (IQMA), Indonesia at Jakarta from 15th – 18th November, 2022.

Six employees from RINL have been nominated to the convention organized by Indian National Suggestion Schemes’ Association (INSSAN) to present their Suggestion and Technical Paper. All the Six participants from RINL have presented their case studies and received various awards.

LOOKING AHEAD

RINL is making continuous efforts to improve the liquidity position to enhance the production in all units and improve capacity utilization in 2023-24. Various initiatives lined up for 2023-24 include:

- Operationalization of Air Separation Plant on BOO basis.
- Increasing high end Value Added Steel.
- Thrust on cost reduction/revenue maximization initiatives like:
  - Increased usage of Iron Ore Slime.
  - Replacement of coking coal with domestic coals within tolerable limits.
  - Development of new products/grades.
- Asset monetization.
- Exploring various models for securing Working Capital and / or raw materials.

Acknowledgement

To conclude, on behalf of the Board of Directors, I acknowledge that the achievements in the year have been made possible only due to the relentless and dedicated efforts of the human resources of the Company. I thank all the Stakeholders, particularly the Ministry of Steel and other Ministries of GoI, the Government of AP, the Suppliers (Domestic and Overseas), Customers, Ancillary Units, Bankers, the People’s Representatives, the District Administration and various other agencies for the confidence and trust bestowed upon the Company and the opportunity given for its continued growth in achieving various milestones and I also look forward for their continuous support in future.

Thanking you,
Jai Hind,

Sd/-
(Atul Bhatt)
Chairman

Dated: 29th September, 2023
Place: Visakhapatnam

A Glance of Financial Results since inception

(₹ in Crores) Nos

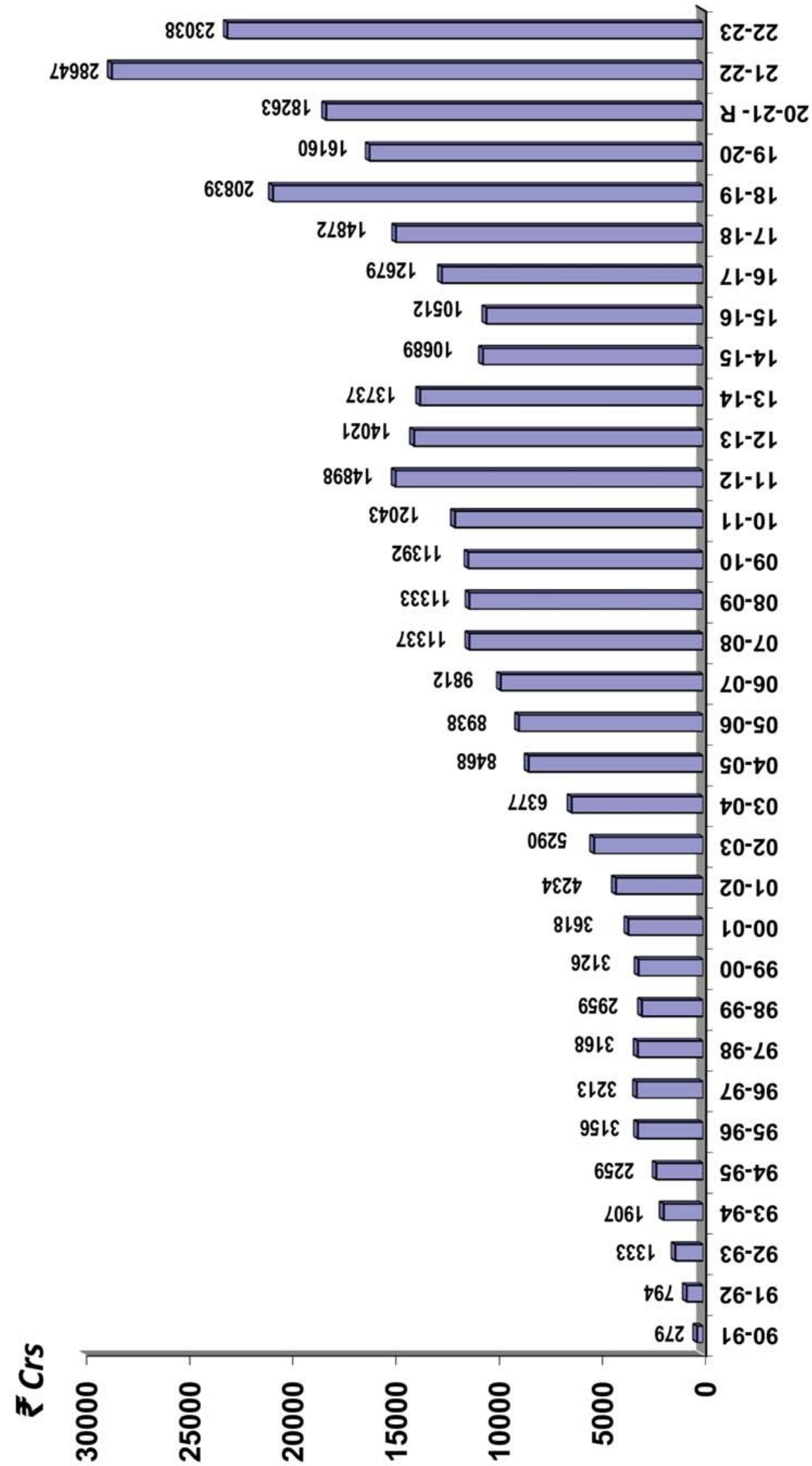
Year	Turnover	Other Revenue	Gross Income	Raw Materials consumed	Stock(Accretion) / Decretion	Employee Benefits	Depreciation & Amortisation	Interest & Wealth Tax#	Stores, R&M, Power & Other Expenses	Profit / (Loss) before tax	Profit / (Loss) after tax	Capital	Reserves & Surplus	Loans / Buyers Credit	Fixed Assets Gross Block	Total Depreciation	Fixed Assets Net Block	Employees as on 31st March
90-91	243	36	279	175	(27)	29	197	192	191	(480)	(480)	3506	(480)	3924	3720	248	3472	14433
91-92	772	22	794	402	(70)	54	449	437	509	(988)	(988)	3506	(1468)	5476	5031	704	4327	16656
92-93	1185	148	1333	680	(152)	77	340	198	758	(567)	(567)	3706	(2035)	3495	6157	1026	5131	17454
93-94	1751	156	1907	875	160	103	340	347	655	(573)	(573)	6494	(2608)	3474	7326	1365	5961	17483
94-95	2209	50	2259	1059	(200)	128	415	366	855	(364)	(364)	6494	(2972)	3735	8289	1747	6542	17369
95-96	3040	116	3156	1311	(50)	155	430	407	1107	(202)	(202)	6494	(3174)	3831	8392	2177	6215	17642
96-97	3135	78	3213	1385	(115)	174	422	430	1163	(247)	(247)	6494	(3421)	3735	8548	2819	5729	17478
97-98	3071	97	3168	1405	(118)	210	439	198	1211	(177)	(177)	6494	(3598)	2205	8592	3037	5555	17354
98-99	2762	197	2959	1220	318	255	111	361	1151	(456)	(456)	6494	(4054)	2243	8615	3148	5467	17400
99-00	2972	154	3126	1394	(95)	272	432	382	1303	(563)	(563)	7827	(4617)	2343	8635	3580	5055	17254
00-01	3437	181	3618	1444	(103)	408	445	351	1364	(289)	(289)	7827	(4906)	2293	8643	4012	4630	17131
01-02	4081	153	4234	1602	62	375	475	291	1504	(75)	(75)	7827	(4981)	1989	8703	4468	4235	17026
02-03	5059	231	5290	1806	281	406	455	186	1635	522	522	7827	(4459)	1186	8731	4903	3828	16894
03-04	6168	209	6377	2050	26	481	476	49	1748	1546	1546	7827	(2913)	37	8710	5338	3372	16755
04-05	8182	286	8468	3020	(310)	490	1006	11	1997	2254	2008	7827	(905)	531	8763	6322	2441	16613
05-06	8491	447	8938	3585	66	572	448	31	2346	1890	1252	7827	347	458	8832	6754	2078	16574
06-07	9151	661	9812	3889	24	741	362	49	2525	2222	1363	7827	1711	917	8876	7085	1790	16401
07-08	10433	904	11337	4280	(343)	1031	488	32	2854	2995	1943	7827	3654	441	8901	7516	1385	16416
08-09	10410	924	11333	5896	(917)	1157	240	88	2842	2026	1335	7827	4593	1008	9006	7750	1256	17225
09-10	10634	758	11392	5535	415	1400	277	78	2439	1248	797	7827	5058	1233	9474	8009	1465	17830
10-11	11517	526	12043	7188	(532)	1273	266	165	2701	982	658	7827	5402	1137	9795	8265	1530	17829
11-12	14461	437	14898	8472	45	1467	345	191	3268	1109	751	7727	5932	2575	10394	8607	1787	18079
12-13	13553 *	558	14021	8099	(304)	1469	187	360	3684	526	353	6347	6131	4900	12588	8799	3790	18072
13-14	13488 *	374	13737	6967	7	1751	271	338	3854	548	366	5740	6401	4943	13616	9083	4533	18371
14-15	11676 *	288	10689	5128	(820)	1918	271	435	3654	104	62	5190	6404	7511	14608	9251	5357	18137
15-16	12271 *	453	10512	4142	1150	1882	366	677	3998	(1702)	(1604)	4890	4979	10391	21273	9318	11955	17873
16-17	12706 *	362	12679	6945	(398)	2164	659	768	4231	(1690)	(1263)	4890	3680	14206	22935	10007	12928	17838
17-18	16618 *	413	14872	8601	(186)	2885	778	938	3768	(1911)	(1369)	4890	2331	16675	27110	10327	16783	17617
18-19	20844 *	501	20839	13730	(958)	2213	1058	1278	3826	(307)	97	4890	2462	19592	30393	11376	19016	17574
19-20	15819	340	16160	11597	(685)	2621	1109	1498	4125	(4288)	(3910)	4890	(1618)	21741	31840	12481	19359	17566
20-21(R)	17980 *	285	18263	9222	1694	2588	1194	1529	3359	(1259)	(1012)	4890	(2649)	21089	33607	13670	19937	16765
21-22	28215 *	440	28647	17806	241	2818	1205	1546	4313	942	913	4890	(1715)	17148	34294	14866	19428	15696
22-23	22778 *	309	23038	16997	(1378)	2711	1193	1738	5086	(3236)	(2859)	4890	(4499)	20424	34545	16054	18491	14671

* Includes sale of trial run sales ₹ 89.83 Crs in 2012-13, ₹ 125.29 Crs in 2013-14, ₹ 1274.51 Crs in 2014-15, ₹ 2211.24 Crs in 2015-16, ₹ 388.99 Crs in 2016-17 and in 2017-18, ₹ 2158.73 Crs, ₹ 506.32 Crs in 2018-19, ₹ 2.55 Crs in 2020-21, ₹ 7.46 Crs in 2021-22, ₹ 48.94 Crs in 2022-23

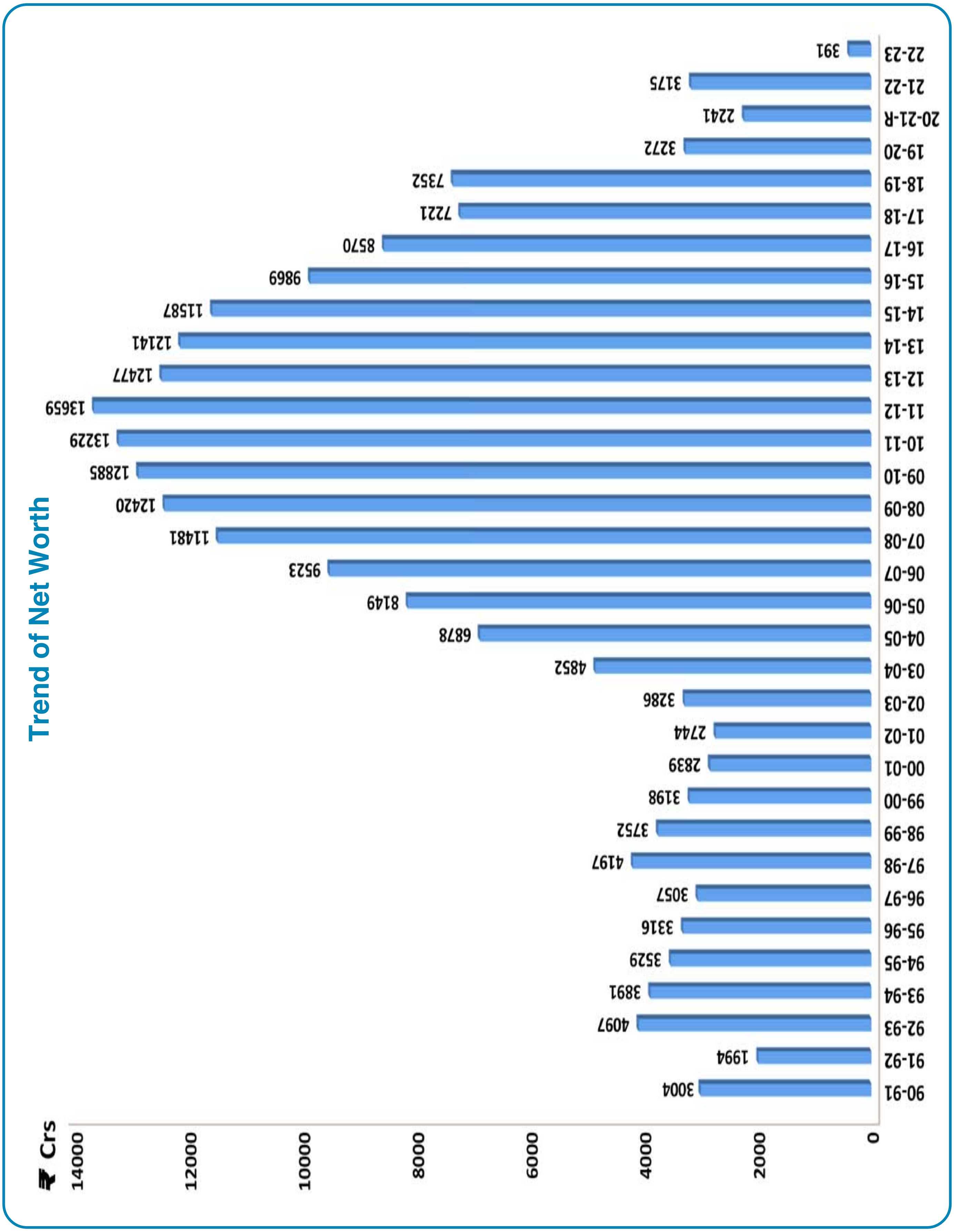
Wealth tax is not applicable since FY 2015-16

Note: Amounts upto FY 14-15 are as per IGAAP and from FY 15-16 onwards are as per IND AS.

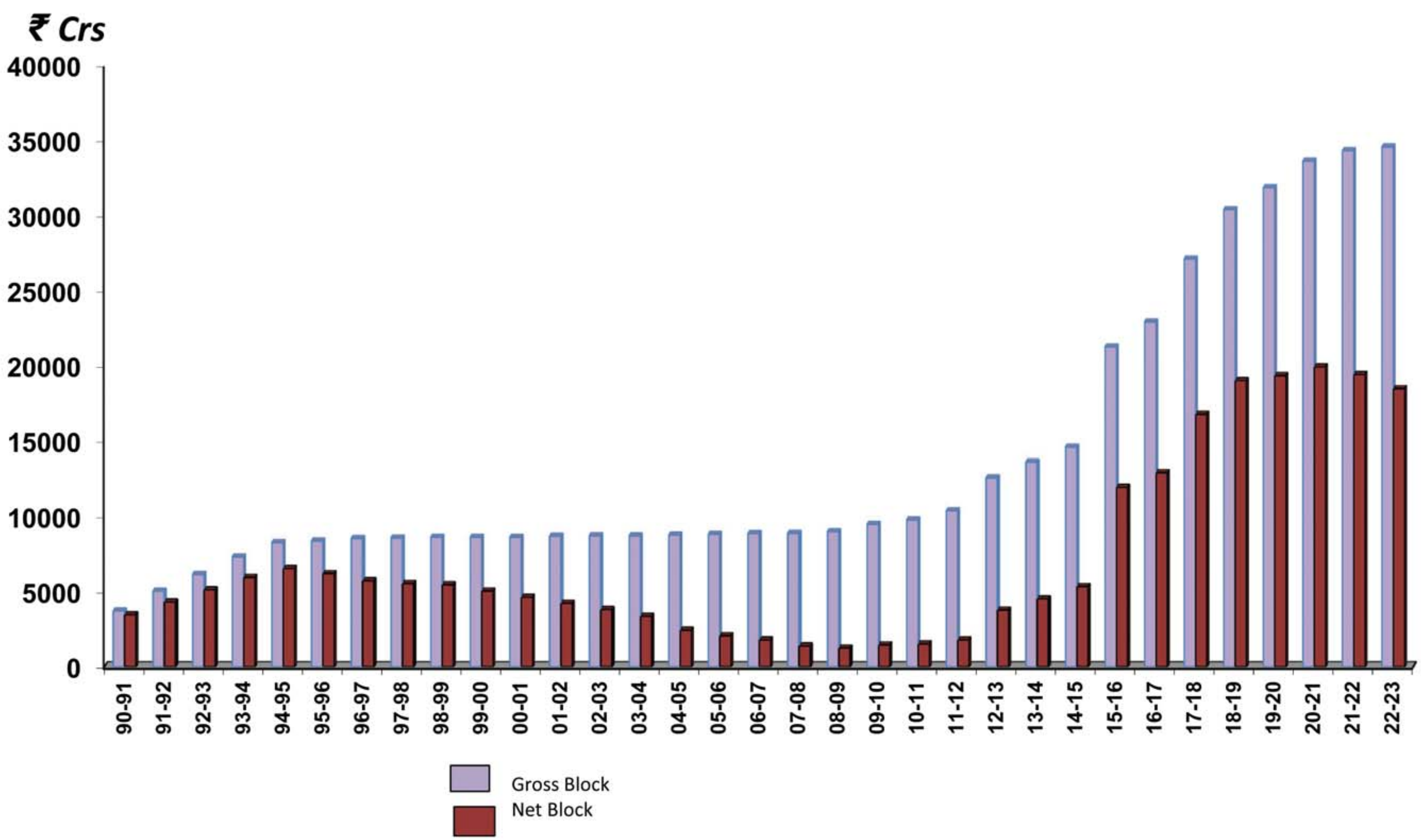
Trend of Gross Income



Note: Figures upto FY 14-15 are as per IGAAP and from FY 15-16 onwards are as per IND AS .


Trend of Net Worth
₹ Crs
0
2000
4000
6000
8000
10000
12000
14000
90-91 3004
91-92 1994
92-93 4097
93-94 3891
94-95 3529
95-96 3316
96-97 3057
97-98 4197
98-99 3752
99-00 3198
00-01 2839
01-02 2744
02-03 3286
03-04 4852
04-05 6878
05-06 8149
06-07 9523
07-08 11481
08-09 12420
09-10 12885
10-11 13229
11-12 13659
12-13 12477
13-14 12141
14-15 11587
15-16 9869
16-17 8570
17-18 7221
18-19 7352
19-20 3272
20-21-R 2241
21-22 3175
22-23 391
Note:Figures upto FY 14-15 are as per IGAAP and from FY 15-16 onwards are as per IND AS .

Gross Block & Net Block



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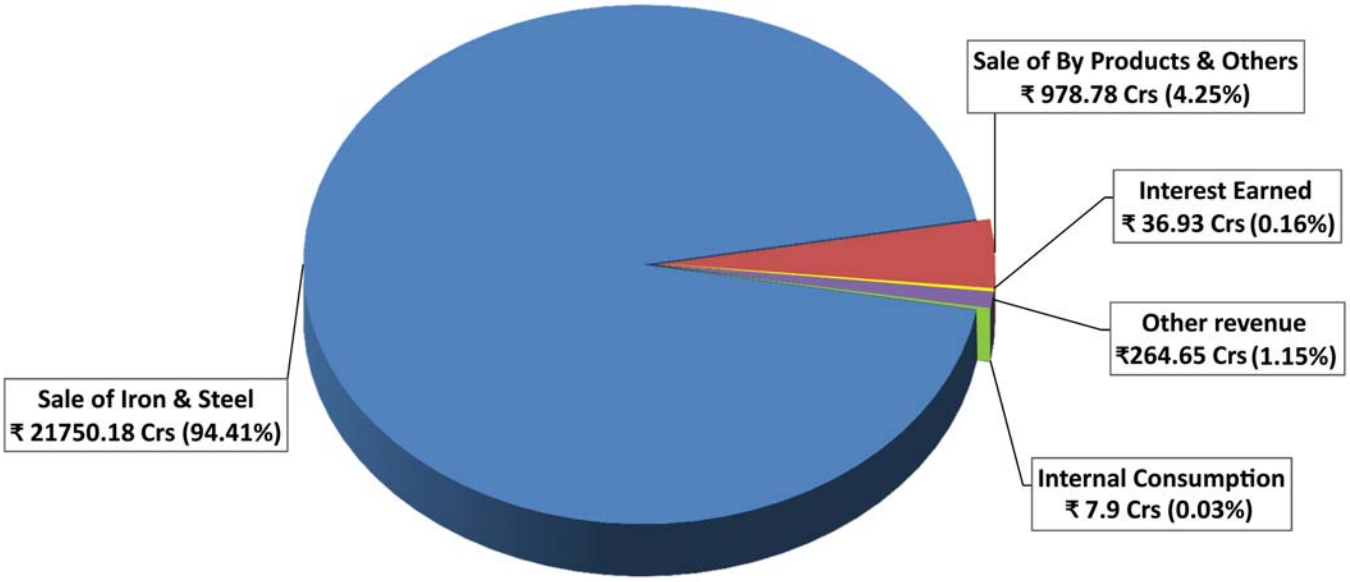
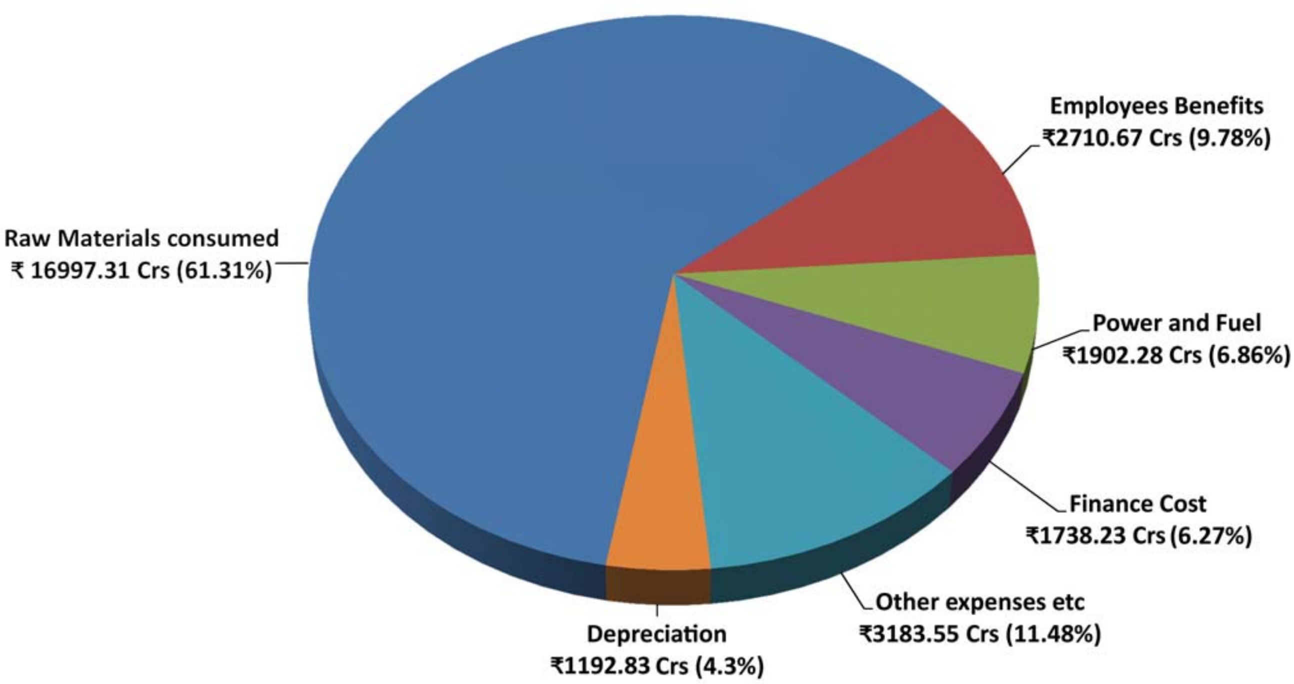
Break up of Gross Income for 2022-23



Break up of Expenditure for 2022-23



FINANCIAL HIGHLIGHTS

Sl.No	Particulars	FY 2022-23	FY 2021-22
A	**OPERATING RESULTS** (₹ Crs)		
	Turnover	22778	28215
	Turnover (Excl. Trial Run)	22729	28207
	Gross Income	23038	28647
	Gross Expenditure excl Finance cost and incl.Excp.Items	24537	26160
	Gross Profit (PBIT) incl. Excp.Items	(1498)	2487
	Profit before Tax	(3236)	942
	Net Profit After Tax	(2859)	913
B	**YEAR END FINANCIAL POSITION** (₹ Crs)		
	Share Capital	4890	4890
	Reserves and Surplus	(4499)	(1715)
	Capital Employed	20815	20322
	Net Worth	391	3175
	Gross Block	34545	34294
	Cumulative Depreciation	16054	14866
	Net Block	18491	19428
	Inventory-Semi-finished/finished goods	3498	2120
C	**PROFITABILITY AND OTHER RATIOS**		
	(i) Percentage of		
	Gross Profit to Sales	(6.6)	8.8
	Net Profit to Sales	(12.6)	3.2
	Gross Profit to Net Worth	(382.8)	78.3
	Net Profit to Net Worth	(730.4)	28.8
	Gross Profit to Capital Employed	(7.2)	12.2
	Net Profit to Capital Employed	(13.7)	4.5
	Gross Profit to Share Capital	(30.6)	50.9
	Semi/finished goods Inventory to Sales	15.4	7.5
	(ii) Ratio of		
	Current Assets to Current Liabilities	0.4	0.4
	Quick Assets to Current Liabilities	0.1	0.1
	Sales to Capital Employed	1.1	1.4

DIRECTORS' REPORT

Dear Members,

On behalf of the Board of Directors of the Company, I take great pleasure in presenting the 41st Annual Report of the Company for the financial year ended 31st March 2023, together with the Audited Financial Statements, the Statutory Auditors' Report and the Secretarial Audit Report.

BUSINESS PERFORMANCE

During the year, the adverse impact of Energy Crisis and Russia Ukraine war had continued. The Company had to continue with two Blast Furnaces operation. During the period Apr-Oct'22, even the production from the two Blast Furnaces had to be restricted based on the availability of imported coking coals & PCI coal for injection in Blast Furnaces.

However, with reduction in Imported Coking Coal prices and easing of liquidity position, Hot metal production from the two operating Blast Furnaces was ramped up from the middle of Nov'22. Best production levels for any two Blast Furnace operation since inception were achieved during the period Dec'22-Mar'23. The capacity utilization achieved during the period works out to 106% considering the two operating Blast furnaces and 71% considering three installed Blast Furnaces.

With improvement in production levels and with improvement in market conditions, the Company had returned to Cash Profits in the last quarter. However, for the year as a whole, the performance remained sub-optimal.

The Comparative position of major Financial Parameters is given here under:

(₹ in Crores)

Particulars	FY 2022-23	FY 2021-22
Turnover including trial run sales	22,777.89	28,214.76
Earnings Before Finance charges, Tax, Depreciation and Amortisation (EBITDA)	(377.28)	3,468.71
Less: Finance Charges	1,738.23	1,545.56
Profit Before Tax, Depreciation and Amortisation (PBTDA)	(2115.51)	1,923.15
Less: Depreciation	1,192.83	1,204.63
Profit before exceptional items	(3,308.34)	718.52
Less: Exceptional items	(71.88)	(223.06)
Net Profit Before Taxation (PBT)	(3,236.46)	941.58
Provision for taxation	(377.72)	28.39
Profit/(Loss) After Taxation (PAT)	(2,858.74)	913.19

DIVIDEND

No dividend has been proposed for the financial year 2022-23.

SHARE CAPITAL

During the year under review, there were no changes in the equity share capital and the authorized capital.

PRODUCTION PERFORMANCE

The Company maximised the production from the two operating Blast Furnaces to achieve best ever performance. Further, the production of Finished Steel from Expansion Mills and the production of High End Value Added Steel was maximised from the available Hot Metal to achieve best ever performance. Best Ever Performance achieved in major production areas is as below:

Item	Unit	F.Y. 2022-23	F.Y. 2021-22	% growth over CPLY
Hot Metal - F/C-2	'000 t	2252	2064	9
Special Bar Mill products	'000 t	536	427	25
WRM-2 products	'000 t	559	507	10
STM Products	'000 t	561	413	36
Finished Steel - Expansion Units	'000 t	1655	1347	23

High End Value Added Steel production of 1.04 Mt for the year 2022-23 is the Best Performance since inception (17% growth over CPLY).

COST REDUCTION MEASURES

The company continued its pursuit of various cost reduction initiatives through recycling of waste materials and substitution of costlier materials with cheaper materials.

- Blending of Iron Ore slime with Iron Ore Fines to an extent of 22%.
- Usage of Indigenous coking coals upto 8% in the Coal Blend to partially replace Imported Coals.
- Usage of Non-coking coals like Pulverized Coal and Imported Boiler coal up to 1% in the Coal Blend to partially replace Imported Coking Coals.
- PCI coal injection in Blast Furnaces upto 96Kg/THM to partially replace Metallurgical coke.
- Usage of blend of Auxiliary fuels like Imported Soft Coking Coals, Imported Thermal Coal, Anthracite Coal and Coke Dust in Blast Furnaces as a substitute for Pulverized Coal.
- Usage of Anthracite Coal in Sinter Making as a substitution for Coke Breeze.
- Usage of Coke Breeze to partially replace calcined petro coke in Steel making.

Other major areas, where cost reduction was achieved by recycling of waste materials during the year are as below:

Sl. No.	Parameters	% improvement achieved over previous year
1.	CRMP Returns consumption in Sinter Plant	12
2.	Metallurgical Waste consumption in Sinter Plant	14
3.	LD Slag consumption in Sinter Plant	27
4.	Calcined Flux screenings consumption in Sinter Plant	8
5.	Recycling of Maintenance Scrap	40

A project, unique of its kind for effective solid waste management, has been taken up for utilizing metallurgical wastes generated in the plant by converting these wastes into 'BOF briquettes and Micro pellets'. Under this, construction of BOF briquetting plant with an annual capacity of 1.5 Lakh tons was completed in Mar'23 and construction of Micro pellet plant is in progress with an annual capacity of 4.0 Lakh tons for use in Sinter Plant. BOF briquettes usage in the converters has commenced as a substitute to coolants in steel making.

MARKETING PERFORMANCE

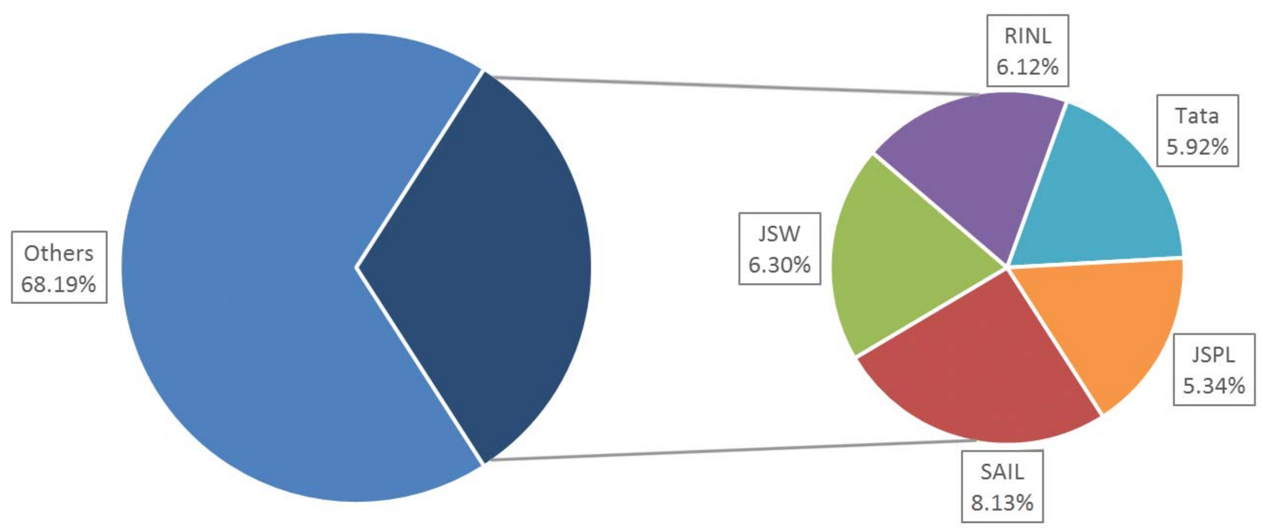
During the year under review, the focus of the company has been on Domestic Markets, as the Global Steel prices have corrected sharply and remained low. The export volume was limited to 1.26 lakh tonnes, 90% lower than 12.15 lakh tonnes in the previous year. Further, there was glut in Domestic Market, due to imposition of Export Duty in May'22. Due to these market conditions and the liquidity constraints of the Company, the production and sales of the Company were lower during the year.

However, the sales of Finished Steel and High End Value Added Steel was maximised to increase the profitability.

Particulars	CY (F.Y. 2022-23)	CPLY (F.Y. 2021-22)	Growth over CPLY (in %)
Sales (₹ in Crores)			
Sales Turnover	22770	28207	-19
By-Products	915	668	37
Sales (in Thousand Tonnes)			
Sale of saleable Steel	**3749**	**5225**	**-28**
Domestic	3622	4010	-10
Exports	126	1215	-90
Finished Steel	3473	3852	-10
Semis	276	1373	-80
High End Value Added Steel	**968**	**910**	**6**

RINL has been among the market leaders in the country for Bars and Rods, though its market share has suffered in the year on account of curtailed production levels.

Bars and Rods Market Share in India 2022-23



The Company continued to be one of the most important contributors in building infrastructure for the country. During the year, it was one of the main suppliers for major projects of national importance, which include Metro Rail projects across the country, Pradhan Mantri Awas Yojana (PMAY) projects across the country, Jagannath Ballav Pilgrim centre at Puri, Ganga Water Lift Project in Bihar, Naval Seabird Project at Karwar, Nagpur-Mumbai / Delhi-Vadodara express highways, Andaman Airport, Mumbai Ahmedabad High Speed Rail Corridor, Kudankulam Nuclear power project, DRDO Army Depot at Vizag, Central Vista Project at New Delhi, NF Railways Tunnel Projects in Manipur & Mizoram and World Trade Centre Project at New Delhi.

The Company is also catering to various segments like Forging, Wire Drawing, Rolling, Power Transmission, Boiler, Spring Steels and Tools Steels. During the year, the Company has leveraged the strength of Secondary Metallurgy facilities installed in SMS-2 as part of the Expansion and achieved significant progress in sales of High End Value Added Steels, which include:

- Highest ever sales of 9.68 lakh tonnes was achieved with a growth of about 6 % over previous year and about 3% over previous best of 2018-19.
- Established firmly as a major player in Boron WRC segment by achieving a sales volume of 0.60 lakh tonnes, with a growth of 82% over previous year. The market share increased to about 15% from about 8% in the previous year.
- Sale of other niche products - CO2 WRC reached 0.22 lakh tonnes, with a growth of 66% over the previous year. The market share doubled to about 18% from about 9% in the previous year.
- Commercial production of structural steel (Channel) in IS 2062 E250 BR grade commenced during the year.
- OEM approvals were received from 8 reputed customers for various grades of supplies.
- During the year, 11 new grades were developed and successfully launched in the market. Further, 2 new sizes were introduced.

The Company has been pursuing various Revenue Maximization and Cost Reduction initiatives in Marketing Area, which include:

- *Maximizing sales in high NSR regions of East, South & Andhra*

  Geographic wise market strategy was implemented for maximizing sales in the high NSR regions of East, South & Andhra. The sales in these regions increased to 65% from 61% in the previous year.
- *Selling directly from the plant to minimize inventory carrying cost & reduce multiple handling costs etc.*

  The sales through Direct Despatch from Plant has increased to 22% from 18% in the previous year. This has not only reduced the cost of handling for RINL and its customers, but ensured collection of money in advance, which is the need of the hour.
- *Maximizing sales of high NSR products such as TMT Rebar, WRC & Rounds.*

  The sales of high NSR products such as TMT Rebar, WRC & Rounds increased to 72% from 57% in the previous year.
- *Improvement in Logistics through CDY*

  After the commencement of operations from Central Despatch Yard, the despatch rake retention time has reduced continuously from 21.70 hr in 2018-19 to 11.30 hr in 2022-23. The despatch rake retention time of 11.30 hr is the best for any year since inception.

The Company has also taken several other initiatives in Marketing area, which include:

- *KAM (Key Account Managers) appointed for 55 Key customers for establishing long-term relationship with Key customers for sustained & significant business.*
- *Multi – punch deliveries started for Road & Rail in order to clear residual stocks at CDY.*
- *Distributors appointed at two more locations (Surat & Kanpur) in addition to the presently operating distributors at two locations (Rayagada & Tuticorin).*
- *To focus on N-E region, an outlet was opened at Guwahati.*

MATERIALS MANAGEMENT

Due to high Coking Coal / PCI Coal prices and the liquidity constraints, sourcing of required quantities of Coking Coal / PCI Coal was a challenge during the year. In order to maximize the availability within the available resources, several initiatives were taken by the Company, which include:

a) Procurement of 2 shipments of Russian Origin PCI Coal Coking Coal at competitive prices through Global Tenders on Open Account payment terms with 90 days credit.

b) Diversification of coal basket through Industrial Trial Shipments obtained for 2 (two) new coals, 1(One) one from USA and another from Australia. 6 (Six) new coal brands, 2 (two) from USA Origin and 1 (one) each from Australia, Russia and Kazakhstan are at various stages of testing / processing.

c) Procurement of Medium Coking Coal from M/s Central Coalfields Limited (CCL) and Prime Coking Coal (PCC) from M/s Bharat Coking Coal Limited (BCCL) was maximised to 3.43 lakh tonnes from 2.05 lakh tonnes in the previous year.

d) During critical stock situation of Imported Coking Coals, 0.40 lakh tonnes each of Hard Coking Coal, Soft Coking Coal and PCI Coal were secured through GeM procurement.

Freight savings were obtained through chartering of Cape Size vessel in lieu of Panamax vessels and through finalization of a Contract of Affreightment (COA) for 15 lakh tonnes of Lime stone from UAE.

Due to restrictions imposed on supplies to Non-Power Sector, the Boiler Coal receipt from M/s Mahanadi Coalfields Limited (MCL) was limited to 4.10 lakh tonnes against the FSA quantity of 16.80 lakh tonnes. In order to maintain the operation of Thermal Power Plant at minimum required levels, procurement from M/s Singareni Collieries Company Limited (SCCL) was maximised to 2.21 lakh tonnes from 1.48 lakh tonnes in the previous year. This includes G-15 & G-11 grade coals secured as an alternative to G-13 grade coal. Further, a quantity of 2.03 lakh tonnes was secured through GeM / Open Tenders.

Government e-Market Place (GeM): During the year, the Company was among the Top 10 CPSE Buyers on GeM and Second Highest Buyer under MoS. Total 952 contracts were placed in GeM portal during the year for a value of around ₹ 1766.04 Cr. Major items procured through GeM portal include Ferro Alloys, Refractories, Coal (PCI, SCC, HCC, Boiler Coal, Anthracite etc.), Chemicals, IT related items, Stationery items, Electrical & Electronics items, Electrodes, Mech. Tools etc.

The Company conducted first ever National Vendor Interactive Program on 28.01.2023 at Visakhapatnam. Two Vendor Development Programmes cum Interactive sessions/Training Sessions on Govt e-Market Place (GeM) were organized by RINL for the benefit of Vendors. Bi-monthly meetings with Local MSME Vendors were resumed which were not held for the last few years due to Covid pandemic. In order to increase Women and SC/ST MSEs vendor base, a special vendor registration drive was conducted for SC, ST and women vendors from 15.11.2022 to 15.12.2022 for enhancing SC, ST and Women Vendor base. The Company has also associated with MSME DFO Visakhapatnam for 4 Vendor development meets at Rajahmundry, Vijayawada, Visakhapatnam and Tirupati during the year. The details of Vendor Base and Procurement details are as below:

Vendor Base of MM Dept. :

Sl. No	Registered Vendor Details	Till F.Y. 2020-21	Till F.Y. 2021-22	Till F.Y. 2022-23
1	Total registered vendors	3763	3828	3856
2	No. of MSEs out of total vendors	1803	1851	1870
3	No. of Local MSEs out of total MSEs	219	226	230
4	No. of Women MSEs	17	19	21
5	No. of SC/ST MSEs	8	9	10

Procurement Details :

Year	F.Y. 2020-21	F.Y. 2021-22	F.Y. 2022-23
Total Procurement of goods and services (excluding the goods and services such as Iron Ore, Coking Coal and Turnkey Contracts for which exemption has been granted) (₹ in Crores)	2118.54	3246.07	2698.77
Procurement from MSEs (₹ in Crores)	618.2	930.04	1005.91
Percentage of procurement from MSEs	29.20%	28.65%	37.27%
Percentage of procurement from Women MSEs	0.55%	0.27%	0.82%
Percentage of procurement from SC/ST MSEs	0.07%	0.16%	0.06%

Participation of RINL in GoI initiatives:

- **MSME SAMBANDH- (Monitoring procurement targets of CPSEs)**
  The Company is registered on MSME SAMBANDH Portal and the data comprising annual procurement targets, monthly and annual procurement details from MSEs, women entrepreneurs, SC-ST entrepreneurs, number of MSEs benefitted and other data required is being collected, compiled and uploaded on a regular basis.

- **MSME SAMADHAAN- (Delayed Payments Monitoring System)**
  RINL is a registered member on MSME SAMADHAAN portal. As on 31.03.2023, a total of 35 grievances were filed against the Company on SAMADHAAN Portal. Out of these, 23 were closed; 8 were converted into arbitration cases by MSE Facilitation Councils for which proceedings are ongoing; 4 are visible to MSEFC for their action.

- **Trade Receivable e-Discounting System (TReDS)**
  RINL is a registered member on TReDS platform. All the MSME vendors registered with RINL were requested to register themselves on TReDS platform so as to process transactions on the platform. As on 31.03.2023, 50 MSEs of RINL have on boarded TReDS platform.

FINANCE

To meet liquidity issues due to abnormal surge in coal prices, short term ad hoc loan of ₹ 960 cr was availed from SBI which was duly repaid by July 2022 as per the terms. Infusion of Working Capital of ₹ 2050 Crs in October and November 2022 improved the performance from October 2022 onwards. The fund position was managed without any default in repayments to the banks.

The company has optimized availment of Input Tax Credit (ITC) thereby reducing cash outflow on account of GST payments. Further, the company has received Refund claims to the tune of ₹ 14.90 Crores during the FY 2022-23 towards compensation cess in proportion to zero rated sales (Export sales & SEZ sales). Income Tax refunds to the tune of ₹ 1.99 Crores were also received during the year.

PROJECTS

CAPEX fulfillment : The capital expenditure (CAPEX) of ₹ 581.31 Cr (audited) was achieved during the year 2022-23 against the target of ₹ 603 Cr, which is a fulfillment of 96.40%.

The following Projects were commissioned in F.Y. 2022-23:

- Stove-2 after revamping under Category-I capital repairs of BF-1&2.
- 25KV Switching Station (Extension) for Railway Controlled Yards for Gate Junction/SSP at Central Despatch Yard (CDY).
- Electrostatic Precipitator-3 after Revamping under "revamping & up-gradation of ESPs of Boilers in TPP".
- LD Gas Holder-2 after comprehensive repair.

Major Ongoing Projects :

Forged Wheel Plant : After several phases during the wheel manufacturing process, particularly in developing the recipe & stabilizing the heat treatment process of LHB wheels, Preliminary Acceptance Test (PAT) was completed successfully and Preliminary Acceptance Certificate (PAC) was issued on 31st March 2023.

In the year 2022-23, 1778 WDP4 Loco wheels and 2569 Linke Hofmann Busch (LHB) wheels have been dispatched to Indian Railways.

Other Projects : The other Projects under execution during the year 2022-23 include Coal Chemical Plant of COB-V, Revamping & Upgradation of ESPs of Boilers in TPP, Infrastructure facilities for Road Transportation from Gangavaram Port Limited (GPL), Nitrogen Line to PCI Complex and Storage & Distribution System for 10 MGD Treated Sewerage Water.

LD Gas Holder-2

Coal Chemical Plant of Coke Oven Battery-5 - Primary Gas Cooler Electrostatic Tar Precipitator Area

Coal Chemical Plant of Coke Oven Battery-5 - Scrubbing plant

Infrastructure facilities for Road Transportation from Gangavaram Port Limited(GPL) - Wheel on Boom Reclaimer

RESEARCH & DEVELOPMENT (R&D)

Research and Development in the Company is directed towards innovation, improvement of processes, development of products and reduction & recycle of energy and waste. Additional facilities in R&D Centre which include modern laboratory and workshop facilities are coming up adjacent to the present R&D Centre.

Three technical papers were published in Journals. Two technical talks were arranged. Three patents were granted to the Company in the year. Four new research projects were taken up in the current year and ten projects of the previous year were continued.

The new projects pursued cover Process Development areas such as use of Coke dust for improving desulphurization, effect of sinter basicity on strength, Coke breeze as carburizer in steel making, study of effect of parameters on resistivity and hardenability of steels.

Projects which are continued from previous year cover Lining life of Electric Arc Furnace, Energy in Ladle Furnace, H_3BO_3 in Secondary Steel Making, Hammers for Flux Crusher and Ladle Health Monitoring system, Product Development areas such as Boron, High Carbon, Electrode, Forging and Spring Steels and Waste Utilisation areas such as Weathering of Steel Slag and Utilization of Ladle Slag.

The R&D expenditure during the year was ₹ 16.13 Crores, which works out to 0.07% of Sales Turnover.

SAFETY

RINL has bagged the prestigious **Ispat Suraksha Puraskar-2023** of JCSSI (Joint Committee on Safety, Health & Environment in Steel Industry) for No Fatal accidents in the year 2021 and 2022 under scheme-II in Blast Furnaces, Slag Granulation Plant, Sinter Plants & Raw Materials Department Centralized Maintenance, Utilities, Services, Rail & Road Traffic areas.

The Company has achieved a frequency rate of 0.11 for the year. Safety Training is a continuous process in the company to create awareness and safety consciousness among employees and contract workers. In the year, safety training was imparted on various aspects covering 90% of Regular Employees and 100% Contract Workers. Learning from Each Other (LEO) from other Organizations is also adopted in the company for implementation of best safety practices. In addition, several in-house training programs were conducted with external safety professionals and safety organizations like M/s. National Safety Council etc.

The special safety initiatives that were taken up during the year include:

(i) Campaign on “Safety is my Responsibility” was started by taking oath and displaying badges and pasting stickers on the helmets to demonstrate individual commitment for safety by all employees and contract workers.

(ii) A seminar titled “Organizing and Motivating for Safety” was organized for the non-executive employees of the plant.

(iii) The company is upgraded to ISO 45001:2018 for Occupational Health & Safety Management System, certified by M/s Bureau Veritas (India) Private Limited.

(iv) Developed an in-house Online Self Learning Module named "Safety Learn @ RINL" on Safety Guidelines for Iron & Steel Sector issued by Ministry of Steel for enhancing knowledge on Safety.

(v) Developed an online module named "Safety Belt Monitoring System" for better tracking the Safety Belts used in the plant and to give automatic alerts on expiry of shelf life & test certificates.

(vi) Digital barricading, rotating light on EOT Cranes of SMS-1 & 2 and BF departments were provided to alert the persons on the shop floor.

(vii) Speed Breakers with Cat Eyes & Rumble Strips were laid on township roads & main approach road to plant for better control of Speedy Vehicles.

(viii) On-site Emergency Mock Drills were conducted to ascertain the preparedness during emergencies in Coke Oven and Chemical Plant Department & Energy Management Department. Joint Chief Inspector of Factories, Visakhapatnam, Government of AP, witnessed the Mock Drills and applauded the efforts of VSP. All Emergency services like Gas Safety, CISF (Fire), Medical, Safety, Environment Management Department, CISF (Security), HR department and Mutual Aid Partners have participated in these drills.

(ix) National Safety Day, Steel Safety day and Road Safety Awareness Week, Departmental Safety Week Celebrations were conducted to promote safety awareness among employees, contract workmen and other stake holders.

(x) As a part of community development, various safety awareness programs were conducted in the township and nearby colonies. Nukkad Natak playlets were performed involving the local public.

ENVIRONMENT MANAGEMENT

Extensive environmental facilities were provided in the Plant during the inception and also during the expansion/ modernization. The Company is accredited with Environment Management System (EMS) standard ISO 14001:2015. To ensure that Continual Improvement is propagated through EMS, 82 Environmental Management Programmes (EMPs) were taken up by different departments during the year.

Under waste management, the Company achieved overall slag (BF+LD) utilization of 117% during the year. In case of BF Slag, around 2.59 Mt was utilized against the generation of about 1.71 Mt and in case of LD Slag, around 0.28 Mt was utilized against a generation of about 0.75 Mt. Further, about 0.38 Mt of other Metallurgical Wastes, dusts from Dust Extraction (DE) Systems & Electro Static Precipitators (ESPs), Sludge from waste water treatment plants and Mill Scales, were utilized in the Sinter Plant. Also, 0.12 Mt of Lime was utilized in Sinter plant. Around 0.157 Mt of Dry fly ash was supplied to various agencies at free of cost and 0.311 Mt was used for filling low lying area. Waste water of 847 MG was recovered by treating in Waste Water Treatment Plants, Ultra Filtration Unit and RO Plant. Further, 120 MG of water was saved through rain water harvesting.

Other Environment Management initiatives include completion of construction of BOF briquetting plant with a capacity of 1.5 Lakh tonnes per annum and commissioning was done in the month of Mar'23. Trial testing of briquettes was done in both SMS-1 & SMS-2 in the month of Apr'23. Construction of Micro pellet plant is under progress to produce 4 Lakh tonnes per annum of Micro pellets for use in Sinter Plant by utilizing the metallurgical co-products generated in the plant. It is expected to be commissioned very soon. Modification/Augmentation of Electro Static Precipitators (ESPs) of Boiler 3 of Thermal Power Plant is completed and upgradation of ESP of Boiler 2 is under progress.

Afforestation : The plant is enveloped by lush green man-made forest with about 55.09 lakh trees planted in an area of 6,502 Ha and is moving towards 7.3 million trees with the motto of one tree per every ton of steel capacity. During the year under review, Block plantation of 31,322 saplings was done.

INFORMATION TECHNOLOGY

Several applications were launched during the year which include

- SAP - Online EMD receipts module through e-Suvidha portal.
- Integration of bank receipts through Web Service from Union Bank of India.
- Integration of Yankee Auction with SRM system for auctioning by-products and steel.
- Pond Ash Tracking system for accounting of disposal of fly ash from ash ponds as a statutory requirement.
- Online Customers Satisfaction Survey for Marketing Department.

Web Application Firewall (WAF) was implemented for public facing web servers for enhancing application security and protect from targeted attacks.

WRM-2 Process Network for Level-1 and Level-2 systems was revamped to establish redundancy of network and core switches for higher availability of Process Network.

HUMAN RESOURCES & INDUSTRIAL RELATIONS

The Industrial Relations scenario was by and large peaceful. The registered trade unions of the regular work force and registered trade unions representing contract labour and the Association representing Executives of the organization, have contributed significantly for nurturing employee friendly work culture across the organization in maintaining harmonious Industrial Relations (IR) climate. In so far as manpower status is concerned, the total work force stands at 14,729 as on 31.03.2023. Out of which 2,310 (15.68%) belongs to Scheduled Caste and 1,117 (7.58%) belongs to Scheduled Tribes. Labour Productivity during the FY 2022-2023 was at 439 tCS/man-yr.

Implementation of Presidential Directives on Reservation for SCs/STs:

A SC/ST Cell was established exclusively for SC&ST matters and one Liaison Officer in the rank of Deputy General Manager is appointed to ensure the implementation of Reservations, Concessions and Relaxations provided for SC&ST candidates as per the Presidential Directives. Dr. B R Ambedkar Merit Recognition Scheme was introduced for the meritorious children of RINL employees who are pursuing professional courses. Under the scheme, 28 scholarships are being provided. Out of 28 scholarships, 16 for General Category, 8 for SCs and 4 for STs are being provided. RINL Management has facilitated to form a single SC&ST Employees Welfare Association representing all SC&ST employees in RINL to address their problems in a single window system. Office building in the Township is provided for the Association with all facilities like library (along with digital books) furniture, Max & BSNL phone facility, internet, PC, PA system, Projector with screen etc. Elections are being conducted once in two years for the VSP SC&ST Employees Welfare Association. Facilities to recover the monthly contributions from the salaries of SC/ST employees towards SC&ST Employees Benevolent Scheme and also Retirement Benefit Scheme are provided. World Tribal Day is being organized every year by SC&ST Association with the financial support of RINL Management. Training programmes on Reservation Policy and Constitution of India are being conducted. Women Health Care programmes are being conducted for SC&ST Category women employees and house wives and major daughters of SC&ST employees.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE

Pursuant to the enactment and enforcement of The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013, your Company had formulated a Policy on 22.04.2021 as HR Policy Circular No.05/2021 and constituted an Internal Complaints Committee (ICC) to conduct enquiry against related complaints as per established procedure and submit its findings and recommendations of enquiries for further necessary action by Competent Authority.

During the year 2022-23, 2 (two) such complaints were received and dealt with laid down procedure. Necessary actions were taken within the stipulated time frame.

WOMEN EMPOWERMENT

Your Company has always taken utmost care in establishing gender equity and evolved as an Employer providing equal opportunity. With every passing year the strength of women employees in the company is on the rise. On 31.03.2023, the strength of 502 women employees in the organization is 3.41% of total employees (3.34% last year). Your company believes in maintaining equal playing field for the women vis-a-vis men employees and also place them in diverse and challenging working areas at Operations, Projects and Commercial.

Your Company facilitates the women workforce to be closely associated with the local forum of Women in Public Sector (WIPS) constituted under the aegis of SCOPE. WIPS Cell has been co-ordinating a number of activities organized for the development of women employees which include online webinar programs on Managerial Development, Networking & Social Skills Development including Gender Sensitivity. Customized training program for women employees such as Work-life Balance, Stress management, Time management & Counseling Skills were conducted. Around 71 women employees were deputed for participation in external training programs and around 1028 women employees participated in 809 in-house training programs. 4 Programs were also conducted on gender sensitization for its employees on issues relating to women employees.

On 09.08.2022, WIPS – RINL marked its Silver Jubilee formation year and was celebrated in a befitting manner. International Women's Day was celebrated in a befitting manner on 9th March, 2023

25th WIPS Formation Day Celebrations

International Women's Day celebrated on 9th March, 2023

This year women employees of RINL left no stone unturned in brining laurels to the company. At the 33rd National Meet of Forum of WIPS, RINL bagged third place for Best Enterprise award, a tribute to excellence in Public sector in Navaratna category in recognition of commendable woke done by RINL for development of women in the organization. Three doctors from Medical Dept. won National awards in various categories at the 42nd All India Steel Medical Officers Conference. Two employees from QATD bagged first prize in AIMA-11th PRAGATI Quiz competition 2023, National Level Quiz competition.

WIPS, RINL received third place for Best Enterprise Award

Smt. V Suguna Soumya, Sr. Mgr (R&D) bagged First place in executive category

Dr. KNLV Krishna Veni, Admin Asst. (Rajbhasha) bagged third place in non-executive category

Ms Ayantia Roy, Sr. Mgr (CSM) received excellence award at INSSAN.

Ms V Leena, DGM(MM) was conferred with "Wings of Steel award" under the gender and diversity category by Indian Steel Association.

GRIEVANCE REDRESSAL MECHANISM

Your Company has a robust Grievance Handling System comprising both Formal & Informal Grievance Redressal Mechanism separately for Executives and Non-Executives. With the philosophy of the organisation, RINL has been adopting proactive approach on every employee related issue and attempting to redress the grievances of the employees through this mechanism. During the year, 58 Grievances were received online through Centralized Public Grievance Redress and Monitoring System (CPGRAMS) portal and 55 were disposed off.

THE RIGHTS OF PERSONS WITH DISABILITIES ACT, 2016

The Company has employed 224 persons with PWD – Differently Abled Persons since the statute came into operation, out of which 11 (Eleven) persons were selected on merit. Accessibility Audit in Public buildings inside and outside the plant premises was conducted in order to improve and provide the facilities such as provision of Ramp ways, Customized Toilets, Auditory Signals inside elevators and provision of Wheel Chair at the reception for the convenience of the differently abled persons.

LEGAL AFFAIRS

Utmost care has been taken by your Company to deal with all legal matters including Arbitrations, Court Cases, Coordination with Standing Counsels, dealing with Legal Notices including Notices from different statutory and other authorities and Legal Advices. During the FY 2022-23, 109 new Court cases/arbitrations were filed. The total number of court cases and arbitration matters remained at the level of 712 at the end of March, 2023. The Company got favorable verdicts in 101 disposed cases out of the total 118 cases disposed off. In the Arbitration with large stakes initiated against M/s Air Liquide India Holding Pvt. Ltd. (ALIH), in ASP BOO Contract, all necessary steps have been taken to pursue the case and the Commissioning activities effectively and protect the interests of your Company.

Out of 712 Cases, 79 cases are identified after review as infructuous/in-active and some cases are also identified where RINL is only shown as Proforma Party and no claims/reliefs are made against RINL. Updation of court cases in the website of Ministry of Law & Justice i.e., Legal Information Management & Briefing System (LIMBS) has been regularly done. All the reports and statements as directed by the Management have been submitted periodically.

RINL filed 10 Writ Petitions, challenging the MSME jurisdiction to proceed with the pending Arbitration cases at MSME Council, before the High Courts, and got disposed in favor of RINL.

The Company got favorable Arbitration Awards in 06 (six) Arbitration cases out of 08 (eight) arbitration Cases:

(i) In One International Arbitration i.e RINL Vs Orind Special Refractories, the Arbitrator has awarded RINL claim of USD 265,767.93 and USD 65,650 (arbitration costs) also an amount of ₹ 43,04,631 and ₹ 1,92,500/- (legal costs).

(ii) M/s ARSS Infrastructure Projects Ltd. Vs RINL Claim Amount ₹ 47.38 Cr and - Award Amount ₹ 2 Cr.

(iii) M/s Tata Projects Ltd Vs RINL, Claim amount ₹ 4.89 Cr - Award Amount ₹ 3.87 Cr.

(iv) M/s Tata Projects Ltd Vs RINL, Claim Amount ₹ 87 Cr. - Award Amount ₹ 47.27 Cr.

(v) M/s Tarachand Logistics Vs RINL Claim Amount ₹ 11.07 Cr. - Award Amount ₹ 94 lakhs

(vi) M/s K.V. Ramana Reddy Vs RINL Claim Amount ₹ 163 Cr. - Award amount ₹ 46.75 Cr.

Thus RINL saved ₹ 217.32 Cr during 2022-23 in Arbitration claims.

WELFARE

Apart from fulfilling the statutory welfare measures, your Company has been implementing various Non-Statutory Schemes for its employees to take care of the social security needs. To name a few, Employees' Family Benefit Scheme, Employees' Pension Scheme (EPS), Group Mediclaim Insurance Scheme (GMIP), Post-Retirement Medical Scheme (PRMS) for executives are in place as part of Social Security net for the employees and their families. A dedicated Cell of HR-Welfare named **SEWA (Separated Employees Welfare and Assistance)** for the services of the separated employees and their family members is established.

An amount of ₹ 13.34 Crs was spent towards Group Mediclaim Insurance Scheme (GMIP) and an amount of ₹ 8.22 Crs was spent towards Post-Retirement Medical Scheme (PRMS) for the benefit of separated employees and their spouses. This stands as testimony to the Company's commitment towards the welfare of employees even after their separation. Company's Contribution under Employee Pension Scheme has been settled for 6012 separated employees. Benefit under Employees' Family Benefit Scheme was extended to 1025 beneficiaries of the scheme.

An amount of ₹ 9 Crs was disbursed by RINL to the aided schools, benefitting more than 6000 students, including children of employees of RINL and local areas. RINL disbursed ₹ 19 Lakhs towards Scholarship payments to children of RINL Employees benefitting 110 children.

To commemorate 75 years of India's Independence- "Azadi Ka Amrit Mahotsav", a 75 Week celebration was started on 12.03.2021 at schools of Ukkunagaram. Under the umbrella of "Azadi Ka Amrit Mahotsav", various events were conducted to educate and enlighten the students on "India's struggle for Freedom".

National Deworming Day (NDD) has been observed at Ukkunagaram Schools on 14th March, 2023. 40 numbers of School Staff underwent NDD orientation training programme on "precaution to be taken on administering the medicine to children". The programme has been conducted in collaboration with Visakha Steel General Hospital and Devada Primary Health Centre, Visakhapatnam.

IMPLEMENTATION OF OFFICIAL LANGUAGE POLICY

Your Company has always given significant focus towards effective implementation of Official Language Policy. The progress of implementation was reviewed in each quarter by Official Language Implementation Committee headed by Chairman and Senior Management as members.

During the year, 131 employees were trained in Hindi Prabodh/Praveen/Pragya courses and 133 employees in Unicode training program. 735 employees were covered in Hindi workshops conducted at HQ, Mines, Regional/ Branch Sales Offices/ Liaison Offices & Subsidiary Companies through online and offline mode. Hindi inspections by HQ were conducted for 44 Departments/Sections at HQ as well as 22 Liaison/Regional/Branch Sales Offices. Besides, inspections were also conducted by Rajbhasha Vibhag of Ministry of Steel, Ministry of Home Affairs and also 3rd Sub-committee of Parliamentary Committee on Official Language in various ROs/BSOs. Suggestions given by the above committees were implemented successfully. Two issues of Quarterly Hindi in-house Magazine 'Sugandh' were published during the period under consideration.

In recognition to the efforts of effective implementation of Hindi, the company has been awarded 'First Prize' of 'Rajbhasha Keerthi Puraskar' by Department of Official Language, Ministry of Home Affairs, GoI for 2021-22. RINL's Hindi in-house Magazine 'Sugandh' was awarded First Prize of Rajbhasha Keerthi Puraskar by Department of Official Language, MoHA, Govt. of India for 2021-22. TOLIC (PSU), Visakhapatnam was awarded

Second Prize of Rajbhasha Keerthi Puraskar for the year 2021-22, which is chaired by CMD, RINL. All the above awards were given on 14th September, 2022 on the occasion of 'National Hindi Day Celebrations'.

Rajbhasha Keerti Puraskar (First Prize) for In-house Magazine 'Sugandh' for 2021-22

Rajbhasha Keerti Puraskar (First Prize) for Hindi Implementation for 2021-22

On the occasion of 'Azadi Ka Amrit Mahotsav', RINL & TOLIC (Undertaking), Visakhapatnam jointly invited artists from Sukhmanch Theatre, New Delhi to stage plays 'Poocho Parsai Se', 'Gagan Damama Bajyo' and street-play at Delhi Public School in Ukkunagaram, Kendriya Vidyalaya in Malakapuram and IOCL premises.

During the year, a 'Kavya-Sandhya' was organized. Coordinators' Conference was organized in the presence of representatives of the Rajbhasha Vibhag, Ministry of Steel. In order to encourage employees to work more and more in Hindi, Hindi Month was organized in which various competitions were organized for the employees and school children. Competitions were organized for school children during the Swacchata Pakhwada.

Kavya-Sandhya

SPORTS

As part of Azadi Ka Amrit Mahotsav in commemoration of 75 years of India's Independence, a number of sports activities including Sports & Games have been organised from April, 2022 to March, 2023.

FIT INDIA FREEDOM RUN & INTERACTION OF BUDDING BADMINTON PLAYERS :

Ms. P. V. Sindhu, India's Legendary Badminton player and RINL's Brand Ambassador flagged off a 'Fit India Freedom Run' on 20.10.2022 at Col. C. K. Nayudu Ukku Stadium. Ms. P. V. Sindhu also interacted with 30 budding Badminton players from RINL and played long rallies with them in Indoor Stadium.

Ms P.V Sindhu Visit to RINL

Ms P.V Sindhu interacted with Badminton players of RINL

A "Vizag Steel Walkathon" was organised at R K Beach Road of Visakhapatnam City on 10th July 2022 to create awareness about Steel Usage. About 500 people involving Walkers, Students and Employees of RINL participated in the Walkathon.

"Vizag Steel Walkathon" at R K Beach Road of Visakhapatnam City

VIZAG MARATHON

Sports Dept. facilitated the participation of more than 200 employees & dependents at "Vizag Marathon" on 18th December 2022. Director (Commercial) & Director (Operations) Flagged off the 5K marathon at R K Beach, Visakhapatnam.

"Vizag Marathon" on 18th December, 2022

IMPLEMENTATION OF THE RIGHT TO INFORMATION ACT, 2005

Your Company is one of the first CPSEs to launch online RTI platform, a leap forward in promoting Transparency and Accountability. This has immensely facilitated the Citizens to file their applications within a fraction of second. All out efforts have been made to provide information to citizens under the Statute. A total of 386 requests and 41 appeals were disposed off during this period. All the cases before Central Information Commission (CIC) were disposed off and the decision complied with. Under Suo moto disclosure on RTI to CIC, your company has scored 866 marks out of maximum marks of 895 by the Third party Auditor. Your Company has secured 'A' grade with 97% under mandatory disclosure audit of respondent public authorities for the period 2021-2022.

MEDICAL & HEALTH SERVICES

Your Company has been providing specialized medical and health care services to VSP employees and their dependents through a well-equipped 160 bedded multi-speciality Hospital, Occupational Health & Safety Research Centre, two emergency medical care units (First Aid Units) inside the plant premises and three primary health centres located at Pedagantyada Rehabilitation Colony, Captive mines at Jaggayyapeta (Andhra Pradesh) and Madharam (Telangana). In addition to speciality services 19 nos. of super-specialist consultants from empanelled hospitals in Visakhapatnam visit VSGH (Visakha Steel General Hospital) to provide super-speciality tertiary care services at VSGH itself.

Improvements:

(i) With the help of IT & ERP, medical department has developed a database of all employees and their blood groups, for encouraging voluntary blood donation from employees, dependents and CISF personnel. This data is stored in a centralized server and is kept safe and confidential.

(ii) Action has been initiated to convert the existing dietary unit to a YOGA Meditation Center for patients with chronic ailments, arranging of shift changing rooms as well as dining area for doctors. This initiative has been taken as part of life style modifications as a preventive measure to prevent worsening of an existing condition of patients as well as working staff in Medical Dept.

(iii) Through a central window system (Kiosk) at Casualty and Online implementation of Ward Management System, the work of registration of in-patients, admissions, discharge, billing, collection of charges, Issuing of Medical Records, monitoring of ambulance services, information to patients as help desk etc, have contributed in improving supportive health care services at large.

(iv) Medical laboratory Shift room for 24/7 blood sample analysis has been established at VSGH.

CAPACITY BUILDING THROUGH LEARNING AND DEVELOPMENT

During the year, emphasis was given on updating employees' knowledge and skills by organizing various Skill Development, Technology related, Computer related and Safety & Health related training courses. A total of 31,490 employees were trained accounting for 11.1 man days / employee / year.

Special Training Programs:

For enhancing required skill and knowledge levels amongst the respective employees, special training programmes through Virtual Cloud computing servers were organized by engaging OEM - M/s SIEMENS.

For augmenting auditing skills and knowledge of ISO auditors, Lead Auditor Training programmes along with online assessment by International Register of Certificated Auditors (IRCA), London were organised by engaging external agency – M/s IRClass, Mumbai.

As per the Skill India initiatives of GoI, RINL fulfilled the MoU dtd 2nd Januray, 2020 with Indian Iron & Steel Sector Skill Council (IISSSC), Kolkata for organizing Recognition of Prior Learning (RPL) Skill Qualification Packs (QPs) training and assessment for 500 regular employees of RINL.

Apprenticeship Training and Internships:

As per quota fixed by Apprenticeship Authorities, RINL has been engaging and training 1019 Apprentices every year in various Categories of apprenticeship namely Graduate Apprentices (GAT), Technician Apprentices (TAT), Technician (Vocational) Apprentices (TAT-VOC) and Trade Apprentices (TRA). All these apprentices undergo training in various departments. On-line Computer based Test (CBT) was conducted on 08th August, 2021 for selection of Trade Apprentices in 10 Trades through an agency, Broadcast Engineering Consultant India Limited (BECIL), Noida. An online Project Training Management System (PTMS) has been developed in association with IT & ERP Department. 2014 students have undergone project training at various departments of the Plant.

During 2022-23, 221 in-house training programs were conducted covering 6964 employees for improving their managerial and behavioral competencies. 311 employees were nominated for participation in 90 External Training Programs. Functional/Independent Directors were nominated to attend 04 Training Programs organized by Indian Institute of Corporate Affairs, DPE & CSR Research Foundation.

RECRUITMENT

During the year, 2 (two) candidates (Non-executives) were recruited on Compassionate Grounds under Employees' Family Benefit Scheme of RINL. As on 31.03.2023, the number of Displaced Persons provided with employment in RINL stands at 8,009.

AWARDS & ACCOLADES WON DURING THE YEAR

(a) Chapter Convention on Quality Concepts (CCQC) 2022

The Chapter Convention on Quality Concepts (CCQC)-2022 was organized by Quality Circle Forum of India (QCFI) at Centre for HRD on 22nd and 23rd September, 2022. The theme of the convention was "Integrated Quality Concepts - The Gateway to Global Leadership."

RINL has nominated 20 LQC teams and 10 '5S' teams to participate in the convention. RINL bagged total 23 Gold Awards under LQCs-15 and under 5S-8. Total 7 Silver Awards under LQCs-5 and under 5S-2.

Bagged GOLD award at CCQC-2022 BF LQC Team

Bagged GOLD award at CCQC-2022 SMS-1 5S Team

(b) National Convention on Quality Concepts (NCQC) 2022

15 (Fifteen) nos. of 'LQC Teams' and 08 (Eight) nos. of '5S Teams' were nominated to participate in the 36th National Convention on Quality Concepts (NCQC)-2022 on "Integrated Quality Concepts - the Gateway to Global Leadership" organized by QCFI - Aurangabad Chapter during 27th - 30th December, 2022 at MGM University, Aurangabad, Maharashtra. Par Excellence awards under LQCs are 14 and under 5S are 5; Excellent awards under LQCs is 1 and awards under 5S are 3 total 19 Par Excellence Awards and 4 Excellent Awards.

(c) International Convention on Quality Control Circles (ICQCC) 2022

The International Convention on Quality Control Circles (ICQCC-2022), organized by Indonesia Quality Management Association (IQMA), Indonesia, was held at Jakarta, Indonesia from 15th – 18th November, 2022 on the theme "Build back better through Quality Efforts". Three LQC teams from Vizag Steel i.e. "ALPHA" from LMMM, "PROXY TECH" from BF and "ATMANIRBHAR" from SBM presented their case studies in the competition conducted during the convention. All the three Teams bagged "GOLD Awards" at ICQCC-2022.

ALPHA (LMMM)

ATMANIRBHAR (SBM)

PROXY TECH (BF)

(d) Indian National Suggestion Schemes' Association (INSSAN) 2023

Indian National Suggestion Schemes' Association (INSSAN) organized its 32nd National convention on the theme: "Creativity & Innovation of Employees for Organizations Business success" held at Scope Convention Centre, New Delhi from 10th to 12th February, 2023. 6 (Six) employees from RINL have been nominated to the convention to present their Suggestion and Technical Paper. All the Six participants from RINL have presented their case studies and received various awards.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Taking your Company's commitment to socio economic transformation of people in and around the Plant and Mines forward, your Company has undertaken ongoing projects of previous year as part of its CSR initiatives. Pursuant to the enactment of the Companies Act, 2013, your Company has formulated a CSR & Sustainability Policy in line with the applicable provisions of the said statute and Department of Public Enterprises (DPE) Guidelines and has been according due emphasis on 'Inclusive Growth and Sustainability'. Board Sub Committee on CSR, headed by an Independent Director in terms of Section 135 of the Companies Act, 2013, has been regularly monitoring the implementation of these CSR activities. The Annual Report on Corporate Social Responsibility Activities pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014 read with the amendments issued in 2022 forms part of this Annual Report. Considering the dire need of nutritional support to children belonging to Below Poverty Line families, mid-day meals were provided for 1200 school children. Community and peripheral development facilities were provided at Singareni Village near Madharam Mines through provision of Construction of Toilet blocks.

SWACHH BHARAT

The concept of **"Swachh Bharat"** has been institutionalized across the organization. The Swachh Bharat activities were undertaken inside the Plant premises as well as in the surrounding communities of your organization. The primary objective is to strengthen the existing infrastructure and maintain it through cleanliness drives.

Safai Pakhwada was organized throughout the year covering all departments in a sustainable manner in your organization. **Special Swachhata Campaign 2.0** was conducted from 2nd October, 2022 to 31st October, 2022. **Swachhata Pakhwada** was conducted for a fortnight from 16th to 31st March, 2023. 192 Shramdaan activities, Swachchta pledge, development of greenery etc. involving 2209 employees were organized in line with the directions of Govt. of India.

Special Campaign 2.0

As per the Department of Administrative Reforms & Public Grievances, Ministry of Personnel, Public Grievances and Pensions, Govt. of India, a Special Swachhata Campaign 2.0 was conducted at RINL from 2nd to 31st October, 2022. During the campaign, special focus has been given to space management, scrap disposal, record management, disposal of pending matters etc. A month long activities like mass cleaning campaigns in different areas of the Plant and Mines, Bala Swachhata Jagruthi, Parivarthan and distribution of cloth bags etc. were taken up.

Swachhata Pakhwada

Swacch Bharat Campaigns were conducted from 16th to 31st March, 2023 in your organization. To show case the contribution of the Company towards Swachhta, an exclusive intranet portal christened as "Swachh Bharat @ RINL" is being maintained and the content is updated regularly with a view to create greater awareness and inspiration on Swachhta across the Organization. During the campaign, improvement of hygienic conditions at work place, cleaning, disposal of unwanted things, sanitation, curbing of single use plastic, Menstrual health awareness programs, awareness on Swachhta in prevention of disease transmissions in the wake of post COVID -19 pandemic, Safety campaigns, etc. were taken up in various departments and Schools. Various activities such as Swachhata Pledge, Bala Swachhta Jagruthi, Swachh Jagrukta Abhiyan, Parivartan, Swachhata se Swasth were conducted during the fortnight.

Under **'Swachh Vidyalaya'**, your Company had undertaken '**Bala Swachhata Jagruthi'** initiative for creating awareness on importance of cleanliness & personal hygiene to the school children.

Under **'Parivarthan',** your Company had undertaken an awareness program on 'Menstrual Hygiene' to adolescent girl students of high schools to embark / inculcate good hygienic lifestyle for the class 6th to 9th adolescent girl students wherein social prohibitions and lack of adequate information on sanitation and hygienic facilities were discussed openly.

Har Ghar Tiranga

'**Har Ghar Tiranga'** was a Nation-wide campaign under the aegis of Azadi Ka Amrit Mahotsav, inspiring Indians everywhere to hoist the National Flag at their home to mark the 75th Independence Day. Your Company had distributed National flags to the people living in and around RINL-VSP Township.

Swachhta Pakhwada celebrations from 16th to 31st March 2023, inaugurated by Shri Atul Bhatt, CMD, RINL, by taking Swachhta Pledge along with employees at Office of CMD at Administrative building

Handing over one 4 Cmt. Door-to-Door Garbage Collection Vehicle, 65 number of Multi-purpose 4-tub Push Carts and 1 container toilet to Greater Visakha Municipal Corporation (GVMC) to promote Solid Waste Management in Visakhapatnam

CITIZEN CHARTER

Your Company is totally committed to excellence in public service delivery through good governance by a laid down process of identifying citizens, commitment to them in meeting their expectations and communication about the key policies, in order to make the service delivery process more effective. The Citizen Charter is made available on the Company's website in both English & Hindi versions.

VIGILANCE ACTIVITIES

RINL-Vigilance has been focusing on preventive and proactive Vigilance activities to facilitate a conducive environment for enabling people to work with integrity, impartiality and efficiency, in a fair and transparent manner, upholding highest ethical standards to enhance reputation and create value for the organization.

In its endeavor to thrust upon preventive and pro-active vigilance, various activities were carried out like conducting System Studies on the Procedures being followed in the Company, Intensive examination of Contracts and Purchase Orders, Examination of Audit Paras generated through Internal Audits, keeping Surveillance and conducting Surprise Checks in vulnerable areas, Random scrutiny of bills etc. Ignorance cannot be an excuse for occurrence of misconducts, procedural violations, malpractices etc. and the same were explained to the employees at various fora. Assistance was provided to the concerned in processing of disciplinary cases emanating from vigilance recommendations. The Department was instrumental in identifying new areas/sections where potential of IT can be leveraged to improve Transparency and Fairness.

As a preventive vigilance measure, Vigilance Department conducted 218 surprise checks in various vulnerable areas which include 33 quality checks, 20 Stores/Sub-Stores/Departmental Stores, 141 regular/surprise inspections in vulnerable areas. Vigilance observations were brought to the notice of the concerned for taking corrective actions/improvement in the existing procedures/ systems, wherever required.

An expert talk on "Public procurement in India" was delivered by Shri Kanwalpreet, Director (PPD), DOE, Ministry of Finance on 08th October, 2022.

Awareness sessions on "Preventive Vigilance" were conducted for new entrants and also middle level employees covering various topics like Preventive Vigilance, Complaint handling and CVC circulars, Transparency in Contracts and Procurement, Integrity Pact & GeM, e-governance & Technology as Enabler, CDA Rules, CSO and Grievance redressal etc.

A total of 17 Sessions involving 626 participants attended physical classes which include Induction program on Vigilance activities for newly joined Vigilance Officers.

Vigilance Awareness Week - 2022 was observed in RINL, during 31st October, 2022 to 06th November, 2022, the theme being "Corruption free India for a developed Nation". The observance of Vigilance Awareness Week in RINL commenced with the Integrity Pledge taken by CMD, Board of Directors, CVO, GM (Vig.) and all Vigilance Officers as well as other employees at various Departments across the company on 31st October, 2022.

A consolidated Action plan / taken report on Preventive Vigilance cum Housekeeping activities (Six points) during the campaign period from 16th August, 2022 to 15th November, 2022 as desired by CVC has been prepared by coordinating with all the Directorates of RINL and submitted the report to CVC.

70 complaints were handled in compliance with complaint handling policy and 57 were disposed. Disciplinary proceedings of 02 cases where major penalty was recommended and 10 cases where minor penalty was recommended, were disposed.

Compliances of the recommendations made by the Committee On Papers Laid On The Table (COPLOT) - Rajya Sabha in its 150th Report, dtd. 31st March, 2017:

Complaints: During the financial year under review 67 complaints were initiated and 57 were disposed and 13 were pending as on 31.03.2023 and 03 were pending as on 31.03.2022.

Disciplinary Proceedings: During the FY 2022-23, major penalty was recommended against 04 employees and minor penalty was recommended against 05 employees.

VIGIL MECHANISM

Your Company has put in place a Vigil Mechanism comprising of Whistle Blower Policy and it is available on the Company's website at link https://www.vizagsteel.com/insiderinl/Vigil%20mechanism%20Policy.pdf.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report covering the Performance and Outlook of the Company is enclosed at **Annexure -I** to this Report.

CORPORATE GOVERNANCE REPORT

Your Company strives to attain highest standards of Corporate Governance. In line with the Guidelines issued by Department of Public Enterprises (DPE), which have become mandatory from May, 2010, a separate section on Corporate Governance is annexed and forms part of the Directors' Report vide **Annexure-II** to this Report.

CERTIFICATION BY THE CEO & CFO

Certificate attested by the CEO & CFO is enclosed, forming part of the Corporate Governance Report along with a declaration signed by CMD regarding Code of Conduct for Members of the Board and Senior Management vide **Annexure-III** to this Report.

COMPLIANCE OF GUIDELINES ON CORPORATE GOVERNANCE

Your Company has been granted with "Excellent" Grading by the Department of Public Enterprises (DPE) under Ministry of Finance for six consecutive years i.e. from F.Y. 2016-17 to F.Y. 2021-22. This has been issued as part of Grading of CPSEs on the basis of their compliance with Guidelines on Corporate Governance for CPSEs issued by DPE in May 2010 vide their O.M. No. 18(8)/2005-GM dated 14th May, 2010 and subsequent amendments thereof.

A Certificate on Compliance of Guidelines on Corporate Governance issued by DPE in May 2010, for the year 2022-23 given by a Practicing Company Secretary is annexed herewith and it forms part of the Directors' Report vide **Annexure-IV** to this Report.

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

The Annual Report on Corporate Social Responsibility (CSR) activities, pursuant to Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is enclosed at **Annexure -V** to this Report.

ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013, a copy of Annual Return in Form No. MGT-7 for each Financial Year is placed on the Website of the Company at https://www.vizagsteel.com myindex.asp?tm=1&url=insiderinl/FinancialPerformance.asp

BOARD MEETINGS

During the year, 5 (Five) Board Meetings were held and the details of the same are provided in the Corporate Governance Report which forms part of this report.

AUDIT COMMITTEE

The details of composition of the Audit Committee are provided in the Corporate Governance Report which forms part of this report. All the recommendations made by Audit Committee were accepted by the Board.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) & Section 134(5) of the Companies Act, 2013, the Directors state that:

a) in the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;

b) the Directors had 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 at the end of the financial year and of the profit or loss of the Company for that period;

c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors had prepared the Annual Accounts on a "going concern" basis;

e) this sub-clause is not applicable being an unlisted company; and

f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INDEPENDENT DIRECTORS' DECLARATION

In terms of section 149(7) of the Companies Act, 2013, necessary declaration has been given by each Independent Director stating that he/she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Your Company has constituted the Nomination and Remuneration Committee as required under Section 178 (1) of the Companies Act, 2013. Being a Central Public Sector Enterprise (CPSE) Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub-Section 3 of Section 178 of the Companies Act, 2013 are made/fixed by the Govt. of India. The Appointment and Remuneration Policy is also exempted vide MCA notification No. G.S.R. 463(E) dated 5th June, 2015 for Govt. Companies.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

In terms of the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, the details of Loans, Guarantees and Investments given during the FY ended on 31st March, 2023 are disclosed in note nos. 6, 7A, 7B, 9 & 14 and Investment details are disclosed in note no. 5 of the notes to accounts annexed to the Financial Statements.

RELATED PARTY TRANSACTIONS

The transactions with the related parties have been disclosed in the financial statements. The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 are disclosed in note no. 53 of notes to accounts annexed to the Financial Statements.

STATEMENT OF THE COMPANY'S AFFAIRS

The details with regard to the Company's Affairs during the year have been elaborated in the preceding paras of this Report.

TRANSFER TO RESERVES

No transfer to reserves during the period under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

In accordance with the provisions of Section 134 (3)(m) of Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 the particulars regarding Energy Conservation, Technology Absorption and Foreign Exchange earnings and outgo during the year are given in the **Annexure-VI** to this Report.

ENTERPRISE RISK MANAGEMENT POLICY (ERM)

Your Company has a Board approved Enterprise Risk Management Policy and the same has been put on Company's Website. In terms of the policy, there is a separate implementation agency for identifying the Risk profiles across the organization covering both Works and Non-Works Departments by an In-house team and monitoring of the same is done through the Concerned Heads of the Departments and also reviewed by the Audit Committee.

ANNUAL EVALUATION OF PERFORMANCE OF THE BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS

Ministry of Corporate Affairs (MCA) vide notification No. G.S.R. 463(E) dated 5th June, 2015 & G.S.R. 584 (E) dated 5th July, 2017 has exempted the 'Annual Evaluation of Performance of the Board, Committees and Individual Directors' for Government Companies.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Details of Directors and Key Managerial Personnel (KMP) who were appointed or have ceased to be Directors and KMPs during the year and till the date of the Report are as follows:

DIRECTORS:

Appointments:

Name of the Director	Appointed w.e.f.
Shri Arun Kanti Bagchi (DIN: 09835584)	26.12.2022
Shri Suresh Chandra Pandey (DIN: 10149587)	11.05.2023

Cessations:

Name of the Director	Cessation w.e.f.
Shri K K Ghosh (DIN: 08554242)	01.10.2022
Shri A K Saxena (DIN: 08588419)	29.12.2022
Dr. Sita Sinha (DIN: 08678880)	17.01.2023
Shri V V Venugopal Rao (DIN: 02950920)	01.05.2023

KEY MANAGERIAL PERSONNEL:

a) In pursuance of Order No. 2/2/2021-BLA, dated 17.08.2022 & 20.03.2023, received from Ministry of Steel (Board Level Appointments Cell), Government of India, the additional charge of the post of Director (Personnel), RINL was assigned to Shri Atul Bhatt, CMD, RINL, for a period from 01.07.2022 till a regular incumbent joins the post. Subsequently, vide Order No. 2(2)/2020-BLA, dated 02.05.2023, issued by Board Level Appointment Cell (BLA), Ministry of Steel, Government of India, Shri Suresh Chandra Pandey has been appointed as the Director (Personnel) of RINL and he assumed the charge from 11.05.2023.

b) In pursuance of Order No. S-14012/1/2022-BLA, dated 24.04.2023, received from Ministry of Steel (Board Level Appointments Cell), Government of India, the additional charge of the post of Director (Finance), RINL was assigned to Shri Atul Bhatt, CMD, RINL, for a period of 03 months w.e.f 01.05.2023 up to 31.07.2023 or till a regular incumbent joins the post, or until further orders, whichever is the earliest.

c) In pursuance of Order No. S-14012/1/2022-BLA, dated 24.07.2023, received from Ministry of Steel (Board Level Appointments Cell), Government of India, the additional charge of the post of Director (Finance), RINL was assigned to Shri Suresh Chandra Pandey, Director (Personnel), RINL, for a period of 01 year w.e.f 01.08.2023 up to 31.07.2024 or till a regular incumbent joins the post, or until further orders, whichever is the earliest.

d) In pursuance of Order No. 2(9)2015-BLA (Vol.II), Govt. of India (GoI), Ministry of Steel (MoS), dated 28th June 2017, Shri V. V. Venugopal Rao was appointed as Director (Finance), RINL for a period of five years from 06th July, 2017 i.e. the date of assumption of charge of the post. Accordingly his tenure as Director (Finance) ended on 05th July, 2022 (A/N) but subsequently Vide Order No. 2(9)/2015-BLA (Vol-II) (Part 1), GoI, MoS, Dated. 09th January, 2023, the tenure of appointment of Shri V. V. Venugopal Rao, Director (Finance), was extended with a retrospective effect beyond 05th July, 2022 till 30th April, 2023 i.e. the date of his superannuation.

e) Consequent upon attaining the age of superannuation, Shri V V Venugopal Rao, Director (Finance) was relieved from the services of Rashtriya Ispat Nigam Limited (RINL) w.e.f. 30th April, 2023 (A/N) in terms of Office Order No.2(9)-2015-BLA (Vol-II) (Part 1) dtd. 09th January, 2023 of Ministry of Steel, Government of India and the position of Director (Finance) & Chief Financial Officer (CFO), RINL has fallen vacant w.e.f. 01st May, 2023. Accordingly, in compliance with the applicable provisions for Key Managerial Personnel (KMP) w.r.t the CFO position, Shri V Santa Kumar, Chief General Manager (F&A) & Head of the Finance Dept (HoD), RINL has been designated as Chief General Manager (F&A), HoD (Finance) & Chief Financial Officer (CFO), RINL (a Key Managerial Personnel) for the period from 29th August, 2022 to 08th January, 2023 and with effect from 09th May, 2023 till the appointment of Director (Finance) & CFO.

f) In pursuance of Order No. 2/3/2021-BLA, Dtd. 23.12.2022, Shri Arun Kanti Bagchi was appointed as Director (Projects), RINL w.e.f. the date of assumption of charge i.e. 26.12.2022. Further, in pursuance of Order No. S-14012/1/2023-BLA, dated 13.01.2023 & 24.03.2023, received from Ministry of Steel (Board Level Appointments Cell), Government of India, the additional charge of the post of the Director (Operations), RINL was assigned to Shri Arun Kanti Bagchi, Director (Projects), RINL, for a period from 29.12.2022 to 28.12.2023.

OTHER DISCLOSURES

Financials: The Financial summary or highlights are indicated separately in the report in the previous pages.

ESOPs/Sweat Equity Shares: Your Company has not issued equity shares with differential rights/Sweat Equity Shares/Employee Stock Options.

No change in the nature of business: There is no change in the nature of business of the Company and it continues to do business in Iron & Steel including by-products therefrom.

Particulars of Employees: Your Company, being a Government Company, is exempted from the provisions of Section 197 of the Companies Act, 2013 and rules made thereunder vide Ministry of Corporate Affairs (MCA) Notification No. G.S.R. 463(E) dated 05th June, 2015.

Subsidiaries or Joint Ventures: None of the Subsidiaries or Joint Ventures of the Company have ceased to be Subsidiaries or Joint Ventures during the year.

Material Changes and Commitments: There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of financial year of the Company, to which the financial statements relates (31st March, 2023) and the date of the report.

Significant and Material Orders: There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future during the year.

Deposits: Your Company has not invited/accepted any deposits falling within the purview of provisions of the Companies Act, 2013 during the year.

MOU Performance: RINL achieved 'Excellent' rating for the Financial Year 2021-22 and was exempted from signing of MoU with Ministry of Steel for the Financial Year 2022-23.

INTERNAL CONTROLS & INTERNAL FINANCIAL CONTROLS

Your Company has a proper, adequate and efficient system of Internal Control commensurate with the size and nature of its business for achieving the objectives of the Company by ensuring efficiency in operations, protection of processes, accuracy and promptness in financial reporting and compliance with the laid down policies and procedures along with relevant laws and regulations. This Internal control system is an integral part of the company's Corporate Governance policy. Significant features include formulation of Policies, Guidelines, Procedures, Delegation of powers, established IT & ERP systems, compliance with specific Laws and other Laws, Budgetary control, proper functioning of Audit committee, Committee of Independent Directors, CSR and Compliance with Accounting Standards etc.

INTERNAL AUDIT

In the Company, there is a separate Internal Audit department. The Internal Audit is conducted by a cross functional team of experienced Chartered Accountants, Cost & Management Accountants, System Analysts and Engineers with diversified experience. The Internal Audit department focuses on Transparency in the systems and proper / adequate internal control mechanisms. Annual Audit program and the frequency /coverage of audits is being approved by the Audit Committee at the beginning of the financial year. The Internal Audit team examines and evaluates various systems, procedures and policies of the Company and suggests useful improvements along with corrective measures to be taken by the concerned process owners. The reports containing significant audit findings are submitted to the Audit Committee of the Company for periodical review. During the FY 2022-23, Internal Audit department raised 1017 paras and the financial recovery stands at ₹ 44.44 Crs.

Based on Internal Audit observations, process owners take corrective and preventive actions for strengthening the controls and Internal Audit regularly suggests improvements in ERP systems for better Operational/Financial controls.

Compliances of the recommendations made by the Committee on Papers Laid on the Table (COPLOT) - Rajya Sabha in its 150th Report:

Pending Audit paras during the year 2022-2023:

SI No	Report No	Para number and description	Action Taken Note submitted
1.	Report No 31 of 2022 for the year ended March 2021	Information of statement 11 and annual reports of CPSE	Action Taken Note Submitted on 18-03-2023.
2.	Report No 27 of 2022 for the year ended March 2021 (Compliance audit of General Purpose Financial Reports of Central Public Sector Enterprises)	(i) Para No:1.4.4 (Annex-XI)- Rate of Real Return on Government Investment (ii) Para No 2.5.1.3 - Significant comments of CAG issued as supplement to the Statutory Auditor reports on Government companies / Government controlled other companies	Action Taken Note Submitted on 20-03-2023.
3.	Report No 7 of 2022 for the year ended March 2022 (Compliance Audit of Activities of RINL Union Government (Commercial))	Chapter-1: Category I Capital Repairs of Blast Furnace 1& 2 Chapter-2: Assessment of Environmental Issues at RINL	Action Taken Note Submitted on 08-10-2022. Vetting Remarks received on 03-02-2023. ATN on vetting remarks for Chapter 1 & 2 submitted on 25-02-2023 & 21-03-2023.
4.	Report No: 18 of 2020 (Commercial)	Para no: 13.2 Energy Management in RINL for the period 2014-15 to 2017-18 Observations on Generation, Purchase and distribution of energy covering the period of five years ending March 2019	Action Taken Note Submitted on 20-04-2021. Comments on vetting remarks submitted on 22-09-2021 & 14-06-2022. Comments on further vetting remarks under process.

5.	Report No: 12 of 2021 Union Government (Commercial), General Purpose Financial Reports of CPSEs (Compliance Audit) for the year ended 31st March 2020	Para no:1.4.3 - Return on Equity (ROE) of CPSEs Observations on decrease in Return on Equity	Action Taken Note Submitted on 13-04-2022. Vetting Remarks awaited
6.	Report No:14 of 2021 (Commercial)	Para no: 7.4 Avoidable expenditure due to delay in decision making. Inordinate delay in concluding the terms of Long Term Agreement (LTA) with M/s Minas De Benga Limitada for Supply of Benga Thermal Coal has resulted in incurring additional expenditure	Action Taken Note Submitted on 18-03-2022. Vetting Remarks awaited

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Mehta & Mehta, Company Secretaries, Mumbai as the Secretarial Auditors of the Company for the financial year 2022-23.

The Secretarial Audit Report confirming compliance to the provisions of Companies Act, 2013 and Rules made thereunder and the Memorandum and Articles of Association of the Company for the year, is annexed and forms part of the Directors' Report vide **Annexure-VII** to this Report. There are no qualifications in the Secretarial Audit Report.

STATUTORY AUDITORS

M/s Grandhy & Co, Chartered Accountants, Visakhapatnam were appointed as Statutory Auditors of the Company for the financial year 2022-23 by the Comptroller and Auditor General of India (C&AG). The Statutory Auditors' Report on the Accounts of the Company, for the financial year ended 31st March, 2023, is forming part of this report.

MONITORING MECHANISM FOR SUBSIDIARY COMPANIES & CONSOLIDATION OF ACCOUNTS

The Subsidiaries of the Company are managed by their respective Boards which includes Nominee Directors of the Company in the best interests of their stakeholders. Your Company monitors performance of Subsidiary Companies, inter alia, by placing Minutes of Board Meetings of the Subsidiary Companies before the Company's Board periodically. The Consolidated Accounts for the year incorporating the accounts of the Subsidiary Companies are enclosed to this report. The Statutory Auditors' Report and the C&AG Comments on the Consolidated Financial Statements (CFS) along with Management Replies thereon, forms part of this report. The Statement containing salient features of the financial statement of Subsidiaries/Joint Ventures pursuant to the first proviso to Sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014 is also enclosed in **Form AOC-1** to this Report.

EXPLANATIONS OR COMMENTS BY THE BOARD ON QUALIFICATIONS ETC., MADE BY THE AUDITOR

There are no Qualifications on the Accounts of the Company.

JOINT VENTURE MECHANISM (JV)

RINL POWERGRID TLT PVT. LTD (RPTPL)

RPTPL is a Joint Venture Company of RINL and POWERGRID with 50:50 shareholding. The JV Company is formed for engaging in the business of Manufacture of Transmission Line Towers (TLT) and other related allied activities. M/s MECON was engaged as Project Management Consultant (PMC) for end-to-end consultancy for the entire RPTPL Project.

However, in view of the changed business scenario, POWERGRID Board accorded approval for closure of RPTPL and to seek consent of RINL for winding up/ dissolution of RPTPL. Subsequent to the decision of the Board of M/s POWERGRID, Board of RINL agreed for winding up of RPTPL subject to the approval by Ministry of Steel (MoS). Approval for closure of RPTPL was received from MoS on 11.07.2022. Accordingly, actions are being taken.

As the Company will not be able to do further activity in the near future, the financial statements are not prepared on the assumption of going concern.

INTERNATIONAL COAL VENTURES PRIVATE LIMITED (ICVL)

International Coal Ventures Private Limited (ICVL) was set up as a Joint Venture Company with SAIL, CIL, RINL, NMDC and NTPC in the shareholding ratio of 2:2:1:1:1 as the promoter companies respectively for securing metallurgical coal and thermal coal assets in overseas territories. Present Shareholding ratio between SAIL, RINL and NMDC is 48:26:26 as CIL and NTPC are not interested in further investments.

International Coal Ventures Private Limited (ICVL) has a 100% subsidiary in Mauritius by the name of ICVL Mauritius Limited which has a step down 100% subsidiary namely Riversdale Mining (Pty) Limited (RMPL) in Australia which in turn holds a share of 65% stake in Minas De Benga Mauritius Limited (MBML), along with Tata Steel (TSL) which is holding remaining 35% stake. MBML, in turn, has been holding 99.5% shares in Minas de Benga Lda (MBL). MBL is operating Benga Mine which is having 236 million tonnes of mineable reserves in Tete Province of Mozambique and also exports coal to SAIL and RINL.

In addition, RMPL is also the 100% owner of ICVL Zambeze Mauritius Ltd (IZML), a company incorporated in Mauritius and which is holding 100% shares of ICVL Zambeze Lda (IZL). IZL is owner of Greenfield Mines in Mozambique with estimated Coal reserves of about 493 million tonnes.

C&AG AUDIT

The Comptroller and Auditor General of India (C&AG) comments on the accounts of the Company for the financial year ended 31st March 2023 forms part of this Report.

COST AUDIT AND APPOINTMENT OF COST AUDITOR

Ministry of Corporate Affairs (MCA), Govt. of India, vide notification nos. GSR 425(E) dtd. 30th June, 2014, GSR 01(E), dtd. 31st December, 2014 and G.S.R 695(E), dtd. 14th July, 2016, has notified the Companies (Cost Records and Audit) Rules, 2014 applicable to certain companies which are engaged in the production of goods or providing services. Such companies are required to keep cost records and get its cost records audited in accordance with these rules. The rules are also applicable to the Company and accordingly the Cost Accounting Records are being maintained by the Company and Cost Audit reports are being submitted by the Cost Auditor.

Accordingly, your company appointed M/s. Niran & Co., Cost Accountants, Bhubaneswar, as Cost Auditors, under the Companies Act, 2013 for the financial year 2022-23.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12)

No fraud by the company and no material fraud on the company has been noticed or reported during the year. No Report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the Auditors in **Form ADT-4** as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. A statement declaring the same has been mentioned in the Annexure-A to the Independent Auditor's Report on the Standalone Financial Statements which forms part of this report.

ACKNOWLEDGEMENT

The Board of Directors of your Company take this opportunity to express and acknowledge with deep appreciation, the valuable guidance, assistance, co-operation and support received from the Government of India, especially the Ministry of Steel and the Govt. of Andhra Pradesh and wish to place on record the cooperation and assistance extended by the Financial Institutions, the Company's Valued Customers & Suppliers, Railways, Bankers, Auditors, Contracting Agencies, Business Associates, Consultants, other officials of Ministries of Union Govt. and various other Ministries of the State Govt., the local District Administration and Law & Order authorities during the year under review. The Board of Directors also wish to place on record its appreciation for the sincere efforts and hard work put in by all the employees of the Company, Trade Unions and Executive Association during the year.

For and on behalf of the Board of Directors of
Rashtriya Ispat Nigam Limited

Sd/-
(Atul Bhatt)
Chairman-cum-Managing Director
(DIN: 07639362)

Place: Visakhapatnam
Dated: 25th August, 2023.

Annexure – I to Directors' Report

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDA)

1.0 INDUSTRY STRUCTURE AND DEVELOPMENTS

1.1 Developments in World Steel:

As per World Steel Association (WSA) reports, high inflation and increasing interest rates, the Russian invasion of Ukraine and the lockdowns in China, led to worse than expected contraction in steel demand in 2022.

In 2023, manufacturing is expected to lead the recovery but steel demand will be impacted by inflation and high-interest rates despite positive factors like China's reopening, Europe's resilience in the face of the energy crisis and the easing of supply chain bottlenecks.

Steel demand growth as per WSA, Short Range Outlook (SRO) April 2023:

Regions / Country	Steel Demand (Mt)			y-o-y growth rates (%)		
	2022	2023(f)	2024(f)	2022	2023(f)	2024(f)
World	1781.5	1822.3	1854.0	-3.2	2.3	1.7
World excl. China	860.6	883.0	914.7	-3.0	2.6	3.6
Developed Economies	375.5	380.3	392.6	-6.2	1.3	3.2
China	920.9	939.3	939.3	-3.5	2.0	0.0
India	114.9	123.3	130.9	8.2	7.3	6.2
United States	94.5	95.8	98.2	-2.6	1.3	2.5
Japan	55.0	57.2	57.9	-4.2	4.0	1.2

f - forecast

Sustained inflation remains a downside risk, potentially keeping interest rates high in 2023. Investments in decarburization and developments in emerging economies will increasingly drive positive momentum for global steel demand, even as China's contribution to global growth diminishes.

1.2 Indian Economy and Steel Scenario:

India's Gross Domestic Product (GDP) grew by 7.2% in FY 2022-23 against 9.1% growth in FY 2021-22 and the salient points in 2022-23 (MoSPI report May'23) include:

- The surprise growth in 4th quarter of 6.1% reversed the downward trend with an uptick in manufacturing activities and the FY 2022-23 GDP growth exceeded the advance estimate of 7.0% by a healthy margin.
- Despite the lower GDP growth over previous year, India remains one of the fastest growing economies among major global players.
- Services have emerged as a major driver of the economy, comprising more than half of the nation's GDP. Also, there was higher-than-expected agriculture growth and strong growth in services

The construction sector, continued to see robust growth of 10%, although slower than the previous year.

F.Y. 2022-23	GDP	Manufacturing GVA	Construction GVA	Finished Steel Consumption
Q1	13.1	6.1	16.0	9.5
Q2	6.2	-3.8	5.7	13.5
Q3	4.5	-1.4	8.3	12.7
Q4	6.1	4.5	10.4	17.1
F.Y. 2022-23	**7.2**	**1.3**	**10.0**	**13.3**
F.Y. 2021-22	**9.1**	**11.1**	**14.8**	**11.4**

Source: Ministry of Statistics and Programme Implementation (MoSPI) Press Release (May'23) and JPC (Joint Plant Committee) MIS Reports (May'23 release).

As per World Bank's Global Economic Prospects Report, the growth in India is expected to be around 6.3% in 2023-24.

Steel scenario:

The steel sector has benefited from India's strong economic growth and demand grew by 13.3% during FY 2022-23.

The global developments had significant influence on Indian steel industry during 2022-23. The trade flows were greatly impacted by the Ukraine war, as both nations Russia and Ukraine are key players in the supply of major raw materials like iron ore and coal. As a result, the raw material prices remained volatile creating a challenge for the domestic steel industry. The global slowdown in steel demand and inflation worries affected steel prices and the margins were squeezed.

As per the Indian Steel Association (ISA) (May'23 report), steel demand is expected to grow by 7.5% in FY 2023-24 with higher CAPEX by both public and private sectors.

2.0 STRENGTHS AND WEAKNESSES

Major strengths and weakness of the company (not an exhaustive list) are placed below:

Strengths	Weaknesses
● Shore based location ● Well established marketing and customer network in India ● Availability of Land ● Image as quality producer ● Committed manpower ● Strong environmental and social commitments	● Lack of Captive Mines for Iron Ore and Coal ● Single Location Company and only Long products, exposed to cyclic markets ● Liquidity Crisis

3.0 OPPORTUNITIES AND THREATS

Opportunities	Threats
● Stable projections of domestic demand ● Export of products to developing Economies ● Secondary metallurgy for high end value added steels ● Domestic demand for infrastructure development projects ● Asset monetization	● Geo-political uncertainties and inflation ● Volatile prices of major raw materials ● Eroding Net worth

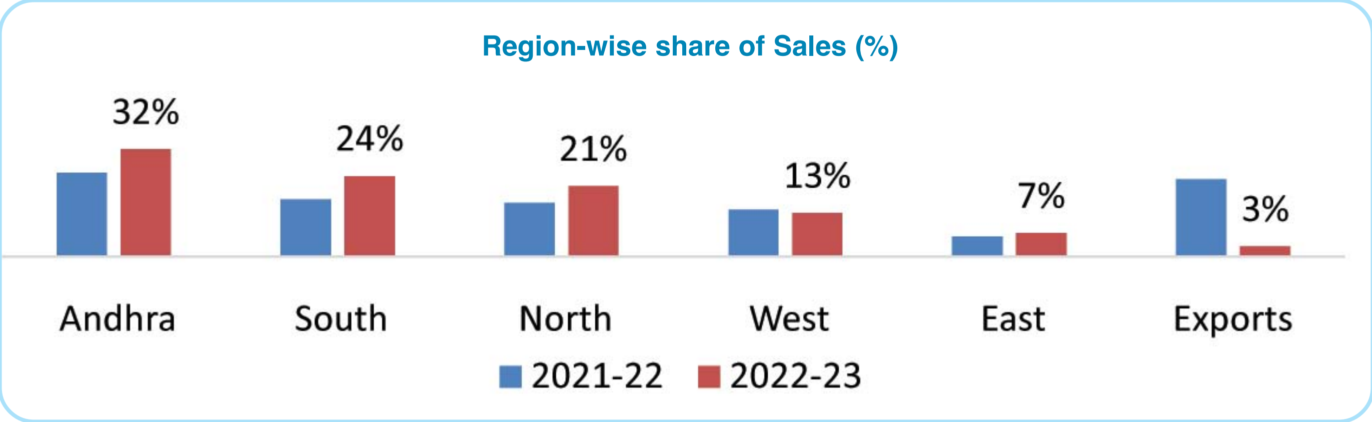
4.0 SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

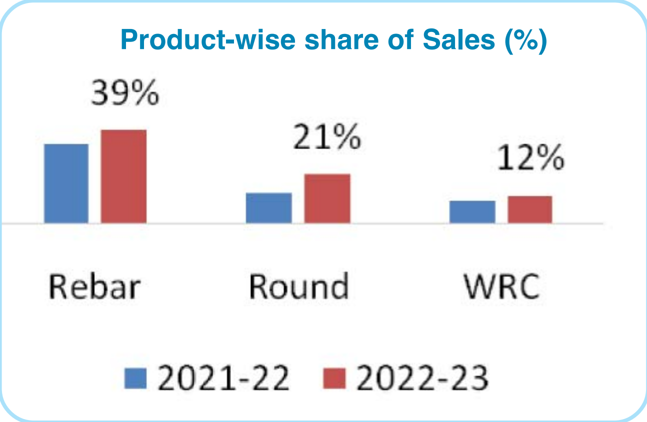
The sales of High End Value Added Steel improved to 27% in FY 2022-23 from a level of 23% in previous year. Further, the focus was on improving the sales of TMT Rebar in Andhra, South and East Regions, where the Realizations are relatively higher and the share of sales in high NSR region increased by 15.4% in FY 2022-23. However, due to lower realizations in export markets, the export sales volume was reduced by 90% in FY 2022-23 over previous year.

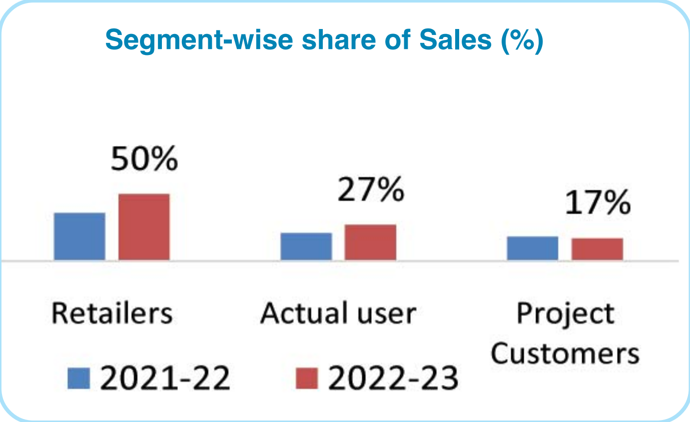
With focus to improve the realizations:

a) Sales in high NSR regions (Andhra, South & East) was improved to 62% in 2022-23 from a level of 47% in 2021-22.

b) Sales of high NSR Products (Rebar, Round, WRC) was improved to 72% in 2022-23 from a level of 56% in 2021-22.







5.0 OUTLOOK FOR THE COMPANY IN 2023-24

With firming up of raw material prices and strong demand conditions projected for steel consumption in 2023-24, RINL is targeting more than 40% growth (over previous year) in saleable steel production in 2023-24 by commencing production from 3rd Blast Furnace.

ROAD AHEAD:

RINL is making continuous efforts to improve the liquidity position to enhance the production in all units and improve capacity utilization in 2023-24. Various initiatives lined up for 2023-24 include:

- Operationalization of Air Separation Plant on BOO basis

- Increasing high end Value Added Steel
- Thrust on cost reduction/revenue maximization initiatives like:
  - Increased usage of Iron Ore Slime
  - Replacement of coking coal with domestic coals within tolerable limits
  - Development of new products/grades
- Asset monetization
- Exploring various long term sales arrangement to secure advance funding of Working Capital

6.0 RISKS & CONCERNS

Managing Working Capital to meet the operational requirement at planned production levels is a major concern due to current liquidity position and eroding net worth scenario during the year. Volatility in the prices of steel and raw materials continues to pose a great threat to the profitability of the organization.

7.0 INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Details in respect of the above items have already been covered in the Directors' Report which may kindly be referred to.

8.0 DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

8.1 Financial Overview

During the FY 2022-23, the Company has achieved a turnover of ₹ 22,778 Crs, registering a decline of 19% over the previous year. During FY 2022-23, the company posted negative EBITDA of ₹ 377 Crs registering a decline of 111% over the previous year. The Earning Per Share (EPS) decreased by ₹ 7.72 per share as compared to CPLY.

8.2 Financial Performance

Particulars	F.Y. 2022-23 (₹ Crs)	F.Y. 2021-22 (₹ Crs)	% of improvement over the previous year
Revenue From Operation	22,809.40	28,359.35	(20)
Sales Turnover (Including Trial Run)	22,777.89	28,214.76	(19)
PBDIT Before Exceptional Items	(377.28)	3,468.71	(111)
PBDIT After Exceptional Items	(305.40)	3,691.77	(108)
Profit Before Tax (PBT) before exceptional items	(3,308.34)	718.52	(560)
Exceptional items	(71.88)	(223.06)	(68)
Profit Before Tax (PBT)	(3,236.46)	941.58	(444)
Profit After Tax (PAT)	(2,858.74)	913.19	(413)

8.3 Analysis of the Financial Performance of the Company

8.3.1 Revenue from Operations

Particulars	F.Y. 2022-23 (₹ Crs)	F.Y. 2021-22 (₹ Crs)	% of improvement over the previous year
Total Sales Turnover (Including Trial Run)	22,777.89	28,214.76	(19)
Sale of trial run production included above	48.94	7.46	556
Sales turnover excluding trial run production	22,728.95	28,207.30	(19)
Other operating revenue	80.45	152.05	(47)
Revenue from operations	**22,809.40**	**28,359.35**	**(20)**

8.3.2 Other Income

Particulars	F.Y. 2022-23 (₹ Crs)	F.Y. 2021-22 (₹ Crs)	% of improvement over the previous year
Interest Earned	36.93	42.84	(14)
Other Non-operating Income	192.10	244.88	(22)
Other Income	**229.03**	**287.72**	**(20)**

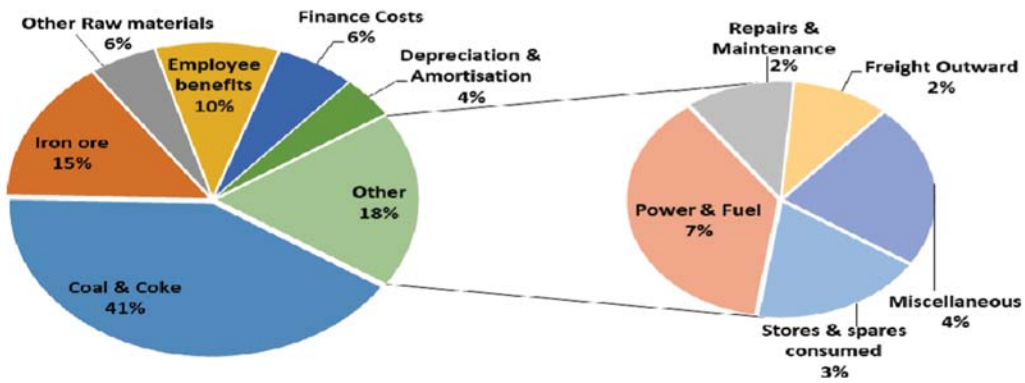
8.3.3 Expenditure (Excluding Trial Run Expenses)

Particulars	F.Y. 2022-23 (₹ Crs)	F.Y. 2021-22 (₹ Crs)	% of improvement over the previous year
Cost of materials consumed	16,997.31	17,806.21	5
Changes in inventories of semi-finished / Finished goods	(1,378.10)	241.09	672
Employees' Benefits	2,710.67	2,817.82	4
Finance Costs	1,738.23	1,545.56	(12)
Depreciation & Amortisation	1,192.83	1,204.63	1
Other Expenses	5,085.83	4,313.24	(18)
Total	**26,346.77**	**27,928.55**	**6**

Elements of Expenditure (incl. Trial Run)

Particulars	F.Y. 2022-23 (₹ Crs)	% of Total Expenditure	F.Y. 2021-22 (₹ Crs)	% of Total Expenditure
Coal & Coke	11,410	41	9,051	33
Iron ore	4,119	15	7,213	26
Other Raw materials	1,468	6	1,542	6
Employee benefits	2,711	10	2,818	10
Finance Costs	1,738	6	1,546	6
Depreciation & Amortisation	1,193	4	1,205	4
Stores & spares consumed	932	3	895	3
Power & Fuel	1,902	7	1,290	5
Repairs & Maintenance	583	2	570	2
Freight Outward	518	2	498	2
Miscellaneous	1,151	4	1,060	3
Total	**27,725**	**100**	**27,687**	**100**

Analysis of Expenditure for the F.Y. 2022-23 (including trial run)



8.3.4 Contribution to Exchequer

The Company contributed ₹ 3032.70 Crs & ₹ 530.90 Crs (total ₹ 3563.60 Crs) to the Central & State Exchequer, respectively in the form of taxes, duties, etc., to various government agencies.

8.3.5 Borrowings

Particulars	F.Y. 2022-23 (₹ Crs)	F.Y. 2021-22 (₹ Crs)	% Inc/(Dec) over the previous year
Secured Loans	16,170.09	12,342.60	31
Unsecured Loans	4,253.85	4,805.50	(11)
Total Loans (Long & Short Term)	**20,423.94**	**17,148.10**	**19**

8.3.6 Property, Plant and Equipment

Particulars	F.Y. 2022-23 (₹ Crs)	F.Y. 2021-22 (₹ Crs)	% Inc/(Dec) over the previous year
Net Block			
Tangible	18,490.30	19,427.59	(5)
Intangible	0.37	0.67	(45)
Capital Work-in-Progress	2,976.44	2,678.81	11

8.3.7 Non-Current Assets & Non-Current Liabilities

Particulars	F.Y. 2022-23 (₹ Crs)	F.Y. 2021-22 (₹ Crs)	% Inc/(Dec) over the previous year
Non-Current Assets			
Financial Assets			
Investments	739.89	739.89	-
Loans	1.36	4.50	(70)
Other financial assets	15.90	18.19	(13)
Deferred Tax Assets (Net)	2,303.24	1,936.54	19
Other Non-Current Assets	153.09	139.93	9
Total Non-Current Assets	**3,213.48**	**2,839.05**	**13**
Non-Current Liabilities			
Financial Liabilities			
Borrowings	9,171.02	8,772.51	5
Lease Liabilities	37.54	35.15	7
Other Financial Liabilities	177.22	132.23	34
Provisions	1,067.92	1,102.22	(3)
Other Non-Current Liabilities	7.65	7.25	6
Government Grants - Deferred - PPE	102.32	108.50	(6)
Total Non-Current Liabilities	**10,563.67**	**10,157.86**	**4**

8.3.8 Current Assets & Current Liabilities

Particulars	F.Y. 2022-23 (₹ Crs)	F.Y. 2021-22 (₹ Crs)	% Inc/(Dec) over the previous year
CURRENT ASSETS			
Inventories			
Semi-Finished/ Finished goods	3,497.81	2,119.71	65
Raw Materials	2,249.64	3,184.35	(29)
Stores & Spares	838.38	764.72	10
Total Inventories	**6,585.83**	**6,068.78**	**9**
Financial Assets			
Trade Receivables			
Gross Receivables	802.32	934.87	(14)
Less: Provision for Trade Receivables	25.16	25.19	(0)
Net Receivables	**777.16**	**909.68**	**(15)**
Cash & Bank balances	15.50	16.32	(5)
Other Financial assets	631.14	562.00	12
Other Tax Assets (net)	-	-	
Other Current Assets	969.80	615.40	58
Total Current Assets	**8,979.43**	**8,172.18**	**10**
CURRENT LIABILITIES			
Financial liabilities			
Borrowings	11,252.92	8,375.59	34
Lease Liabilities	0.69	3.71	(81)
Trade payables	4,889.11	5,104.45	(4)
Other Financial Liabilities	4,639.72	4,168.42	11
Provisions	442.87	436.57	1
Other Current Liabilities	1,473.61	1,690.97	(13)
Government Grants -Deferred-PPE	6.18	6.18	-
Total Current Liabilities & Provisions	**22,705.10**	**19,785.89**	**15**

9.0 SUSTAINABILITY INITIATIVES

Sustainable development continues to be a focus area for RINL and some of the major initiatives include:

- Enhancement of utilization of metallurgical wastes
- Maximizing utilization of Fly Ash

10.0 MATERIAL DEVELOPMENTS IN HUMAN RESOURCES, INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED

Details in respect of the above items have already been covered in the Directors' Report.

11.0 ENVIRONMENTAL PROTECTION AND CONSERVATION, TECHNOLOGICAL CONSERVATION, RESEARCH AND DEVELOPMENT, RENEWABLE ENERGY DEVELOPMENTS, FOREIGN EXCHANGE CONSERVATION

Details in respect of the above items have already been covered in the Directors' Report.

12.0 CORPORATE SOCIAL RESPONSIBILITY

Details in respect of the above item has already been covered in the Directors' Report.

13.0 CAUTIONARY STATEMENT

Statements/data which do not relate to the Company and are used / made in this report are from sources which are considered reliable and Company cannot be held responsible for its authenticity. Further Statement in the Management Discussion and Analysis, describing the Company's objectives, projections and estimates are forward looking statements and progressive within the meaning of applicable Laws and Regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors.

For and on behalf of the Board of Directors of
Rashtriya Ispat Nigam Limited

Sd/-
(Atul Bhatt)
Chairman-cum-Managing Director
(DIN: 07639362)

Place: Visakhapatnam
Dated: 25th August, 2023.

Annexure – II to Directors' Report

REPORT ON CORPORATE GOVERNANCE

1.0 COMPANY'S PHILOSOPHY

Corporate Governance at RINL is a continuous journey in achieving its goals and the Company strongly believes that a high reputation for Integrity and Ethical conduct is an important Corporate Asset. It assures the Employees, Customers, Vendors, Regulators, Community neighbors and Shareholders that the Company will deal and take care of them honestly and fairly thereby everyone would benefit from being a part of the Company that has built reputation over the years for honorable and principled actions. The philosophy of the Company in relation to Corporate Governance is to ensure Transparency, Accountability, Fairness, Integrity, Disclosures and Reporting that conforms fully to the Laws, Regulations, Guidelines, etc., and to promote ethical conduct throughout the organization. The Company is committed in conforming to the highest standards of Corporate Governance in the Country by putting in place appropriate systems, procedures and Internal Control Mechanisms. It recognizes that each Member of the Board owes his/her first duty for protecting and furthering the interests of the Company and the Company confirms the compliance of the guidelines issued by Department of Public Enterprises (DPE) on Corporate Governance.

2.0 BOARD OF DIRECTORS

2.1 Composition of Board

RINL follows DPE Guidelines relating to the compliance with the conditions of Corporate Governance. As on 31st March, 2023, the total number of Board of Directors was 8 (Eight) comprising of Chairman–cum-Managing Director (CMD), 3 (Three) Whole-time Functional Directors, 2 (Two) Part-time Official Directors (i.e. Government Nominee Directors) and 2 (Two) Part-time Non-Official Directors (i.e. Independent Directors).

The details of the Board of Directors **as on 31st March, 2023** were as follows:

Functional Directors	
1) Shri Atul Bhatt (DIN: 07639362)	Chairman-cum-Managing Director & Addl. Charge Director (Personnel)
2) Shri V V Venugopal Rao (DIN: 02950920)	Director (Finance)
3) Shri D K Mohanty (DIN: 08520947)	Director (Commercial)
4) Shri Arun Kanti Bagchi (DIN: 09835584)	Director (Projects) & Addl. Charge Director (Operations)
Part-time Official Directors (i.e. Government Nominee Directors)	
5) Ms. Sukriti Likhi (DIN: 01825997), Additional Secretary & Financial Advisor, Ministry of Steel (MoS), Govt. of India.	
6) Ms. Ruchika Chaudhry Govil (DIN: 07601895), Additional Secretary, Ministry of Steel (MoS), Govt. of India.	
Part-time Non-Official Directors (i.e. Independent Directors)	
7) Shri Sunil Kumar Hirani (DIN: 09342744)	
8) Shri Ghanshyam Singh (DIN: 09393441)	

2.2 Board Meetings

During the financial year ending with 31st March, 2023, 5 (Five) Meetings of the Board of Directors were held on the following dates:

Sl.No	Board Meeting No.	Date	Sl. No.	Board Meeting No.	Date
1.	348	29.04.2022	4.	351	04.11.2022
2.	349	17.06.2022	5.	352	10.02.2023
3.	350	29.08.2022	-	-	-

Details of the number of Board Meetings attended by Directors, attendance at the last Annual General Meeting (AGM), number of other directorships, number of Board Sub-Committees and positions as Chairman / Member in RINL, etc., during the year 2022-23 were as follows:

Sl. No	Category Name of the Director & Designation of the Director(s)	Director Identification Number (DIN)	No. of Meetings held during respective tenure of Director	No. of Board Meetings attended	Attendance at last AGM held on 28.09.2022	No. of other Directorships held as on 31.03.2023	No. of RINL Board Sub-Committees Chairman / Member as on 31.03.2023 #		No. of Board Sub-Committees Chairman / Member in other Companies as on 31.03.2023 #	
							Chairman	Member	Chairman	Member
Functional Directors										
1)	Shri Atul Bhatt CMD[1]	07639362	05	05	Yes	4	-	-	-	-
2)	Shri V V Venugopal Rao Director (Finance)[2]	02950920	03	03	Yes	1	-	1	-	-
3)	Shri D K Mohanty Director (Commercial)	08520947	05	05	Yes	5	-	2	-	1
4)	Shri K K Ghosh Director (Projects)[3] (upto 30.09.2022)	08554242	03	03	Yes	-	-	-	-	-
5)	Shri A K Saxena Director (Operations)[4] (upto 28.12.2022)	08588419	04	04	Yes	-	-	-	-	-
6)	Shri Arun Kanti Bagchi Director (Projects)[5]	09835584	01	01	** Not Applicable	-	-	1	-	-
Part-time Official Directors (i.e. Government Nominee Directors)										
7)	Ms. Sukriti Likhi AS&FA, Ministry of Steel & Govt. Director, RINL	01825997	05	05	No	5	-	-	-	1
8)	Ms. Ruchika Chaudhry Govil Addl. Secretary, Ministry of Steel & Govt. Director, RINL	07601895	05	05	No	1	-	1	-	2
Part-time Non-official Directors (i.e. Independent Directors)										
9)	Dr. Sita Sinha (upto 16.01.2023)[6]	08678880	04	04	Yes	-	-	-	-	-
10)	Shri Sunil Kumar Hirani	09342744	05	05	Yes	-	1	3	-	-
11)	Shri Ghanshyam Singh	09393441	05	05	Yes	-	2	2	-	-

\# Position of membership of Directors as on 31.03.2023 in Corporate Governance related committees viz., Audit Committee, CSR & Sustainability Committee, Nomination, Remuneration and Ethics/HR Committee and Stakeholders Relationship, Investors Grievance and Projects Review Committee are only considered and reflected above.

** The respective persons were not a Director/ceased to be a Director of the Company as on the date of last AGM hence it was mentioned as Not Applicable.

Change in Directorships:

1. In pursuance of Order No. 2/2/2021-BLA, dated 17.08.2022 & 20.03.2023, received from Ministry of Steel (Board Level Appointments Cell), Government of India, the additional charge of the post of the Director (Personnel), RINL was assigned to Shri Atul Bhatt, CMD, RINL, for a period from 01.07.2022 till a regular incumbent joins the post. Subsequently, vide Order No. 2(2)/2020-BLA, dated 02.05.2023, issued by Board Level Appointment Cell (BLA), Ministry of Steel, Government of India, Shri Suresh Chandra Pandey has been appointed as the Director (Personnel) of RINL and he assumed the charge from 11.05.2023.

   In pursuance of Order No. S-14012/1/2022-BLA, dated 24.04.2023, received from Ministry of Steel (Board Level Appointments Cell), Government of India, the additional charge of the post of the Director (Finance), RINL was assigned to Shri Atul Bhatt, CMD, RINL, for a period of 03 months w.e.f 01.05.2023 up to 31.07.2023 or till a regular incumbent joins the post, or until further orders, whichever is the earliest.

2. In pursuance of Order No. 2(9)2015-BLA(Vol.II), Govt. of India (GoI), Ministry of Steel (MoS), dated 28th June 2017, Shri V. V. Venugopal Rao was appointed as Director (Finance), RINL for a period of five years w.e.f. 06th July, 2017 i.e. the date of assumption of charge of the post. Accordingly his tenure as Director (Finance) ended on 05th July, 2022 (AN) but subsequently vide Order No. 2(9)/2015-BLA (Vol-II) (Part 1), GoI, MoS, Dated.09th January, 2023, the tenure of appointment of Shri V. V. Venugopal Rao, Director (Finance), was extended beyond 05th July, 2022 till 30th April, 2023 i.e. with a retrospective effect. During the pendency of issue of such extension order (i.e from 06.07.2022 to 09.01.2023), two Meetings of the Board of Directors were held but he could not attend due to his locus standi as on date of such meetings. Therefore, during F.Y. 2022-23, he participated in 3 Board meetings only i.e 29.04.2022, 17.06.2022 & 10.02.2023.

3. Ceased to be Director upon superannuation on 30.09.2022 (A/N).

4. Ceased to be Director, RINL upon elevation to the position of CMD, MOIL on 28.12.2022 (A/N).

5. In pursuance of Order No. 2/3/2021-BLA, Dtd. 23.12.2022, Shri Arun Kanti Bagchi was appointed as Director (Projects), RINL w.e.f. the date of assumption of charge i.e. 26.12.2022. Further, in pursuance of Order No. S-14012/1/2023-BLA, dated 13.01.2023 & 24.03.2023, received from Ministry of Steel (Board Level Appointments Cell), Government of India, the additional charge of the post of the Director (Operations), RINL was assigned to Shri Arun Kanti Bagchi, Director (Projects), RINL, for a period from 29.12.2022 to 28.12.2023.

6. Ceased to be Director on 16.01.2023 (A/N).

Note:

1) Shri K K Ghosh, Shri Ajit Kumar Saxena and Dr. Sita Sinha ceased to be directors on the Board of RINL during the year. Hence, the directorships and memberships of these persons in Board Sub-Committees in RINL and in other companies are not given.

2) The Video conferencing facility has been arranged for the meetings in accordance with the provisions of the Companies Act, 2013 and Rules made thereunder. The directors who participated through video conferencing facility are deemed to have given their consent to record their attendance in the Attendance Register.

2.3 Board Meetings Procedure

The Company Secretary in consultation with the Chairman-cum-Managing Director calls for a meeting of the Board by giving not less than seven days' notice in writing to every Director at his/her address registered with the company and respective email. The Board Agenda is circulated to the Directors as per the timelines indicated in Secretarial Standards of The Institute of Company Secretaries of India (ICSI).

The Members of the Board have access to all relevant information of the Company and its performance and are free to recommend inclusion of any matter in the agenda for discussion. In case of need, the Senior Management is invited to attend the Board Meetings to provide additional inputs relating to the items being discussed and/ or to give presentation on each item to the Board, as per requirement.

The Board meets regularly and is responsible for the proper direction and management of the Company.

2.4 Role of the Company Secretary in overall Governance process

The Company Secretary being a Key Managerial Person (KMP) plays a vital role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all the relevant information, details and documents are made available to the directors and senior management on need basis for effective decision-making at the meetings. The Company Secretary is primarily responsible to ensure compliance with applicable statutory requirements under the Companies Act, 2013 and Rules made thereunder or any enactment thereof and is the interface between the Management and Regulatory Authorities for governance matters. All the directors of the Company have access to the advice and services of the Company Secretary.

2.5 Information placed before the Board of Directors

The information under the following heads are usually presented to the Board of Directors of the Company either as part of the Agenda papers or is tabled/presented during the course of the Board meetings:

- Annual operating plans and budgets and any updates.
- Capital budgets and any updates.
- Quarterly results for the company and its operating divisions or business segments.
- Minutes of meetings of Audit Committee and other Board Sub-Committees.
- Minutes of Board Meetings of Subsidiary Companies.
- Details of any Joint Venture or R&D project or Technical collaboration agreement requiring approval of Board of Directors.
- Sale of material, nature of investments, subsidiaries, assets, which is not in normal course of business.
- Action Taken Report on matters desired by the Board.
- Disclosure of Interest by Directors about directorships and Committee positions occupied by them in other companies.
- Quarterly report on Statutory Compliance.

- Information relating to major legal disputes.
- Arbitration cases.
- Short term Investment of Surplus funds.
- Significant Capital Investment proposals.
- Changes in significant accounting policies and practices and reasons for the same.
- Information on Recommendations of Empowered Joint Committee (EJC) Meetings.
- Information relating to Vigilance activities and HR activities.
- Information relating to Production performance, Techno economic parameters and Research and Development (R&D) activities.
- Information relating to Safety performance and Marketing performance.
- Information on Pending payments to MSME.
- Information relating to the status of the ongoing projects.
- Compliance with the provisions of Companies Act, 2013 and rules made thereunder.
- Any other matter required to be presented to the Board either for information or approval.

2.6 Role of Independent Directors

The independent directors play an important role in deliberations of the Board and Board Sub-Committee meetings and bring to the Company their expertise in various fields viz. engineering, finance, management, law and public policy. The Board has constituted various Sub-Committees such as Audit Committee, CSR & Sustainability Committee and Stakeholders Relationship, Investors Grievance and Projects Review Committee, etc., in line with the Companies Act, 2013 and Rules made thereunder and the requirements of Department of Public Enterprises (DPE) Guidelines on Corporate Governance for CPSEs. The Company has also constituted Nomination, Remuneration and Ethics/HR Committee to deal with various matters as per Section 178 of the Companies Act, 2013, including Performance Related Pay, headed by an Independent Director.

All the Board Sub-Committees are in compliance with the applicable provisions of the Companies Act, 2013 / DPE Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSE) issued by the Department of Public Enterprises (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India. However, consequent to completion of tenure of Dr. Sita Sinha, independent director on the Board, the Board Sub-Committee on Nomination, Remuneration and Ethics & HR remained with two independent directors only w.e.f 17th January, 2023. The proposal for appointment of requisite number of Independent Directors is already pursued with the Ministry of Steel by the company and the same is in progress.

A Board Sub-Committee for Corporate Social Responsibility & Sustainability, headed by an Independent Director, has been constituted pursuant to Section 135 and other relevant provisions of Companies Act, 2013 and DPE Guidelines, for proper and periodic monitoring of CSR activities. The Board Sub-Committees namely Audit Committee, Nomination Remuneration and Ethics/HR Committee, Stakeholders Relationship, Investors Grievance and Projects Review Committee and other Business purpose Committees are also headed by an Independent Director.

Further, Committee wise details are given in the Succeeding paras.

2.7 Meetings of Independent Directors

A Board Sub-Committee has been set up comprising all the Independent Directors viz Committee of Independent Directors (COID) which facilitates the Independent Directors to meet and discuss on issues without the presence of Whole-time (Executive) Directors i.e. Functional Directors or Management Personnel. During such meetings the Independent Directors discuss matters pertaining to the affairs of the company.

During the financial year 2022-23, total 06 (Six) meetings of COID were held on the following dates:

Sl. No.	Meeting No.	Date	Sl. No.	Meeting No.	Date
1	13	23.04.2022	4	16	23.12.2022
2	14	27.07.2022	5	17	16.01.2023
3	15	11.09.2022	6	18	06.03.2023

Declaration by Independent Directors:

All Independent Directors on the Board of RINL have furnished declarations as required under Section 149(6) read with 149(7) of the Companies Act, 2013 and as per the requirement under the DPE Guidelines.

2.8 Appointment of Directors

The Chairman-cum-Managing Director, Functional Directors, Part-time Official Directors (i.e. Government Nominees) and Part-time Non-official Directors (i.e. Independent Directors) are appointed/nominated by Government of India.

2.9 Terms & Conditions of Board Members, Retirement Policy and Evaluation of the Board Members

The appointment of Chairman-cum-Managing Director and Functional Directors of the company are made by the President of India from time to time on such terms and conditions like remuneration payable, tenure, etc., and they are appointed for a term of 5 (Five) years or till the date of their superannuation, whichever is earlier.

Two Part-time Official Directors i.e. Govt. Directors from Ministry of Steel, are being nominated by the Government of India on the Board of RINL. The Govt. Directors continue to hold such office as per the Order issued by the Ministry of Steel (MoS), Government of India and the same is co-terminus with their position in the Ministry of Steel, Govt. of India.

The appointment of Independent Directors is made by the Hon’ble President of India through Ministry of Steel from time to time for a period of 3 (three) years.

The Company being a Government Company, the provisions of Section 134(3)(e) and (p), 149(6)(a) and (c), 152(5) and 178(2), (3) and (4) of the Companies Act, 2013 with regard to appointment, performance evaluation, etc., have been exempted by Government of India, Ministry of Corporate Affairs vide Gazette notification dated 05.06.2015.

The provisions of sub-paragraph (2) and (7) of paragraph II, paragraph IV, paragraph V, clauses (a) and (b) of sub-paragraph (3) of paragraph VII and paragraph VIII of Schedule IV of the Companies Act, 2013 in respect of performance evaluation of Directors and the Board shall not apply in the case of a Government company as defined under clause (45) of section 2 of the Companies Act, 2013 vide Gazette notification dated 05.07.2017.

2.10 Code of Conduct

As part of the Company's persisting endeavor to set a high standard of conduct for its employees and its Board members, a 'Code of Business Conduct and Ethics' has been laid down for all Board Members and Senior Management personnel. The same is placed at the Company's website.

The Code encompasses:

- General Moral Imperatives;
- Specific Professional Responsibilities;
- Additional Duties/Imperatives for Board Members and Senior Management Personnel; and
- A declaration by Senior Management personnel and Board Members affirming, annually that they do read and follow the code.

2.11 Board Charter

Board has laid down a Board Charter for the Board of Directors of the Company defining the roles and responsibilities of the Board members. The Charter also articulates Company's Corporate Governance objectives and approach.

2.12 The details of Remuneration & Sitting fees paid to Directors during the Financial Year 2022-23

Whole-Time Directors (WTD)/Functional Directors

The Whole-Time Directors/Functional Directors are appointed in terms of the Articles of Association of the Company by the President of India, in consultation with the Chairman of the Company for a period of 5 (five) years or till the age of Superannuation or until further orders, whichever is earlier. The appointment may, however, be terminated by either side on three months' notice or on payment of three months' salary in lieu thereof. The details of remuneration paid to whole-time Directors during the year 2022-23 are as follows:

Sl. No	Name of the Whole-time / Functional Director	Basic Salary (in ₹)	Allowances and Perquisites & other retirement benefits (in ₹)	Sitting Fees (in ₹)	Total (in ₹)
1.	Shri Atul Bhatt	12,87,639	35,17,769	NIL	48,05,408
2.	Shri V V Venugopal Rao	12,00,000	32,81,918	NIL	44,81,918
3.	Shri D K Mohanty	15,39,740	37,33,243	NIL	52,72,983
4.	Shri K K Ghosh[1]	6,12,166	70,32,101	NIL	76,44,267
5.	Shri A K Saxena[1]	13,35,256	39,97,440	NIL	53,32,696
6.	Shri Arun Kanti Bagchi [2]	1,12,575	6,03,166	NIL	7,15,741

Note: 1. Total amount paid to Shri K K Ghosh, former Director (Projects) is from 01.04.2022 to 30.09.2022 and Shri A K Saxena, former Director (Operations) is from 01.04.2022 to 28.12.2022.

2. Total amount paid to Shri Arun Kanti Bagchi, Director (Projects) is for the period from 26.12.2022 to 31.03.2023.

Part-time Non-Official Directors (Independent Directors)

The part-time non-official directors (i.e. Independent Directors) are appointed by Government of India for a period of 3 (three) years from the date of assumption of charge or until further orders, whichever is earlier. Sitting fees is only paid by the Company to the part-time non-official directors @ ₹ 20,000/- for each meeting of Board/Board Sub-Committee attended by them. The details of sitting fees paid during the year to part-time non-official directors (i.e. Independent Directors) are as follows:

Sl. No	Name	Number of Board and Board Sub-Committees meetings attended	Sitting Fees (in ₹)
1.	Dr. Sita Sinha (upto 16.01.2023)	40	8,00,000
2.	Shri Sunil Kumar Hirani	43	8,60,000
3.	Shri Ghanshyam Singh	43	8,60,000

Part-time Official Directors/Govt. Directors

Govt. of India has nominated Ms. Sukriti Likhi, Additional Secretary & Financial Advisor, Ministry of Steel (MoS), Govt. of India and Ms. Ruchika Chaudhry Govil, Additional Secretary, Ministry of Steel (MoS), Govt. of India as Part-time Official Directors (Government Directors) on the Board of RINL. No remuneration was paid to the Part-time Official Directors by RINL during the financial year 2022-23.

2.13 Loans & Advances to Directors

Directors of RINL are not given any loans or advances. However, functional directors are entitled to festival advances and House Building Advance at par with employees of RINL.

3.0 BOARD SUB-COMMITTEES (BSCs)

The Board has constituted the following Committees:

A. Corporate Governance

(i) Audit Committee
(ii) Nomination, Remuneration and Ethics/HR Committee
(iii) Corporate Social Responsibility & Sustainability Committee (CSR & S)
(iv) Stakeholders Relationship, Investors Grievance and Projects Review Committee
(v) Committee of Independent Directors (COID)

B. Other Business purposes

(vi) Board Sub-Committee on Marketing (BSCOM)
(vii) Committee of Management (COM)

In this context, it is relevant to mention that the 'Board Sub-Committees on Marketing (BSCOM)' and 'Stakeholders Relationship, Investors Grievance and Projects Review (SRIGPR)' were dissolved and the 'Board Sub-Committee on Nomination, Remuneration & Ethics/HR' has been renamed as the 'Board Sub-Committee on Nomination & Remuneration' by the Board of Directors in its 353rd Meeting held on 09th May, 2023.

Procedure at Board Sub-Committee Meetings

The Guidelines relating to Board Meetings are largely followed for all the meetings of Board Sub-Committees as well. Minutes of the meetings of all Board Sub-Committee(s) are regularly placed before the Board as an information agenda item for perusal and noting.

Company Secretary is the Convener & Secretary to all the Board Sub-Committees.

3.1 Audit Committee

[1]Empowerment/Scope:

The scope of the Audit Committee has to be in conformity with Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and the guidelines issued by Department of Public Enterprises (DPE) for Corporate Governance, 2010 in respect of unlisted Companies **[2][Omitted].**

A. Statutory nature

I. In terms of the provisions of Section 177 of the Companies Act, 2013, following functions are required statutorily to be discharged by the Audit Committee:

I. The terms of reference shall, inter alia, include:-

(i) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;

(ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;

(iii) examination of the financial statement and the auditors' report thereon;

(iv) approval or any subsequent modification of transactions of the company with related parties;

(v) scrutiny of inter-corporate loans and investments;

(vi) valuation of undertakings or assets of the company, wherever it is necessary;

(vii) evaluation of internal financial controls and risk management systems;

(viii) monitoring the end use of funds raised through public offers and related matters.

II. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.

III. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in (I) or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company.

B. As per Corporate Governance Guidelines issued by Department of Public Enterprises (DPE), the main functions of the Audit Committee are as follows:

1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

Approval nature:

2) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.

Recommending nature:

3) Recommending to the Board the fixation of Audit Fees.

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[1] *The Scope / Terms of Reference of the Audit Committee was amended vide item No. 3.04 by the Board of Directors at their 353rd Meeting held on 09th May, 2023.*

[2] *Omitted vide item No. 3.04 by the Board of Directors at their 353rd Meeting held on 09th May, 2023.*

Original Omitted Content- "*and Clause 49 of the Listing Agreement."*

Review nature:

4) To review the functioning of the Vigil Mechanism (Whistle Blower Mechanism);

5) Reviewing with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:

   a) matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Section 134(5) of the Companies Act, 2013;

   b) changes, if any, in accounting policies and practices and reasons for the same;

   c) major accounting entries involving estimates based on the exercise of judgment by Management;

   d) significant adjustments made in the financial statements arising out of audit findings;

   e) compliance with legal requirements relating to financial statements;

   f) disclosure of any related party transactions;

   g) qualifications in the draft Audit Report;

6) Reviewing with the Management, the quarterly financial statements before submission to the Board for approval.

7) Discussion with Statutory and Internal Auditors any significant findings and follow up there on.

8) Reviewing with the Management, the performance of Statutory and Internal Auditors, adequacy of the internal control systems.

9) Reviewing the adequacy of the Internal Audit function, if any, including the structure of the Internal Audit Department, staffing and seniority of the official heading the Department, reporting structure, coverage and frequency of Internal Audit.

10) Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

11) Discussion with Statutory Auditors before the Audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

12) To look into the reasons for substantial defaults in the payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividends) and creditors.

13) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

14) To review the follow up action on the audit observations of the Comptroller & Auditor General (C&AG) Audit.

15) To review the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament.

16) Provide an open avenue of communication between the independent auditor, internal auditor and the Board of Directors.

17) Review all related party transactions in the Company. For this purpose, the Audit Committee may designate a member who shall be responsible for pre-approving related party transactions.

18) Review with the independent auditor the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.

19) Review of Management discussion and analysis of financial condition and results of operations.

20) Review of Statement of related party transactions submitted by management.

21) Review of Management letters / letters of internal control weaknesses issued by the statutory auditors.

22) Review of Internal audit reports relating to internal control weaknesses.

23) Certification / declaration of financial statements by the Chief Executive Officer i.e. CMD and CFO i.e. Director (Finance); and

24) Appointment and removal of the Chief Internal Auditor shall be placed before the Audit Committee.

25) Review of Status of Sundry Debtors

26) Consider and review the following with the independent auditor, if any, and the management:

    a) The adequacy of internal controls including computerized information system controls and security, and

    b) Related findings and recommendations of the independent auditor and internal auditor, together with the management responses.

27) Consider and review the following with the management, internal auditor and the independent auditor:

    a) Significant findings during the year, including the status of previous audit recommendations;

    b) Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.

C. [omitted][3]

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[3] *Omitted vide item No. 3.04 by the Board of Directors at their 353rd Meeting held on 09th May, 2023.*

Original Omitted Content-

C. In addition to the above, the Audit Committee should also fulfill the following requirements of Clause 49 of the Listing Agreement:

a) The Audit Committee shall approve the appointment of the CFO (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate.

b) The Chairman of the Audit Committee shall be present at annual general meeting to answer shareholder queries; provided that in case the Chairman is unable to attend due to unavoidable reasons, he may nominate any member of the Audit Committee; and

c) The Audit Committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the Committee, but on occasions it may also meet without the presence of any executives of the Company. The finance director, head of internal audit and a representative of the Statutory Auditor may be present as invitees for the meetings of the Audit Committee.

D. [omitted][4]

E. The powers of the Committee include the following:

a) To investigate any activity within its terms of reference.

b) To seek information from any employee.

c) To obtain outside legal or other professional advice, subject to the approval of the Board of Directors.

d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

e) To protect whistle blowers.

F. [omitted][5]

Periodicity: In terms of the Corporate Governance guidelines issued by DPE vide para 4.4 from time to time, the Audit Committee should meet at least 4 (four) times in a year and not more than 4 (four) months shall elapse between two meetings. The quorum shall be either two members or one third of the members of the Audit Committee whichever is greater, but a minimum of two independent members must be present.

II. Composition:

The Audit Committee comprised of the following directors during the financial year 2022-23. The details of meetings attended by the members of the Committee are as follows:

Members of the Committee	Position	Meetings held during the tenure	Meetings Attended
Shri Sunil Kumar Hirani	Chairman	08	08
Dr. Sita Sinha (Member upto 16.01.2023)	Member	07	07
Shri Ghanshyam Singh	Member	08	08
Ms. Ruchika Chaudhry Govil*	Member	01	01

* Vide Circular Resolution No. CA/BOD/CR-07/2022-23, dt.04th February, 2023 Ms. Ruchika Chaudhry Govil was inducted as a Member of the Audit Committee.

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[4] *Omitted vide item No. 3.04 by the Board of Directors at their 353rd Meeting held on 09th May, 2023.*

Original Omitted Content-

D. In terms of RINL Board directions, in addition to the above, the Audit Committee shall also look into the following areas:

I. Recommending nature:

1) Recommendations on working capital arrangements and term loans including borrowings for capital expenditure.

2) Recommendations on investment of surplus funds.

3) Recommendations of write off of losses requiring approval of Board.

II. Review of information by Audit Committee

1) Reviewing with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

2) To review contracts on nomination basis as per extant guidelines.

[5] *Omitted vide item No. 3.04 by the Board of Directors at their 353rd Meeting held on 09th May, 2023.*

Original Omitted Content-

F. The Audit Committee may also look into any such other matter as may be prescribed by the Statutory Authorities from time to time.

(i) The Director (Finance) of the Company is a Permanent invitee and the Head of Internal Audit & Stock Verification Department is an Invitee for the meetings of the Audit Committee.

(ii) The Statutory Auditors are also invited to the Audit Committee meeting while considering Annual Financial Statements and discussion on the nature and scope of Annual Audit.

(iii) Company Secretary acts as the Convener and the Secretary of the Audit Committee.

(iv) As on 31.03.2023, there were 2 (Two) Independent Directors as Members of Audit Committee and the Chairman of the Audit Committee is a Chartered Accountant.

III. Meetings and attendance of Audit Committee during the year:

Total 08 (Eight) meetings of Audit Committee were held during the financial year 2022-23 on the following dates:

Sl. No.	Meeting No.	Date	Sl. No.	Meeting No.	Date
1	106	24.05.2022	5	110	04.11.2022
2	107	16.06.2022	6	111	24.11.2022
3	108	28.07.2022	7	112	16.01.2023
4	109	27.08.2022	8	113	10.02.2023

The details of attendance of each member are given in the table at para II above.

The minutes of the meetings of the Audit Committee(s) are regularly placed before the Board as an agenda item for information to the Board. The Chairman of the Audit Committee also apprises the Board about the observations/findings, if any, of the Audit Committee during the Board Meeting.

3.2 Nomination, Remuneration and Ethics/HR Committee

[As on report date 'Nomination and Remuneration Committee' (NRC)]

The Board Sub-Committee of Nomination, Remuneration and Ethics/HR Committee comprised of the following Directors and the details of meetings attended by the members of the Committee are as follows:

Members of the Committee	Position	Meetings held during the tenure	Meetings Attended
Dr. Sita Sinha (upto 16.01.2023)	Chairperson	09	09
Shri Sunil Kumar Hirani	Member	09	09
Shri Ghanshyam Singh	Member	09	09
Director (Finance) and Director (Personnel) are Invitees.			

During the financial year 2022-23, 09 (Nine) meetings were held on the following dates:

Sl. No.	Meeting No.	Date	Sl. No.	Meeting No.	Date
1	36	23.04.2022	6	41	14.10.2022
2	37	28.04.2022	7	42	04.11.2022
3	38	06.05.2022	8	43	24.11.2022
4	39	15.06.2022	9	44	16.01.2023
5	40	27.08.2022			

The Company being a Government Company, the appointment, tenure and remuneration of CMD and Functional Directors are decided by Govt. of India. As per the Department of Public Enterprises (DPE) Guidelines, a Nomination, Remuneration and Ethics/ HR Committee was constituted to decide the annual bonus/variable pay pool and policy for its distribution within the prescribed limits and also to deal with other Human Resource related issues. Committee shall meet depending upon the requirement.

The Board of Directors at their 353rd Meeting held on 09th May, 2023 had accorded approval to reconstitute the extant Board Sub-Committee on 'Nomination, Remuneration and Ethics/HR Committee' (NR&EHR) and rename the same as 'Nomination and Remuneration Committee' (NRC).

In accordance with the aforesaid approval, the scope & terms of reference of the extant committee has been revised in line with the provisions of Section 178 of the Companies Act, 2013 and rules made thereunder and Chapter–5 of the Department of Public Enterprises (DPE) Guidelines on Corporate Governance, 2010 and the clauses of the scope/terms of Reference pertaining to Ethics/ HR have been omitted.

In view of the above, the power to decide on matters relating to Ethics/HR has been delegated to CMD, RINL.

The composition of the reconstituted committee is as follows:

Sl. No	Name	Position
1	Shri Ghanshyam Singh	Member
2	Shri Sunil Kumar Hirani	Member
3	Ms. Ruchika Chaudhry Govil	Member
4	Director (Personnel)	Invitee
5	Director (Finance)	Invitee
Company Secretary is the Convener & Secretary to the Committee		

[6]SCOPE & EMPOWERMENT

(A) NOMINATION AND REMUNERATION

1) This committee oversees the implementation of directives concerning implementation of latest pay and perks on a continuous basis.

2) [7]The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

[6] *The Scope / Terms of Reference of the Committee was amended vide item No. 3.04 by the Board of Directors at their 353rd Meeting held on 09th May, 2023.*

[7] *As RINL is a Government Company, the scope of NRC shall apply only with regard to appointment of 'senior management' and other employees as per exemptions granted by MCA vide Notification No: GSR 463(E) dtd. 05.06.2015.*

3) The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

4) The Nomination and Remuneration Committee shall, while formulating the policy ensure that:-

(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.

Provided that such policy shall be placed on the website of the company, if any, and the salient features of the policy and changes therein, if any, along with the web address of the policy, if any, shall be disclosed in the Board's report.]

(B) ETHICS & HR

[8][Omitted]

3.3 Corporate Social Responsibility & Sustainability (CSR&S) Committee

Composition:

Corporate Social Responsibility & Sustainability (CSR&S) Committee comprises of 3 (three) Independent Directors and 2 (two) functional directors as on 31st March, 2023. Director (Operations) is an Invitee of the CSR & S Committee. During the financial year 2022-23, 3 (three) meetings were held on the following dates:

Sl. No	Meeting No.	Date
1	29	15.06.2022
2	30	28.07.2022
3	31	14.10.2022

[8] *Omitted vide item No. 3.04 by the Board of Directors at their 353rd Meeting held on 09th May, 2023.*

Original Omitted Content-

नैतिक और मानव संसाधन समिति (ई एच आर सी) इस प्रकार होगी :

"The Ethics and Human Resource Committee (EHRC)/ (HR Committee) shall:

(i) कंपनी की नैतिक नीति के अनुपालन का निरीक्षण करती है:

Oversee the implementation of the Company's Ethics Policy;

(ii) सभी मानव संसाधन और इसके सब संबंधी मामलों के संबंध में आर आई एन एल मंडल के अनुमोदन पर विचार करती है ।

Consider all HR and its' associated matters requiring approval of RINL Board.

(iii) परिवर्तनशील वेतन / निष्पादन से संबंधित कार्यपालकों और गैर - संघीय पर्यवेक्षकों के वेतन के निर्धारण हेतु स्वीकार्य, परिमाण और पद्धति से संबंधित मामले इस समिति की परिधि में नहीं आएँगे ।

The matters pertaining to the admissibility, quantum and procedure for determination of Variable Pay/ Performance Related Pay of Executives and Non-Unionised Supervisors will not be within the purview of this Committee."

The details of Members as at 31st March, 2023 and their attendance are as follows:

Name of the Director	Position	Meetings held during the tenure	Meetings Attended
Shri Ghanshyam Singh	Chairman	03	03
Dr. Sita Sinha (upto 16.01.2023)	Member	03	03
Shri Sunil Kumar Hirani	Member	03	03
Shri V. V. Venugopal Rao	Member	01	01
Shri D. K. Mohanty (upto 30.06.2022)*	Member	01	01

Note: *Director (Personnel) is a member of the CSR&S Committee.

Shri D K Mohanty, Director (Commercial) was holding additional charge of Director (Personnel) upto 30th June, 2022 and has attended the meetings as member in the capacity of Director (Personnel). With effect from 1st July, 2022 the additional charge of Director (Personnel) has been assigned to Shri Atul Bhatt, Chairman cum Managing Director of the Company.

The Board of Directors at their 353rd Meeting held on 09th May, 2023 had accorded approval for the amendment of the scope / terms of reference of the Board Sub-Committee on Corporate Social Responsibility & Sustainability (CSR&S).

[9]Empowerment / Scope:

[10][Omitted]

In terms of Section 135 of the Companies Act, 2013 the CSR Committee shall:-

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013;
2. Recommend the amount of expenditure to be incurred on the activities referred to in above clause; and
3. Monitor the Corporate Social Responsibility Policy of the company from time to time.

For Sustainable Development Activities:

1. To approve Sustainable Development Plan.
2. To oversee the Sustainable Development Performance.

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[9] The Scope / Terms of Reference of the Committee was amended vide item No. 3.04 by the Board of Directors at their 353rd Meeting held on 09th May, 2023.
[10] Omitted vide item No. 3.04 by the Board of Directors at their 353rd Meeting held on 09th May, 2023.
Original Omitted Content-
For CSR Activities:
To approve the CSR Projects (each case) valuing above ₹ 100 Lakh and upto ₹ 200 Lakh.
To review and recommend CSR projects valuing above ₹ 200 Lakh.

3.4 Stakeholders Relationship, Investors Grievance and Projects Review Committee

The details of Members of Stakeholders Relationship, Investors Grievance and Projects Review Committee as at 31st March, 2023 and their attendance are as follows:

Name of the Director	Position	Meetings held during the tenure	Meetings Attended
Shri Ghanshyam Singh	Chairman	06	06
Dr. Sita Sinha (upto 16.01.2023)	Member	06	06
Shri Sunil Kumar Hirani	Member	06	06
Shri D. K. Mohanty	Member	06	05
Shri K K Ghosh (upto 30.09.2022)*	Member	04	04
Shri Arun Kanti Bagchi (w.e.f.26.12.2022)	Member	NIL	NIL

Note: *Concerned Functional Director is also one of the members of the Committee.

During the financial year 2022-23, 06 (Six) meetings were held on the following dates:

Sl. No.	Meeting No.	Date	Sl. No.	Meeting No.	Date
1	09	06.05.2022	4	12	26.09.2022
2	10	16.06.2022	5	13	24.11.2022
3	11	28.07.2022	6	14	23.12.2022

The Board of Directors at its 353rd Meeting held on 09th May, 2023 dissolved the Board Sub-Committees on Stakeholders Relationship, Investors Grievance and Projects Review (SRIGPR) and the proposals required to be placed before the said Committee will be put up to CMD, RINL.

4.0 GENERAL BODY MEETINGS

(i) Date, Time and Venue of the last three AGMs:

Financial Year	Date	Time	Venue
2019-20	30.09.2020	15.30 hrs	Board Room, 'D' Block, Administrative Building, Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant (RINL/VSP), Visakhapatnam – 530 031.
2020-21	30.09.2021	11.00 hrs	Board Room, Hill Top Guest House (HTGH),Visakhapatnam Steel Plant (RINL/VSP), Visakhapatnam – 530 031.
2021-22	28.09.2022	11.00 hrs	Board Room, 'D' Block, Administrative Building, Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant (RINL/VSP), Visakhapatnam – 530 031.

(ii) Whether any special resolutions passed in the previous three AGMs: NIL

(iii) AGM of the current year :

Financial Year	Day & Date	Time	Venue
2022-23	Friday 29th September 2023	11.00 hrs	Board Room, 'D' Block, Administrative Building, Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant (RINL/VSP), Visakhapatnam – 530 031.

(iv) EGM and Special Resolution passed: NIL

5.0 DISCLOSURES

(i) Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large:

There were no transactions by the company of material nature with promoters, directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of Company at large.

(ii) Details of non-compliance by the Company, penalties, strictures imposed on the company by any statutory authority, on any matter related to any guidelines issued by Government, during the last three years:

There were no instances of non-compliance by the Company, penalties, strictures imposed on the Company by any statutory authority, on any matters related to any guidelines issued by Government, during last three years.

(iii) Vigil Mechanism Policy of RINL:

Vigil mechanism Policy is formulated considering the requirements envisaged under the Corporate Governance Guidelines issued by Department of Public Enterprises (DPE) and in accordance with the Companies Act, 2013 and Rules made there under. Your Company has not denied any personnel access to the Audit Committee of the company (in respect of matters involving alleged misconduct) and that it has provided protection to Whistle-blowers from unfair termination and other unfair prejudicial employment practices. Audit Committee reviews the functioning of the Vigil Mechanism Policy on a quarterly basis. During the FY 2022-23, no concerns were received from the employees or directors under this policy. No concerns were reported to the Audit Committee during the financial year.

Based on Audit Committee directions, information on Vigil Mechanism Policy, process of lodging complaints under vigil mechanism and the process flow is made available at every department on the notice boards and flexes at main gates in & around the offices of the Plant.

(iv) Details of compliance with the requirements of Corporate Governance Guidelines:

The Company has complied with the requirement of DPE Guidelines on Corporate Governance.

(v) Details of Presidential Directives issued by the Central Government and their compliance during the year and also in the last three years:

No Presidential Directives were issued by the Central Government during the last three years.

(vi) Items of expenditure debited in books of accounts, which are not for the purposes of the business:

There were no items of expenditure debited in books of accounts, which are not for the purposes of the business.

(vii) Expenses incurred which are personal in nature and incurred for the Board of Directors and Top Management:

There were no expenses incurred which are personal in nature and incurred for the Board of Directors and Top Management.

(viii) Women Director on the Board: There are 2 (two) Women Directors on the Board of RINL as on Report date.

(ix) Compliances with new initiatives of Ministry of Corporate Affairs (MCA):

Your company has complied with the new initiatives of Ministry of Corporate Affairs (MCA) to the extent applicable from time to time.

(x) Details of Administrative and office expenses as a percentage of total expenses vis-à-vis financial expenses and reasons for increase:

(₹ in Crores)

Sl. No.	Details	F.Y. 2022-23	F.Y. 2021-22	Increase/Decrease over 2021-22 (Reasons)
1	Administrative and Office expenses	125.28	115.68	Increase (due to increase in Security exp)
2	Financial expenses	1738.23	1545.56	Increase (due to increase in interest rates)
3	Total expenses (as per P&L excluding stock accretion / depletion)	27724.87	27687.46	
4	Administrative expenses as a % of Total expenses (1÷3)	0.45	0.42	Increase (due to increase in Security Expenses)
5	Financial expenses as a % of Total expenses (%) (2÷3)	6.27	5.58	Increase (due to increase in Interest Expenses)

6.0 MEANS OF COMMUNICATION

(i) Quarterly Results

The Company is an unlisted company and hence quarterly results of the Company are not published in Newspapers. However, the same are being put up to the Administrative Ministry (MoS) and Audit Committee & Board respectively.

(ii) Newspapers wherein results normally published

A brief on Annual Results are covered by Newspapers viz. The Hindu, Eenadu (local Telugu paper) etc.

(iii) Any website, where displayed

Annual results as part of the Annual Reports for the last ten years are made available on the website of the Company (www.vizagsteel.com). Website is designed to open the documents easily and quickly. Hindi version of the Annual Report is also placed on the website along with English version.

(iv) Whether it also displays official news releases

The Company also displays official news releases on its website (www.vizagsteel.com).

7.0 SHAREHOLDER'S INFORMATION:

(i) Company Registration Details:

The Company is registered in the State of Andhra Pradesh, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is U27109 AP1982 GOI 003404.

(ii) Annual General Meeting:

Day & Date: Friday, 29th September, 2023
Time: 11:00 Hrs
Venue: Board Room, 'D' Block, Admn. Building, RINL, Visakhapatnam Steel Plant (VSP), Visakhapatnam.

(iii) Financial Year:

The financial year of the company is from 01st April to 31st March.

(iv) Payment of Dividend:

During the year, No dividend was declared.

(v) Stock Code: ISIN - INE508F01013

(vi) Registrar and Share Transfer Agent:

KFIN TECHNOLOGIES LIMITED
Selenium Towers – B, Plot No. 31 & 32, Financial District, Nanakramguda,
Serilingampally, Hyderabad - 500 032, State of Telangana, India.
Tel: +91 40 67161605 / 03/ 02; Toll free number - 1- 800-309-4001
Email: einward.ris@kfintech.com; karisma@kfintech.com; Website: www.kfintech.com
SEBI Registration Number: INR000000221

(vii) Share Transfer System:

The Company, being a Govt. Company, the entire share capital is held by Central Government represented by Hon'ble President of India and his nominees. Shares held in the name of Hon'ble President of India are in dematerialized form. Shares held in the name of nominees are in physical form. Shares in the physical form are transferred as and when changes are made in the nominees by following the procedure as applicable to Govt. Companies.

M/s. KFIN Technologies Limited, Hyderabad has been appointed as the Registrar & Share Transfer Agent (RTA) for looking after Demat and other related works and reporting system through weekly snapshot reports.

(viii) Equity Shareholding pattern as on 31.03.2023

Sl. No.	Name of the Shareholder	Number of Equity Shares
1	The President of India (Acting through MoS)	488,98,45,400
2	Shri Atul Bhatt	200
3	Shri V V Venugopal Rao	100
4	Shri D K Mohanty	100
5	Shri K K Ghosh	100
6	Shri Ajit Kumar Saxena	100
7	Ms. Sukriti Likhi	100
8	Ms. Ruchika Chaudhry Govil	100
	Total	**488,98,46,200**

The Company is a wholly owned Government company. All the shares are held in the name of the Hon'ble President of India and his nominees as mentioned above from Sl.No. 2 to 8.

(ix) The Subsidiaries of the Company as on 31st March, 2023

(a) Eastern Investments Limited (EIL)
(b) The Orissa Minerals Development Company Limited (OMDC)
(c) The Bisra Stone Lime Company Limited (BSLC)
-(OMDC & BSLC are the Subsidiaries of EIL)

(x) Joint Venture Companies as on 31st March, 2023

(a) International Coal Ventures Private Limited
(b) RINL Powergrid TLT Private Limited

(xi) Address for correspondence:

M. Jagadeeshwara Rao, Company Secretary,
Company Affairs Department, D-12, 'D' Block, 2nd Floor, Administrative Building,
Rashtriya Ispat Nigam Limited (RINL)/Visakhapatnam Steel Plant (VSP),
Visakhapatnam - 530 031, Andhra Pradesh.
Email: jagadeeshm@vizagsteel.com ; Website: www.vizagsteel.com

8.0 AUDIT QUALIFICATIONS

There are no Audit Qualifications on the Accounts of the Company.

The Comptroller and Auditor General of India (C&AG) comments on the accounts of the Company for the financial year ended 31st March 2023 forms part of this Report.

9.0 TRAINING OF BOARD MEMBERS

Your Company has a Board approved Policy for 'Training of Board Members of RINL' as per Department of Public Enterprises (DPE) Guidelines on Corporate Governance.

As per the Policy, an induction-cum-familiarization programme for Directors is organized on their appointment, where an overall view of the Company is presented to them which includes, inter-alia, details of Organization Structure, Company's Plants & Units, Product Portfolio, Financial and Operational Performance, Modernization and Expansion Programme, etc. The Company also organizes visits of the Directors to various Plants/ Units of the Company for first-hand knowledge of the operations. Further, the Directors are given all the opportunity to attend the training programmes organised by various institutions such as DPE, SCOPE, IOD, etc. The policy and any amendment thereto is made available on the website of the Company, from time to time.

Induction-cum-familiarization programmes, visit to plant and other orientation programmes conducted by DPE, SCOPE, etc., are regularly being attended by the Independent Directors of the Company.

10.0 CERTIFICATION OF FINANCIAL STATEMENTS BY THE CEO AND CFO OF THE COMPANY

The CEO and CFO of the Company have provided the Certification regarding the financial statements for the year 2022-23, as reviewed by Audit Committee. **(Annexure-III).**

11.0 CORPORATE GOVERNANCE CERTIFICATE

A Certificate on Compliance of Guidelines on Corporate Governance for the year 2022-23 given by a Practicing Company Secretary is annexed herewith and forms part of the Directors' Report **(Annexure-IV).**

12.0 GRADING OF CPSE BY DPE

Grading of CPSE (Rashtriya Ispat Nigam Limited) on the basis of its compliance with Guidelines on Corporate Governance from 2016-17 to 2021-22 is as follows:

Sl.No.	F.Y.	Grade	DPE Lt. Ref. No.
1	2016-17	Excellent	CPSE (No. CA-CG/16-17 Dated 16th May, 2017)
2	2017-18	Excellent	Ministry (No. 13(6)/2018-Coord. Dated 25th may, 2018)
3	2018-19	Excellent	CPSE (No. CA-CG/18-19/ Dated 10.4.2019)
4	2019-20	Excellent	Ministry (No. 13(13)/2019-Coord. (FTS:9114 Dated 30th June,)
5	2020-21	Excellent	Ministry (13(13)/2019-Coord(FTS 9114) dated 31.05.2021)
6	2021-22	Excellent	DPE website

For and on behalf of the Board of Directors of
Rashtriya Ispat Nigam Limited

Sd/-
(Atul Bhatt)
Chairman-cum-Managing Director
(DIN: 07639362)

Place: Visakhapatnam
Dated: 25th August, 2023.

Annexure – III to Directors' Report

राष्ट्रीय इस्पात निगम लिमिटेड
(भारत सरकार का उपक्रम)
Rashtriya Ispat Nigam Limited
(A Government of India Undertaking)
CIN No. U27109AP1982GOI003404

ISO 9001 ISO 14001 OHSAS 18001 BUREAU VERITAS Certification

UKAS MANAGEMENT SYSTEMS 008

ISO 9001 BUREAU VERITAS Certification

CERTIFICATION OF FINANCIAL STATEMENTS BY THE CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) FOR THE FINANCIAL YEAR 2022-23

We, Atul Bhatt, Chief Executive Officer and Chairman-Cum-Managing Director and V Santa Kumar, Chief Financial Officer and Chief General Manager (F&A) & HoD (Finance) of RINL, to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet, Statement of Profit & Loss and Statement of Changes in Equity, significant accounting policies and Notes to Accounts, as well as the statement of Cash Flows for the year ended March 31, 2023;
2. These statements do not contain any materially untrue statement or omission of any material fact or contain statements that might be misleading in light of the circumstances under which such statements were made;
3. These statements present true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards and/or applicable Laws and Regulations;
4. No transaction was entered into by the Company during the year which was fraudulent, illegal or violative of the Company's Code(s) of Conduct;
5. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies;
6. We have indicated to the Company's Auditors and the Audit committee
   (a) Significant changes, if any, in internal controls over financial reporting during the year;
   (b) Significant changes, if any, in Accounting Policies during the year and that the same have been disclosed in the notes to the financial statements;
   (c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.
7. We further declare that all Board Members and Senior Managerial personnel have affirmed compliance with the Code of Conduct for the year ended 31.03.2023.

Sd/-
V Santa Kumar
CFO and CGM (F&A) & HOD(Finance)

Sd/-
Atul Bhatt
Chief Executive Officer (CEO) &
Chairman-Cum-Managing Director
(DIN: 07639362)

Place: Visakhapatnam
Date : 08th August, 2023

Please send your reply to :
Room No.D-12, 'D' Block, 2nd Floor
Main Administration Building,

Phones : +91 891 –2518249
TelFax : +91 891 –2518249
E-mail : jagadeeshm@vizagsteel.com

विशाखपट्टणम इस्पात संयंत्र, विशाखपट्टणम-530031
Visakhapatnam Steel Plant, Visakhapatnam - 530 031
Regd. Office : Visakhapatnam Steel Project, Administrative Building, Visakhapatnam - 530 031, INDIA.
पंजीकृत कार्यालय : विशाखपट्टणम इस्पात परियोजना, प्रशासनिक भवन, विशाखपट्टणम-530031, भारत

Annexure – IV to Directors' Report

Mehta & Mehta
COMPANY SECRETARIES
201-206. SHIV SMRITI, 2ND FLOOR, 49/A, DR. ANNIE BESANT ROAD, ABOVE CORPORATION BANK, WORLI, MUMBAI-400 018
TEL : +91-22-6611 9696. • E-mail: dipti@mehta-mehta.com. • Visit us : www.mehta-mehta.com
AUTHORISED AGENTS FOR TRADEMARK, COPYRIGHT AND PATENT

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members,
RASHTRIYA ISPAT NIGAM LIMITED
(CIN: U27109 AP1982 GOI 003404)
Administrative Building,
Visakhapatnam Steel Plant (VSP),
Visakhapatnam,
Andhra Pradesh – 530 031.

We have examined the compliance of conditions of Corporate Governance by **Rashtriya Ispat Nigam Limited** (CIN: U27109 AP1982 GOI 003404), Central Public Sector Enterprise (CPSE), [Government of India, Unlisted Public Limited Company] (hereinafter referred 'the Company'/ 'RINL') for the Financial year ended on 31st March, 2023 as stipulated in the Guidelines of Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India vide their O.M.No. 18/ (8)/2005-GM dated 14th May, 2010 and as amended from time to time (hereinafter referred as 'DPE Guidelines').

We state that the compliance of conditions of Corporate Governance is the responsibility of the management and our examination was limited to review of the procedures and implementation thereof, adopted by the company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to our examinations of the relevant records and the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned DPE Guidelines, as applicable **subject to the following observation:**

ATUL MEHTA
CP NO. 2486
Company Secretaries

The requisite number of Independent Directors were not appointed on the Board of the Company as contemplated in the Clause 3.1.4 of above referred DPE Guidelines on Corporate Governance. Accordingly, clause 3.1.4. i.e atleast one-third of members should be independent directors, has not been complied w.e.f. 17th January, 2023.

Further, as informed by the management of the Company, RINL being a Government company, the nomination/the appointment of independent directors on the Board is made by the Government of India. The Company has already requested to the Ministry of Steel (MoS), Government of India, for appointment of requisite number of independent directors on the Board. However, appointment of requisite number of independent directors is yet to be made by the said Ministry.

We further state that such compliance is neither an assurance as to future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

This certificate is issued solely for the purpose of complying with the Guidelines of Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises (DPE), Government of India and may not be suitable for any other purpose.

For **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

ATUL MEHTA * Company Secretaries * CP No. 2486

Atul Mehta
Partner
FCS No: 5782
CP No: 2486

Place: Mumbai
Date: June 26, 2023

UDIN: F005782E000499319

Annexure – V to Directors' Report

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2022-23

[Disclosures as per Section 135 of the Companies Act, 2013 read with Rule 8 of the Companies (CSR Policy) Rules, 2014 and amendments thereof & prepared as per the Annexure-II of the Companies (CSR Policy) Amendment Rules 2022]

1. **Brief outline on CSR Policy of the Company:**

The Company has formulated the CSR Policy in 2006 well before the enactment of the Companies Act 2013. An exclusive Department has been created in 2007 to look after the implementation of CSR projects/ programmes / activities.

The CSR Policy has been revisited and reviewed keeping in mind the specific provisions of the Companies Act 2013 and the DPE Guidelines on CSR issued from time to time. The CSR Policy of the Company was rechristened as *RINL CSR & Sustainability Policy* and notified in March, 2015.

While the initial part of the CSR & Sustainability Policy elucidates alignment of CSR with the Company's Vision & Objectives and incorporation of Sustainability in its strategy, the subsequent part details the Annual CSR activities in line with the activities laid down under Schedule-VII of the Companies Act, 2013. A clear definition of 'Local' and 'Non-Local' area and ratio of amount spent between these two areas have been specified.

Identification, Implementation and monitoring of projects, implementation Strategy, Delegation of Powers, criteria for execution agencies i.e. NGOs etc. are elaborated in the Policy document.

The overview of projects undertaken in the focus areas viz., Nutrition, Education, Skill Development, Senior Citizen care and Rural Development is as follows:

Sl.No.	CSR Projects / Programmes / Activities
Nutrition	
1	Providing Midday meals for the children of Visakha Vimala Vidyalaya Schools belonging to Below Poverty Line category families
Senior Citizen Care	
2	Elderly Care through "Helping Hands" initiative
Education	
3	Development of School Infrastructure- Providing dual desk benches to schools
Rural Development	
4	Development Works near Mines - Toilet blocks construction
Skill Development	
5	Skill Development for unemployed youth

2. **Composition of the CSR committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR&S Committee held during the year	Number of meetings of CSR&S Committee held during the respective tenure of Director	Number of meetings of CSR &S Committee attended during the year
1	Shri Ghanshyam Singh	Chairman / Independent Director	3 (Three)	3	3
2	Dr. Sita Sinha	Member / Independent Director[1]		3	3
3	Shri Sunil Kumar Hirani	Member / Independent Director		3	3
4	Shri Deb Kalyan Mohanty	Member / Director (Commercial) having additional charge Director (Personnel)[2]		1	1
5	Shri Atul Bhatt	Member / Chairman-cum-Managing Director having additional charge Director (Personnel)[2]		2	0
6	Shri V V Venugopal Rao	Member/ Director (Finance)[3]		1	1
7	Shri Ajit Kumar Saxena	Invitee / Director(Operations)[4]		3	3

Note:

1. Dr Sita Sinha, Independent Director was the Member of the Committee upto 16th January, 2023.
2. Shri D K Mohanty, Director (Commercial) holding additional charge as Director (Personnel) has attended the meetings as member in the capacity of Director (Personnel) upto 30th June, 2022. With effect from 1st July, 2022, the additional charge of Director (Personnel) has been assigned to Shri Atul Bhatt, Chairman cum Managing Director of the Company.
3. The tenure of Shri V V Venugopal Rao as Director (Finance) was completed on 5th July, 2022 and the notification for the extension of his tenure was issued on 9th January, 2023 with a retrospective effect from 5th July, 2022 till 30th April, 2023.
4. Shri Ajit Kumar Saxena, Director (Operations) was an Invitee of the Committee upto 28th December, 2022

   Company Secretary is the Convener & Secretary to the Committee.

3. **Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.**

   https://www.vizagsteel.com/myindex.asp?tm=7&url=csr/defaultcsr.asp

4. **Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable**

   - Not Applicable.

5. (a) Average net profit of the company as per sub-section (5) of section 135 — Nil

(b) Two percent of average net profit of the company as per sub-section (5) of section 135 — Nil

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years — Nil

(d) Amount required to be set off for the financial year, if any — Nil

(e) Total CSR obligation for the financial year [(b)+(c)-(d)] — Nil

6. (a) Amount spent on CSR Projects (both Ongoing project and other than Ongoing Project) — ₹ 29,05,827

(b) Amount spent in Administrative Overheads — Nil

(c) Amount spent on Impact Assessment, if applicable — ₹ 3,84,020
(Voluntarily complied but not applicable in pursuance of sub-rule (3) of Rule 8)

(d) Total amount spent for the Financial Year [a + b + c] — ₹ 32,89,847

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub section 6 of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section 5 of Section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
32,89,847	Nil	Nil	Nil	Nil	Nil

(f) Excess amount for set-off, if any:

Sl.No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	-
(ii)	Total amount spent for the Financial Year	32,89,847
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	32,89,847
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in the succeeding Financial Years [(iii)-(iv)]	32,89,847

7. **Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	2021-22	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2	2020-21	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3	2019-20	Nil	Nil	Nil	Nil	Nil	Nil	Nil

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

○ Yes ● No

If Yes, enter the number of Capital assets created /acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority / beneficiary of the registered owner		
					6		
1	2	3	4	5	CSR Registration Number, if applicable	Name	Registered address
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.

- Not Applicable

Sd/-	**Sd/-**
Shri Atul Bhatt	**Shri Ghanshyam Singh**
(Chairman-cum-Managing Director)	**(Chairman of CSR & S Committee)**
(DIN: 07639362)	**(DIN: 09393441)**

Annexure –VI to Directors' Report

REPORT ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

(Information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 Read with Rule 8 of the Companies (Accounts) Rules, 2014)

A) CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy

(a) Specific Energy Consumption(SEC) & CO_2 Emissions:

Year	SEC* (GCal/tCS)	CO_2 emissions (Tons/tCS)
2021-22	6.02	2.60
2022-23	6.24	2.67

*SEC as per PM's trophy method
(GCal – Gigacalorie, tCS-tonne of Crude Steel)

(b) Energy Conservation measures taken up at RINL during the year 2022-23:

i. Improvement in Crude Tar yield from 3.09% to 3.10%.

ii. Improvement in LD gas yield at SMS from 92 Ncum/tCS to 106 Ncum/tCS.

iii. Reduction in Sp.Heat Consumption in the following areas:

Shop	Unit	Sp. Heat consumption	
		F.Y. 2022-23	F.Y. 2021-22
Coke Oven	Mcal/tDCC	636	678
Blast Furnace	Mcal/tHM	486	514
MMSM	Mcal/tIB	401	462
WRM-2	Mcal/tIB	244	258
STM	Mcal/tIB	295	309
CRMP-1	Mcal/tGF	1200	1220

iv. Reduction in Sp. Power Consumption in the following areas:

Shop	Unit	Sp. Power consumption	
		F.Y. 2022-23	F.Y. 2021-22
WRM-2	KWH/tIB	179.3	193.3
SBM	KWH/tIB	94.7	109.0
STM	KWH/tIB	80.1	96.4
CRMP-1&2	KWH/tGF	29.6	35.3

v. Improvement in Power Generation at GETs from 5.46 MW to 6.50 MW.

vi. Improvement in Power Generation at COB-4 from 5.65 MW to 7.64 MW.

vii. Reduction in BF Gas bleeding from 6.64% to 0.95%.

(c) Various measures taken for reduction in specific energy consumption during the year 2022-23

RINL sold 2183 Energy Saving Certificates (ESCerts) @ ₹ 1840/- in 2022-23 amounting to ₹ 40.2 lakhs.

(d) Energy conservation plans under progress:

NIL

(e) (i) Waste Heat Recovery Systems:

Energy Saving facility	Units	Energy Recovered	Boiler Coal Saved (tons)	Reduction of CO_2 emission (tons)
Total volume of LD Gas recovered at LD Gas recovery plant	MNCum	437	266133	417829
Total power generated at Back Pressure Turbine Station (BPTS) & COB4 turbine & COB5 turbine (Coke oven Battery)	MWh	189894	151915	238507
Total power generated at Top Recovery Turbine and Gas Expansion Turbine Station (GETs)	MWh	56935	45548	71510

(MNcum-Million Normal Cubic Meters, MWh-Mega Watt hours)

(ii) Usage of By-product gases in Captive Power Plants

	Name of Fuel used	Units	Value	Boiler Coal Saved (Tons)	Reduction of CO_2 emission (tons)
TPP-1	CO Gas	MNcum	253	359433	564309
	BF gas	MNcum	2569	720948	1131889
CPP-2	CO Gas	MNcum	81	114655	180009
	BF gas	MNcum	1597	448112	703536

(f) Awards:

i) RINL received the **"National Energy Leader"** Award for consecutively winning **"Excellent Energy Efficient Unit Award"** for the years 2017, 2018, 2019, 2020, 2021 & 2022 by CII Godrej Green Business Center at Hyderabad during National Competition for Excellence in Energy Management-2022.

ii) RINL received **"TOP PERFORMER"** Award from Shri R K Singh, Minister for Power & Renewable Energy for obtaining highest Energy Savings Certificates (ESCerts) (1,29,907) among all industries for PAT 2nd Cycle. Value of total Energy Savings Certificates (ESCerts) (1,29,907) is ₹ 23.90 crores (@ ₹ 1840/-)

(g) Clean Development Mechanism (CDM):

The Progress of CDM projects is as given below:

Status of registration of the projects

a. UNFCCC issued 70,516 CERs for Verification of CDM project titled "Power Generation from Cooling of Coke in Coke Dry Cooling Plant of CO Battery-4" for the Period from 13th August, 2014 to 12th August, 2015.

b. UNFCCC issued 58,871 CERs for Verification of project titled "Top pressure Recovery Turbine (TRT) of BF-3" for the period of 23rd March, 2014 to 31st January, 2017.

c. UNFCCC issued 42,573 CERs for Verification of project titled "Waste heat recovery from stoves of Blast Furnace-3 of Visakhapatnam Steel Plant" for the period of 26th January, 2015 to 31st July, 2016.

(ii) The steps taken by the company for utilizing alternate sources of energy

- RINL has installed 5MW ground mounted solar power PV (Photovoltaic) plant in December, 2016.
- RINL has installed 0.5 MW Roof Top Solar systems in various administrative offices.

5MW ground mounted solar power PV (Photovoltaic) plant at Kanithi Road, RINL/VSP

(iii) The capital investment on energy conservation equipments: Nil

B) TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption:

In RINL projects are implemented with the latest technology as on that date. The effort put in implementing the latest technologies has put RINL in eminent position in the Indian Steel Industry. The absorption of technology is done in the following ways:

(a) The equipment and systems already existing are being modified for improving quality of product, efficiency and the equipment availability.

(b) The technological units are revamped for upgrading by major capital repairs with improving technologies.

(c) Plant Expansion is being extended to increase the production volume and also to improve the quality of products and to meet market requirements.

In order to achieve the objective of absorption of technology, the following are being incorporated by RINL.

- Holding of workshops for exchange of knowledge.
- Undertaking study tours to other Steel Plants in India.
- Inviting Consultants and technology suppliers for imparting insight of latest technologies available.
- Attending Seminars and Conferences.
- Going through the published articles, etc.
- Collaboration with the professional organizations.

(ii) The benefits being derived like product improvement, cost reduction, product development or import substitution.

In recent times, the major units listed below are implemented as part of Expansion and modernization of the existing units.

1. Units implemented as part of Expansion:

Area	Major Unit	Technology	Benefits
Coke Ovens	Coke Oven Battery-5	Gas recovery & Heat Recovery Type battery and Dry quenching for coke cooling	Energy efficiency & cleaner environment
Sinter Making	New Sinter Machine-3	Circular cooler and Multi slit burners	Energy efficiency
		Waste heat recovery from sinter cooler	Reduction in energy consumption and power generation
Iron Making	New Blast Furnace-3	Profilometer	Improved process control
		Copper staves in high heat zones & hearth bottom cooling	Better campaign life
		Pulverized Coal Injection	Reduced coke consumption & improved Productivity
		Oxygen enrichment	
Steel Making	New LD Converter in SMS-2	Combined blowing	Reduced consumption of Ferro Alloys, Better Yield & Quality
		Secondary fume extraction system	Cleaner Environment
		Contour & bath level measurement	Measurement of refractory lining
	New CCM (Continuous Casting Machine)	Auto mould level control	Reduction in breakouts & improved Productivity.
		Electro Magnetic Stirrer	Cleaner and homogeneous steel
		100% billet casting	Energy saving
	Steel Melt Shop - Secondary Metallurgy	RH Degasser	Low Hydrogen Steel
		Twin Ladle Furnace.	Increase in productivity, Lesser investment/space compared to two single ladle furnaces.
Mills	Wire Rod Mill-2	High speed WRM (105-110 m/s)	Increased productivity
		Integration of Furnace Control with Mill Control	Better Fuel Optimization
	Special Bar Mill	20-45mm size in straight & coil	Reduced wastage for end user
		Free size rolling	Customized sizes with tolerance of +/- 0.1 mm
	Structural Mill	High speed roughing stands to produce 75-175 mm structural	Increased productivity
Power Plant	Power Plant-2	Surplus BF Gas fired boiler	Use of surplus BF gas and improved efficiency of power generation
CRMP	CRMP- 2 (Calcining & Refractory Material Plant)	Vertical shaft kiln	More Productivity, Low maintenance cost and better environmental controls

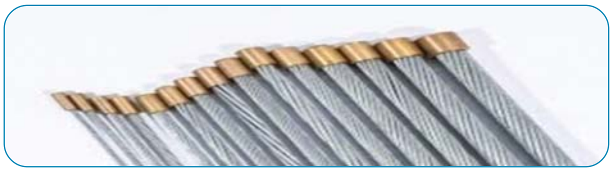
2. Units Revamped:

Area	Major Unit	Technology	Benefits
Sinter Making	Sinter Machine-1	Waste heat recovery from Sinter cooler and Energy efficient ignition furnace	Reduced energy consumption
		Closed circuit coke crushing	Reduced Specific Coke Consumption
	Sinter Machine-1&2 Electrostatic Precipitators for Air Cleaning Plant and Gas Cleaning Plant (ACP & GCP)	The field internals of existing ESPs are replaced by new design (from existing 80 KV and 300 mm spacing) with 110 KV High Voltage transformers and 400 mm spacing latest design of electrodes & controllers after dismantling of existing roof, internals, retaining the existing casing and structures. Further dust discharge drag chain conveyors and Dense Core Vesicles (DCVs) were replaced.	The ESPs of both the machines are revamped to adhere to the latest environmental norms. The existing ESPs are having an outlet emission of 100 mg/ Nm3 and the same is being modified to have an outlet emission norm of below 50 mg/ Nm3 leading to reduction in the emission of particulate matter into environment.
Iron Making	Blast Furnace-1&2	Copper staves in high heat zones and Hearth bottom cooling with water	Better campaign life, reduction in Refractory and increased volume
		Pulverized coal injection	Reduced coke consumption & improved productivity.
		Oxygen enrichment	
Steel Making	LD Converters of SMS-1	Combined blowing	Reduced consumption of Ferro Alloys. Improved productivity. Better Yield and Quality.
		Secondary fume extraction	Cleaner Environment and Cleaner steel.

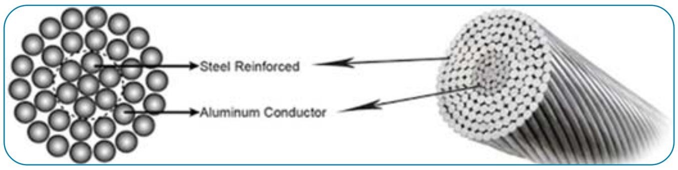
New products are being developed in order to reduce import substitution.

Some of the products developed for import substitution are

- **Low Relaxation Pre-Stressed Concrete (LRPC)**



- **Aluminium Conductor Steel Reinforced (ACSR)**



3) RESEARCH & DEVELOPMENT (R&D)

1. Specific areas in which R&D is carried out by the company

Research & Development in RINL is mainly working projects in the areas of process improvement, environment protection, waste management, cost reduction, new product development and new technology development.

2. Benefits derived as a result of the above R&D

(a) A Study on effect of sinter basicity, alumina and FeO on sinter strength

Iron ore sinter is the major charge material for RINL blast furnaces. Sinter produced at three sinter machines of RINL constitute around 70% of the total iron bearing charge fed into the three blast furnaces. Sinter is produced by agglomeration of iron ore fines along with fluxes, fuel and met waste. Sinter basicity is one of the most important process parameter which is typically controlled by adding fluxes into the sinter mix. Optimizing the basicity of the sinter can be a cost-effective way of improving the techno-economic indices of sinter plant operation. Sinter basicity, alumina and FeO in sinter affects the cold strength, Reduction Degradation Index (RDI) and Reducibility Index (RI) of the sinter. Present R&D project is to study the effect of Sinter basicity on Sinter strength. Also, individual effects of alumina and FeO in sinter on sinter strength will be studied with a fixed basicity value.

(b) Optimisation of Pulverised Coal Injection with oxygen at VSP blast furnaces

Pulverized Coal Injection (PCI) is a process where fine coal particles are injected into the blast furnace, providing auxiliary fuel for partial coke replacement. This leads to improved efficiency, reduced energy consumption and lower environmental emissions. The advantages of using PCI in the blast furnace include lower consumption of expensive coking coals, extended coke oven life, higher productivity and improved consistency in the quality of hot metal. Optimizing the PCI rate with available oxygen can help achieve production targets by studying dependent variables of raceway adiabatic flame temperature. This is especially important as it is difficult to estimate the coke rate of any burden by theoretical calculation due to the variation in the rate of reduction of wustite. In present R&D project, Oxygen required is calculated based on the burning of Pulverized coal and Coke at tuyere.

(c) Utilization of coke breeze / coke dust as carburizer in steel making

108 industrial trials were conducted in SMS-1 and SMS-2 with Coke Breeze (CB) addition in place of Calcined Petro Coke (CPC) during tapping. During trials, it was observed that recovery of CB is comparable to CPC. 20% extra CB addition on weight basis is required compared to CPC addition to get similar carbon opening in steel. Dissolution behavior of coke breeze is comparable to CPC. No physical abnormalities such as foaminess, un-dissolved and floating of coke breeze was observed during tapping and after tapping of liquid steel.

(d) Use of Coke dust as slag de-oxidation agent for improving desulfurization in Si-killed HC steels

The present study highlights an innovative and cost effective approach to improve desulfurization efficiency in High Carbon Silicon Killed steels (HCSK). Several parameters which affect the Desulphurization efficiency of steel such as flux addition, reducible oxides content present in Carry over slag, activity of slag components and physico-chemical properties of slag are studied in detail. Coke dust which is considered as waste in steel plant is used as slag de-oxidizing agent and it is very effective in reducing the reducible oxides content in the ladle slag. Optimized ladle slag composition for HCSK steels were obtained by using error function where both viscosity and electrical conductivity of ladle slag was considered.

(e) Feasibility study on usage of Mill Scale Briquettes as Coolant in place of Steel Scrap in LD converters

Total 38 industrial trials were conducted in SMS-2. Mill Scale Briquettes (MSB) was varied per heat. 60-70% of MSB was added during First 4 minutes of blow while rest, 30-40% was added during peak decarburization period. During trials, it is observed that FeO, MgO and slag basicity of BOF is comparable with normal heats. However, slightly high dephosphorization efficiency is achieved with MSB addition compared to normal heats. No major abnormalities like dry slag formation, lance and mouth jam etc. were observed during trials.

(f) Product Development/ Development of Boron, High Carbon and Electrode Quality Grades of Steel and improvement in quality of Forging Grades of Steel and Spring Steel

The aim of the project is to have better NSR and to help in substituting imports, capturing the market and diversification of product portfolio of RINL. New products such as Low Relaxation Pre-Stressed Concrete (LRPC), and Aluminium Conductor Steel Reinforced (ACSR), were developed and process stabilization done during 2022-23. End applications of grades developed is given in Figures 1 and 2

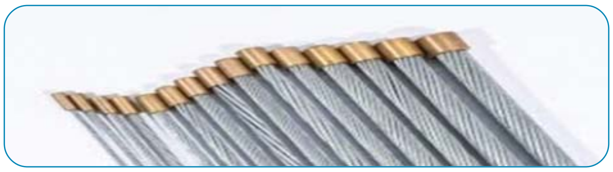


Figure 1: LRPC cables

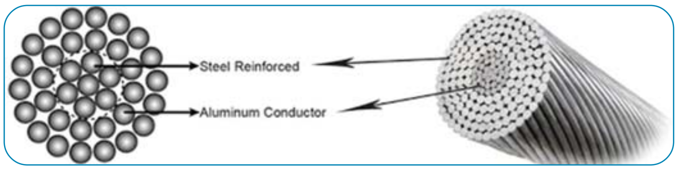


Figure 2: ACSR grade end application

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

In RINL projects are implemented with the latest technology as on that date. The efforts put in implementing the latest technology has put RINL in eminent position in the Indian Steel Industry.

COAL CHEMICALS PLANT:

a. The details of technology imported:

The Claus technology is being imported and installed in the new Coal Chemicals Plant. In the new Coal Chemicals Plant Combined Ammonia & H_2S absorption with Claus unit is being installed in place of Conventional Ammonium Sulphate Plant due to the following advantages:

i. Cleaner process due to removal of H_2S

ii. Reducing consumption of Sulphuric acid there by reducing the operational expenditure

iii. High availability of plant and equipment leading to less downtime

This technology is imported from M/s HUTNI Projekt Frydek Mistek, Czech Republic as part of new Coal Chemicals Plant of COB-5. The contract was awarded in 2017 and is in the implementation stage.

Two Coke Oven Gas Exhausters were also imported from M/s HUTNI Projekt Frydek Mistek, Czech Republic (received in 2019) as part of new Coal chemicals plant of COB-5.

b. The year of import: 2019

c. Whether the technology been fully absorbed: As the Project is under execution, technology is not yet absorbed.

d. If not fully absorbed areas where absorption has not taken place and reasons thereof:

Not applicable.

COKE OVEN BATTERY- 5:

a. The details of technology imported:

Computerized heating control system (Level-2) Automation of Coke Oven Battery was imported from M/s. GIPROKOKS, Ukraine as part of new Coke Oven Battery-5. The contract was awarded in 2015.

b. **The year of import:** 2020

c. **Whether the technology been fully absorbed:** In the process of absorption.

d. **If not fully absorbed areas where absorption has not taken place and reasons thereof:** Not applicable.

FORGED WHEEL PLANT:

a. **The details of technology imported:**

Technology for Forging, Heat treatment and Machining of Forged Wheels including training for the same from Germany.

b. **The year of import :** 2018 to 2021

c. **Whether the technology been fully absorbed:** The technology has been fully absorbed and the plant is under production.

d. **If not fully absorbed areas where absorption has not taken place and reasons thereof :** Not Applicable

(iv) Expenditure on R&D:

Particulars	₹ in Crs
Capital	0.87
Revenue/ recurring	15.26
Total	**16.13**
Total R&D expenditure as a percentage of total turnover	**0.07%**

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars	₹ in Crs
Foreign Exchange Earnings	951.52
Foreign Exchange Outgo -Includes value of imports of ₹ 11018.66 Crs, which also includes ₹ 21.72 Crs on Capital Goods - **Includes Expenditure in Foreign Currency of ₹ 269.02 Crs**	11287.68

For and on behalf of the Board of Directors of
Rashtriya Ispat Nigam Limited

Sd/-
(Atul Bhatt)
Chairman-cum-Managing Director
(DIN: 07639362)

Dated: 25th August, 2023.
Place: Visakhapatnam

Mehta & Mehta

COMPANY SECRETARIES

201-206. SHIV SMRITI, 2ND FLOOR, 49/A, DR. ANNIE BESANT ROAD, ABOVE CORPORATION BANK, WORLI, MUMBAI-400 018
TEL : +91-22-6611 9696. • E-mail: dipti@mehta-mehta.com. • Visit us : www.mehta-mehta.com

AUTHORISED AGENTS FOR TRADEMARK, COPYRIGHT AND PATENT

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
RASHTRIYA ISPAT NIGAM LIMITED
Administrative Building,
Visakhapatnam Steel Plant,
Visakhapatnam,
Andhra Pradesh 530031.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Rashtriya Ispat Nigam Limited** (CIN: U27109AP1982GOI003404) [an Unlisted Central Public Sector Enterprise (CPSE)] (hereinafter called "the Company" or "RINL") for the Financial year ended on 31st March, 2023 ('Audit Period'). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / 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, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on 31st March, 2023, according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) Laws specifically applicable to the industry to which the Company belongs, as identified and compliance whereof as confirmed by the management, that is to say:

a) DPE Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSE) issued by the Department of Public Enterprises (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India vide their O.M.No.18/(8)/2005-GM dated 14th May, 2010 ('DPE Guidelines on Corporate Governance');

b) The Air (Prevention & Control of Pollution) Act, 1981;

ATUL MEHTA CP No. 2486 Company Secretaries

c) Legal Metrology Act, 2009;
d) The Environment (Protection) Act, 1986;
e) The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016;
f) The Water (Prevention & Control of Pollution) Act, 1974 and Rules made thereunder;
g) Indian Electricity Act, 2003 and Indian Electricity Rules, 2005;
h) The Indian Explosives Act, 1884;
i) The Mines Act, 1952;
j) Marine Insurance Act, 1963;
k) Mines and Minerals (Development and Regulation) Act, 1957;
l) Indian Boilers Act, 1923;
m) Inflammable Substances Act, 1952;
n) Petroleum Act, 1934;
o) The Poisons Act, 1919.

(iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under **(being an unlisted CPSE - not applicable to the company)**;

(iv) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under **(during the period under review not applicable to the company)**;

(v) 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 **(during the period under review not applicable to the company)**;

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(being an unlisted CPSE - not applicable to the company)**;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 **(being an unlisted CPSE - not applicable to the company)**;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(being an unlisted CPSE - not applicable to the company)**;

(d) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(being an unlisted CPSE - not applicable to the company)**;

(e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(being an unlisted CPSE - not applicable to the company)**;

ATUL MEHTA
CP No. 2486
Company Secretaries

(f) 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 **(being an unlisted CPSE - not applicable to the company);**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(being an unlisted CPSE - not applicable to the company);**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(being an unlisted CPSE - not applicable to the company);**

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India;

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(being an unlisted CPSE - not applicable to the company);**

We report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. as mentioned above. As regards certain Corporate Governance provisions, the Company being a CPSE, the regulatory framework applicable to the Government companies is designed to ensure compliances in respect of matters pertaining to appointment, evaluation and succession of directors.

We further report that:

The Board of Directors of the Company is duly constituted with the presence of Executive Directors (Functional Directors), Non-Executive Directors (Govt. nominee Directors) and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and DPE Guidelines on Corporate Governance. **However, the requisite number of Independent Directors were not appointed on Board of the Company as contemplated in the Clause 3.1.4 of DPE Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSE) issued by the Department of Public Enterprises (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India vide their O.M.No.18/(8)/2005-GM dated 14th May, 2010. Accordingly, clause 3.1.4. i.e atleast one-third of members should be independent directors, has not been complied w.e.f. 17th January,2023.**

Further, as informed by the management of the Company, RINL being a Government company, the nomination/appointment of independent directors on the Board is made by the Government of India. The Company has already requested to the Ministry of Steel (MoS), Government of India, for appointment of requisite number of independent directors on the Board. However, appointment of requisite number of independent directors is yet to be made by the said Ministry.

Adequate notices are given to all Directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all the Directors as per the timelines indicated in Secretarial Standards of The Institute of Company Secretaries of India (ICSI) and applicable provisions of the Companies Act, 2013 and Rules made thereunder. Meetings held at shorter notice are in compliance with the applicable provisions of the Act. The Members of the Board have access to all relevant information of the Company and its performance and are free to recommend inclusion of any matter in the agenda for discussion. In case of need, the Senior Management is invited to attend the Board Meetings to provide additional inputs relating to the items being discussed and / or to give presentation on each item to the Board, as per requirement. The Board meets regularly and is responsible for the proper direction and management of the Company.

As per the minutes of the meetings duly recorded and signed by the Chairman, All the decisions made in the Board were carried out with unanimous consent of all the directors present during the meeting.

We further report that the Company has complied with the conditions of Corporate Governance as stipulated in the Act and Guidelines for Corporate Governance for CPSEs and other specific laws.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company had no such specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

ATUL MEHTA CP No. 2486 Company Secretaries

Atul Mehta
Partner
FCS No: 5782
CP No: 2486

Place: Mumbai
Date: 9th June, 2023

UDIN: F005782E000475053

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

Annexure A

ANNEXURE TO SECRETARIAL AUDIT REPORT (UN-QUALIFIED)

To,
The Members,
RASHTRIYA ISPAT NIGAM LIMITED
(CIN: U27109 AP1982 GOI 003404)
Administrative Building,
Visakhapatnam Steel Plant,
Visakhapatnam,
Andhra Pradesh 530031

Our Secretarial Audit 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 verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed 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 laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred in the Secretarial Audit Report, the adherence and compliance to the requirements of the said regulations is the responsibility of the management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.

ATUL MEHTA
CP NO. 2486
Company Secretaries

7) 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 **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

ATUL MEHTA CP No. 2486 Company Secretaries

Atul Mehta
Partner
ACS No: 5782
CP No: 2486

Place: Mumbai
Date: 9th June, 2023

UDIN: F005782E000475053

RINL MARKETING NETWORK

BALANCE SHEET

PROFIT & LOSS

EQUITY

CASH FLOWS

FINANCIAL STATEMENTS
FY 2022-23

Grandhy & Co.
Chartered Accountants

MIG-36, 4-68-1/4,
Lawsons Bay Colony,
Visakhapatnam - 530017

Enclosure to Directors' Report

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RASHTRIYA ISPAT NIGAM LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **RASHTRIYA ISPAT NIGAM LIMITED** (hereinafter referred to as the "Company") which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including Other comprehensive income, 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 (hereinafter referred to as the "Standalone Financial Statements").

In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required, and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company, as at March 31, 2023, of its loss, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Material Uncertainty related to Going Concern:

We draw attention to Note - 56 to the Standalone Financial Statements, which indicates that the Company has incurred a cash loss of ₹ **1,987.79 Crores** and is also facing cash flow problems. The Negative Cash Flow from operating activities is ₹ **838.54 Crores**, also the Company has incurred losses for the FY 2022-23 of ₹ **2,783.31 Crores** and accumulated losses of ₹ **7,436.08 Crores** as on 31st March 2023. The company is having current liabilities exceed the current assets by ₹ **13,725.67 Crores** as on March 31, 2023.

In our opinion, the assumptions made by the company with regard to the state of its affairs in the near future depend on many major factors such as, the demand for its products in a competitive market, quantity of sales, the prices realizable, Raw Material Availability and its index price fluctuations therefor, which are beyond the control of the company, and may therefore indicate that a material uncertainty exists on the company's ability to continue as a Going Concern unless all the aforesaid factors materialize as per the company's assumptions.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw the attention to Note - 3 of the accounts regarding submission of declaration to the Bankers as to Date of Commencement of Commercial Operations (DCCO) of Forged Wheel Plant (FWP) vis-à-vis the actual date on which the plant was ready for the intended use by the company. The management is of the view that the output produced prior to 30th April, 2023 was not in commercially feasible quantities and in such practicable manner that forged wheel plant is ready for use as intended by the management. The requirement by Indian Railways to put the plant to 'demonstrable actual production' for certain period is for the purpose of pressing upon RINL for bringing the plant to such standard of performance as is envisaged in the MoU. Indian Railways being the exclusive customer for RINL w.r.t. the intended production from FWP, the latter is under the contractual obligation to achieve the commercial exploitation or feasibility of the plant as per the former's approval or acceptance. The capitalization date hence could be 30th April, 2023, as this is the date by which the plant was brought to the location and condition necessary for it to be capable of operating in the manner intended by the management and various factors such as, technological parameters, safety parameters, various pre-requisite and substantive approvals from competent authorities, completion of test runs, etc. were concluded and settled.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key Audit Matters ("KAM") are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sl.No.	Key Audit Matter	How the Matter was addressed in Audit
1.	**Revised Schedule III compliances** Ministry of Corporate affairs as per notification dated 24.03.2021, has revised Schedule III and become applicable on the Company with effect from April 1, 2021 which prescribes detailed guidance for various elements of financial statement line items and requires detailed disclosures as prescribed under the newly applicable Schedule III. The application of new schedule III involves certain key disclosures and interpretations relating to identification of separate ratios and other elements. Accordingly, the matter has been identified as KAM.	The procedures performed by us and other validations includes following: • Assessed the process followed by the management to identify the impact of adoption of revised Schedule III; • Evaluated the appropriateness of the disclosures provided under the new Schedule III and assessed the completeness and mathematical accuracy of the relevant disclosures. Read and assessed the disclosure made in the Financial Statements for assessing compliance with disclosure requirements. Our procedures did not identify any material exceptions.

2.	**Evaluation of Uncertain outcome of pending litigation:** Refer Note No. 52 for policies in respect of contingent liabilities These litigations involve significant management judgement to determine the possible outcome of the uncertain tax positions and legal cases, consequently having an impact on related accounting and disclosures in the IND AS Financial Statements.	Our Audit procedures include following substantive procedures: a) Obtained understanding of key issues involved in pending tax and other litigations. b) We have obtained from the management information about new legal cases arose during current financial year and latest development. c) We have discussed with appropriate senior management and evaluated underlying key assumptions.
3.	**By-Products Inventory:** Refer to note 10.5, 10.14 & 10.15 of notes to accounts for valuation of by-products amounting to ₹ 114.60 crores as at 31st March 2023 and significant accounting judgements, estimates and assumptions related thereto of the standalone financial statements. First time valuation of inventories of by-products mainly consists of Metallurgical Waste and LD Slag generated during the year. The management of the company also sought the opinion of expert advisory committee of the ICAI ('EAC opinion') in the previous years and current year on recognition and measurement of by-product inventories. Valuation of such items requires management to exercise significant judgement in respect of use of estimates for determination of the quantity, quality, and valuation rate of these items. further, on the basis of the expected future salability and plans for captive consumption of such by-product inventories, the management has classified inventory expected to be sold / consumed before 12 months from the date of balance sheet, being the operating cycle of the company, as current inventory. Owing to the insignificant movement in sales / consumption of such by-products inventory, the materiality of the carrying value thereof and the complexities discussed above, we have considered this area as a key audit matter in the current year audit. further, the management's assessment of classification and valuation of aforesaid inventory as described in note 10 is considered fundamental to the understanding of the users of the standalone financial statements.	Our audit procedures included, but were not limited to the following:– - Obtained an understanding of the processes and procedures, including controls relating to Metallurgical Waste & LD slag containing iron ore fines ('by-products'). - Evaluated the working guidelines adopted by the company for valuation of the by-product inventory in accordance with the requirements of IND AS 2, inventory in conjunction with the EAC opinions obtained by the management. - According to the information and explanations provided to us, the quantities of stock of two By-products, namely Metallurgical waste of 2,31,000 MT and LD Slag of 7,30,999 MT respectively, were valued by the company during the FY 2022-23, that have been verified by the company's stock verification department. However, these quantities of stocks are not physically identifiable on yearly basis and as such we could not ascertain them.

Other Matter

A. The Cabinet Committee on Economic Affairs (CCEA), in its meeting held on 27.01.2021, has inter-alia given "in principle" approval for 100% disinvestment of Government of India shareholding in Rashtriya Ispat Nigam Limited along with RINL's stake in its Subsidiaries/JVs through strategic disinvestment by way of privatization. Transaction advisor and Legal advisor have been appointed for carrying out 100% sale of GOI share in RINL. Information / data / agreements / reports / clarifications (queries related to corporate structure, Financials, Operations, Land, JV and Subsidiaries, Employees, Litigations, Status of contracts, etc.) as sought by the LA & TA from time to time is being furnished by RINL. To facilitate sharing of voluminous data/information/reports required for the process of disinvestment, as advised by the TA, a Virtual Data Room (VDR) Service provider has been appointed by RINL and the VDR is in place from 30-Mar-2022. The carrying values may undergo changes on account of such independent evaluations.

B. The Company has granted Right of Way (ROW) to M/s HPCL for routing 200 KV overhead transmission line and 220 KV underground cables through the Company land after obtaining in-principal approval of the Board in its 314th and 315th meeting held on 16.08.2018 and 01.09.2018 respectively.

The Company allotted 53.45 acres of Land to HPCL towards ROW on payment of ad-hoc amount of ₹ 1 Crore per acre prior to commencement of project activity by HPCL. The Company has also granted Right of Way (ROW) to M/s. AMTZ of 1.24 acres by accepting the ad-hoc payment of ₹ 1 Crore per acre prior to commencement of Activity.

The company has communicated to M/s HPCL and M/s AMTZ that the said allotment of land is subject to approval of Ministry of Steel (MoS), Govt. of India. The Board in 343rd meeting held on 27.07.2021 opined that the clearance of Ministry of Finance (MoF), Govt. of India in terms of Sl. No. 28 of GFR-2017 may be required for this allotment.

As per rule -28 of General Financial Rules (GFR-2017), Powers in regard to certain special matters.

Except in pursuance of the general delegation made by, or with the approval of the President, a subordinate authority shall not, without the previous consent of the Finance Ministry, issue an order which -

(i) involves any grant of land, or assignment of revenue, or concession, grant, lease or license of mineral or forest rights, or rights to water, power or any easement or privilege of such concessions, or

(ii) involves relinquishment of revenue in any way.

In order to comply with the above referred rule 28 of GFR-2017, the Company has been requesting the Ministry of Steel (MoS) to take up the matter with the Ministry of Finance (MoF). However, confirmation of approval in this regard from Ministry of Finance (MoF) is still awaited.

C. We draw your attention to Note No-52, on Contingent liabilities, out of total 105 cases worth ₹ 4558.46 Crores, as per SA-501, Para A-21, Audit Evidence - Specific Considerations for Selected Items, "Direct communication with the entity's external legal counsel assists the auditor in obtaining sufficient appropriate audit evidence as to whether potentially material litigation and claims are known and management's estimates of the financial implications, including costs, are reasonable". There was no confirmation received from the external legal counsel of the company to us, regarding the evaluation of the likelihood of an unfavorable outcome and an estimate, the status of these liabilities whether crystalized or not cannot be ascertained at this point of time.

D. Ministry of Home Affairs has classified as Visakhapatnam as risk prone area for payment of Risk and Hardship Allowance to CISF Employees and in line with MoHA circular CISF claimed ₹ 44.14 Crores towards RHA along with arrears for the period from July 2017 to February 2019, as the amount was not paid by the Company, CISF claimed penal interest of ₹ 4.73 Crores for the delay till March 2022 and Risk & Hardship Allowance of liability as on 31st March 2023 is ₹ 66.50 Crores relating to the period from 1st July 2017 to 31st March 2023. The company disclosed the same as Contingent Liability as on 31st March, 2023. The Management informed us that the Ministry of Steel (MoS) was requested to take up the matter with the Ministry of Home Affairs (MoHA) in this regard.

Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under sec 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the company 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 Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Statements of the Company to express an opinion on the Standalone Financial Statements.

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.

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

1. 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 Companies Act, 2013, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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 and proper returns adequate for the purpose of our audit have been received from the branches in India not visited by us.

c. The report on the accounts of the branch office (IMO Srilanka) of the Company audited under Section143(8) of the Act by branch auditor was not completed as on the date of our audit report.

d. The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account and with the returns received from the branches in India not visited by us.

e. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

f. In our opinion, our observations or comments on financial transactions or matters do not have any adverse effect on the functioning of the company.

g. The provisions of Section 164 (2) of the Act are not applicable to the Government Companies vide notification No. G.S.R. 463[E] dated 5th June, 2015 of Ministry of Corporate Affairs.

h. No qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith.

i. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

j. The Company, being a Government Company is exempt from the provisions of Sec 197 of the Companies Act, 2013 pursuant to the Notification No. GSR 463(E) dated 05th June, 2015 issued by the Ministry of Corporate Affairs, Government of India.

k. 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, in our opinion and to the best of our information and according to the explanations given to us:

   i) The Company has disclosed the impact of pending litigations on its financial position in its IND AS Standalone Financial Statements – Refer Note 52 to the Financial Statements;

   ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv)

a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

c) Based on the audit procedures that have been 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

d) As per Rule 11(g) of the Companies (Accounting) Rules, 2014 as amended, companies have been mandated to use accounting software with requisite audit trail facility from 1st April 2023. We are not required to comment on this matter for the year ended 31st March 2023.

v) The Company has not declared any dividend hence reporting on compliance of section 123 of the Act is not applicable.

As required by the Sec 143(5) of Companies Act, 2013, we give in "Annexure C" a statement on the matters specified by the Comptroller and Auditor General of India for the Company.

For **Grandhy & Co.,**
Chartered Accountants
Firm Registration Number: 001007S

Sd/-
CA. Sudheendra Rao S
Partner
Membership No: 226611
UDIN: 23226611BGQAOX1819

Place: Visakhapatnam
Date: 08th August 2023

Grandhy & Co.
Chartered Accountants

MIG-36, 4-68-1/4,
Lawsons Bay Colony,
Visakhapatnam - 530017

ANNEXURE -A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF RASHTRIYA ISPAT NIGAM LIMITED

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date to the members of Rashtriya Ispat Nigam Limited)

(i) In respect of Property, Plant & Equipment:

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant & Equipment.

(B) The company is maintaining proper records showing full particulars of intangible assets.

b) Further to the *Emphasis of Matter* section of our report, we report that these Property, Plant & Equipment have been physically verified during the year by the Management in accordance with a programme of verification, which, in our opinion, provides for physical verification of all the Property, Plant & Equipment at reasonable intervals having regard to the size of the Company and the nature of its assets. There is no asset identification number of these PPE which could result in improper identification. Hence, we cannot comment on the method of identification of assets verified, reconciliation and identification of discrepancies with Fixed asset register.

c) According to the information and explanation furnished to us and on the basis of our examination of the records of the company, title deeds of all the immovable properties are held in the name of the company except in respect of land & Buildings to the extent stated here under:

Description of property	Gross Carrying Value (₹ In crores)	Held in the name of	Whether promoter, director or their relative or employee	Period held – Indicate range, where appropriate	Reason for being held in the name of the company
Freehold Land	38.83	Government of India	Yes. Promoter	1983 onwards	The Company is holding Power of Attorney in its favour as executed by President of India on behalf of Government of India.
Building	24.23	M/s NBCC LTD	No	2008	Office building at New Delhi: Lease between NBCC LTD and Delhi Development Authority is yet to be completed.

Building	0.18	M/s NBCC LTD	No	1995	Office building at Ahmedabad: Litigation is going on between AMC against this builder (NBCC Ltd). Due to this AMC is unable to give Building utilisation permission, without Building permission the sale deed cannot be registered with the Registrar.
Building	0.95	Debi Prasad Chatterjee	No	1996	Residential Building at Kolkata: Due to non-compliance of the Terms & conditions of Purchase, on roof rights & garage space by developer dispute cropped up, which is pending in the court of 7th Civil judge at Alipore, Kolkata.

d) According to the information and explanation given to us and on the basis of our examination of the records of the company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

e) According to the information and explanation given to us and on the basis of our examination of the records of the company, there are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) In respect of the Company's inventories:

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the management has conducted Physical verification of inventories at reasonable intervals during the year except for goods-in-transit and Inventories lying with third parties. In our opinion, having regard to the nature of its business and location of its stocks, the procedure & frequency of verification is reasonable. In certain cases, such as Steel Scrap / Iron Scrap stocks are verified on the basis of Visual Survey/ Estimates. Disposal Stores are not covered under the physical verification program. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

b) The Company has been sanctioned working capital limits in excess of five crore rupees, from banks or financial institutions on the basis of security of current assets, The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of accounts of the company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 are not applicable to the Company.

(v) The Company has received advances for the supply of goods, and that advance is not appropriated against supply of goods with in a period of three hundred and sixty-five days amounting to ₹ 1.74 Crores which is deemed to be deposit as per Companies (Acceptance of Deposit Rules), 2014. In case of deemed deposits, Form No. DPT-3 shall be filed. However, government companies have been exempted from this compliance requirement.

The company also accepted deposits, for the purpose of operating Employee Family Benefit Scheme from the nominees of employees / ex-employees on account of death / permanent medical unfitness, for an amount equivalent to the Notional Provident Fund and Gratuity of the employees who are deceased or medical unfit. The Company has got exemption from Ministry of Finance, Department of Company Affairs dated 10th September, 1996 under sec 58-A (8) of the Companies Act,1956 for collecting said deposits.

(vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Rules in force made by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities, and there were no amounts payable in respect of the aforesaid undisputed statutory dues in arrears, as at March 31, 2023, for a period of more than six months from the date they became payable.

(b) The High court of Andhra Pradesh directed to pay 50% of the Property Tax on buildings every year until further direction. Based on that Interim order RINL is depositing 50% of Property Tax to GVMC twice during the year on the demanded amount as on the date of court order, as the court order did not explicitly state that the company must pay 50% of the property tax as assessed every year.

For the FY 2021-22 & FY 2022-23 demand of the property tax has increased but the company is depositing without considering the increase in demand. The company has a made short deposit under protest of ₹ 1,51,61,337/- towards Property tax on buildings w.r.t Sl.No.17 below in the table. There is no further demand from GVMC till date for the short deposit.

Details of dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax etc., which have not been deposited as on March 31, 2023 on account of dispute are as below:

Sl. No.	Name of the Statute	Nature of Dues	Disputed Amount (in Crores as on 31.03.2023)	Amount Paid under Protest	Unpaid Amount (in Crores as on 31.03.2023)	Forum where the dispute is pending
1.	West Bengal VAT Act	Sales Tax	0.34	-	-	West Bengal Commercial Tax Appellate Tribunal
2.	WB Entry Tax	Entry Tax	9.50	-	-	Kolkata High Court
3.	Bihar VAT Act	VAT	0.14	0.02	0.12	Joint Commissioner Taxes (JCT), Patna.
4.	Karnataka Stamp Act	Stamp Duty	0.04	-	0.04	Karnataka High Court
5.	Maharashtra VAT Act	Sales Tax	0.08	0.01	0.07	JCIT, Mumbai
6.	Maharashtra State Act	Market Committee Fee	2.01	-	2.01	Bombay High Court
7.	Customs & Excise Act	Service Tax & CENVAT	0.19	-	0.19	Commissioner CGST & Central Excise
8.	AP General Sales Tax Act	APGST	8.75	5.83	2.92	Andhra Pradesh High Court
9.	AP General Sales Tax Act	APGST	0.18	0.13	0.05	STAT, Andhra Pradesh
11.	CST Act,1956	CST	988.91	80.16	908.75	Andhra Pradesh High Court
13.	AP Tax on entry of goods into Local Areas Act, 2011	Entry Tax	8.66	2.41	6.25	Andhra Pradesh High Court
14.	AP Tax on entry of goods into Local Areas Act, 2011	Entry Tax	0.57	0.57	-	STAT, Andhra Pradesh
15.	AP VAT ACT, 2005	VAT	4.20	2.75	1.45	STAT, Andhra Pradesh
16.	AP VAT ACT, 2005	VAT	0.25	0.02	0.23	Andhra Pradesh ADC
17.	State Government (Local Authorities) Property Tax	Property Tax	498.06	116.10	381.96	Andhra Pradesh High Court

Sl. No.	Name of the Statute	Nature of Dues	Disputed Amount (in Crores as on 31.03.2023)	Amount Paid under Protest	Unpaid Amount (in Crores as on 31.03.2023)	Forum where the dispute is pending
18.	State Government (Local Authorities) Vacant Land tax	Vacant Land tax	568.04	0	568.04	Andhra Pradesh High Court
19.	Finance Act, Customs & Excise Act	Excise duty, Service Tax and CENVAT	0.89	0.89	-	Commissioner (Appeals)
20			119.19	2.79	116.40	CESTAT
21.	Income Tax Act,1961	Income Tax	1.86	1.86	-	Andhra Pradesh High Court
22.			0.36	0.06	0.30	CIT(Appeal)

(viii) According to the information and explanation given to us and on the basis of our examination of the records of the company, the company has not surrendered or disclosed any transactions, previously unrecorded as Income in the Books of Accounts, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) a) According to the information and explanation given to us and on the basis of our examination of the records of the company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to banks or financial institutions or to any lender.

b) According to the information and explanation given to us and on the basis of our audit procedures, we report that the company has not been declared as a willful defaulter by any bank or financial institution or other lender;

c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the term loans were applied for the purpose for which the loans were obtained.

d) According to the information and explanation given to us and on the basis of our examination of the records of the company, funds raised on short term basis have not been utilized for long term purposes.

e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.

f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies.

(x) a) During the year the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) hence reporting under this clause is not applicable.

b) During the year the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) hence reporting under this clause is not applicable.

(xi) a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2020 is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the IND AS Standalone Financial Statements as required by the applicable accounting standards.

(xiv) a) In our opinion and based on our examination, the company has adequate internal audit system commensurate with the size and nature of its business;

b) We have considered the Internal Audit reports of the company issued till date, for the period under audit.

(xv) In our opinion during the year, the company has not entered into any non-cash transactions with directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.

(xvi) a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

b) In our opinion, there is no core investment company within the group as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The company has incurred cash losses of ₹ **1987.79** Crores in the financial year and but not incurred cash losses in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory Auditors during the year.

(xix) The Company has incurred a cash loss of ₹ **1,987.79** Crores and is also facing cash flow problems. The Negative Cash Flow from operating activities is ₹ **838.54** Crores, the Company has incurred losses for the FY 2022-23 of ₹ **2,783.31** Crores and accumulated losses of ₹ **7,346.08** Crores as on 31st March 2023. The company is having current liabilities exceed the current assets by ₹ **13,725.67** Crores as on March 31, 2023.

Further to the ***Material Uncertainty related to Going Concern*** section of our report, we report that in our opinion, the assumptions made by the company with regard to the state of its affairs in the near future depend on many major factors such as, the demand for its products in a competitive market, quantity of sales, the prices realizable, Raw Material Availability and its index price fluctuations therefor, which are beyond the control of the company and may therefore indicate that there is material uncertainty exists on the company's ability to continue as a Going Concern on the date of audit report that it may not be able to meet 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, unless all the aforesaid factors materialize as per the company's assumptions.

(xx) The Company does not have average net profits made during the three preceding financial years. Hence company is not required to spent any amount on CSR u/s 135(5) of Companies Act, 2013 during the year.

Thus, reporting under clause (a) & (b) of 3(xx) of the order is not applicable.

(xxi) Since, the report is on the Standalone Financial Statements, the clause 3(xxi) of the order is not applicable.

For **Grandhy &Co.,**
Chartered Accountants
Firm Registration Number: 001007S

Sd/-
CA. Sudheendra Rao S
Partner
Membership No: 226611
UDIN: 23226611BGQAOX1819

Place: Visakhapatnam
Date: 08th August 2023

Grandhy & Co.
Chartered Accountants

MIG-36, 4-68-1/4,
Lawsons Bay Colony,
Visakhapatnam - 530017

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF RASHTRIYA ISPAT NIGAM LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **RASHTRIYA ISPAT NIGAM LIMITED** as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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 issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Grandhy & Co.,**
Chartered Accountants
Firm Registration Number: 001007S

Sd/-
CA. Sudheendra Rao S
Partner
Membership No: 226611
UDIN: 23226611BGQAOX1819

Place: Visakhapatnam
Date: 08th August 2023

Grandhy & Co.
Chartered Accountants

MIG-36, 4-68-1/4,
Lawsons Bay Colony,
Visakhapatnam - 530017

ANNEXURE - C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF RASHTRIYA ISPAT NIGAM LIMITED

The Annexure referred to in our report to the members of the company for the year ended on March 31, 2023. We report that:

1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	According to the information and explanation furnished to us and on our examination of the accounts, records, reports, and the system in place for the preparation of the same, we report that the company has deployed SAP ERP for the said purpose. Further based on the aforesaid examination no accounting transactions are passed outside the books of accounts that form the basis for the Standalone Financial Statements being audited by us.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender company).	According to the information and explanations given to us and on the basis of our examination of records of the Company, there is no restructuring of an existing loans or cases of waiver/ write off of debt/ loans/ interest etc. made by a lender to the company during the year.
3.	Whether funds (grants/subsidy etc.) received/ receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	According to the information and explanations given to us and on the basis of our examination of records of the Company, the company has not received funds (grants / subsidy etc.) for specific schemes from Central/ State Government or its agencies during the year.

For **Grandhy & Co.,**
Chartered Accountants
Firm Registration Number: 001007S

Sd/-
CA. Sudheendra Rao S
Partner
Membership No: 226611
UDIN: 23226611BGQAOX1819

Place: Visakhapatnam
Date: 08th August 2023

भारतीय लेखापरीक्षा और लेखा विभाग
महानिदेशक वाणिज्यिक लेखापरीक्षा का कार्यालय, हैदराबाद

INDIAN AUDIT AND ACCOUNTS DEPARTMENT
OFFICE OF THE DIRECTOR GENERAL
OF COMMERCIAL AUDIT, HYDERABAD

No. DGCA/A/c/Desk/2022-23/RINL/1.01/202 Date: 27 September 2023

To
The Chairman-cum-Managing Director,
Rashtriya Ispat Nigam Limited,
Visakhapatnam Steel Plant, Administrative Building,
Visakhapatnam- 530031

Sub: - Comments of the C&AG of India under Section 143(6)(b) of the Companies Act, 2013 on the accounts of Rashtriya Ispat Nigam Limited, Visakhapatnam for the year ended on 31 March 2023

Sir,

I forward herewith the 'Nil Comments' Certificate of Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the accounts of Rashtriya Ispat Nigam Limited, Visakhapatnam for the year ended on 31 March 2023.

2. The date of placing the comments along with Annual Accounts and Auditors' Report before the shareholders of the Company may please be intimated and a copy of the proceedings of the meeting may be furnished.

3. The date of forwarding the Annual Report and Annual Accounts of the Company together with Auditors' Report and comments of the Comptroller and Auditor General of India to the Central Government for being placed before the Parliament may please be intimated.

4. Ten copies of the Annual Report for the year 2022-23 may please be furnished in due course.

The receipt of this letter along with the enclosures may please be acknowledged.

Encl:- As above

Yours faithfully,

M. S. Subrahmanyam
27/09/23

(M. S. Subrahmanyam)
Director General

महालेखाकार का कार्यालय परिसर, सैफाबाद, हैदराबाद - 500 004.
A.G.'s Office Complex, Saifabad, Hyderabad - 500 004.
e-mail : pdcahyderabad@cag.gov.in
FAX : 040-23231318
Phone : 040-23235131, 040-23239887

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF RASHTRIYA ISPAT NIGAM LIMITED, VISAKHAPATNAM FOR THE YEAR ENDED 31 MARCH 2023

The preparation of financial statements of Rashtriya Ispat Nigam Limited, Visakhapatnam for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 08 August 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Rashtriya Ispat Nigam Limited, Visakhapatnam for the year ended 31 March 2023 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under Section 143(6)(b) of the Act.

For and on the behalf of the
Comptroller and Auditor General of India

M. S. Subrahmanyam
27/09/23

(M. S. Subrahmanyam)
Director General of Commercial Audit,
Hyderabad

Place: Hyderabad
Date: 27 September 2023

STANDALONE BALANCE SHEET AS AT 31st MARCH 2023

(₹ in Crores)

Particulars	Notes	31st March 2023	31st March 2022
I Assets			
Non-current assets			
(a) Property, plant and equipment	3	18,490.30	19,427.59
(b) Capital work-in-progress	3	2,976.44	2,678.81
(c) Other intangible assets	4	0.37	0.67
(d) Intangible assets under development	4	-	-
(e) Financial assets			
(i) Investments	5	739.89	739.89
(ii) Loans	6	1.36	4.50
(iii) Other financial assets	7A	15.90	18.19
(f) Deferred tax asset (net)	8B	2,303.24	1,936.54
(g) Other non-current assets	9	153.09	139.93
Total non-current assets		**24,680.59**	**24,946.12**
Current assets			
(a) Inventories	10	6,585.83	6,068.78
(b) Financial assets			
(i) Trade receivables	11	777.16	909.68
(ii) Cash and cash equivalents	12A	2.74	4.12
(iii) Bank Balances Other than (ii) above	12B	12.76	12.20
(iv) Other financial assets	7B	631.14	562.00
(c) Other tax assets (net)	13	-	-
(d) Other current assets	14	969.80	615.40
Total current assets		**8,979.43**	**8,172.18**
Total assets		**33,660.01**	**33,118.30**
II Equity and liabilities			
Equity			
(a) Equity share capital	15	4,889.85	4,889.85
(b) Other equity	16	(4,498.61)	(1,715.30)
Total equity		**391.24**	**3,174.55**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17A	9,171.02	8,772.51
(ii) Lease Liabilities	18A	37.54	35.15

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STANDALONE BALANCE SHEET AS AT 31st MARCH 2023

(₹ in Crores)

Particulars	Notes	31st March 2023	31st March 2022
(iii) Other financial liabilities	19A	177.22	132.23
(b) Provisions	20A	1,067.92	1,102.22
(c) Deferred tax liabilities (net)	8B	-	-
(d) Other non-current liabilities	21A	7.65	7.25
(e) Government Grants - Deferred - PPE	21B	102.32	108.50
Total non-current liabilities		**10,563.67**	**10,157.86**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17B	11,252.92	8,375.59
(ii) Lease Liabilities	18B	0.69	3.71
(iii) Trade payables	22		
- Total outstanding dues of Micro Enterprises and Small Enterprises		75.96	70.14
- Total outstanding dues other than Micro Enterprises and Small Enterprises		4,813.15	5,034.31
(iv) Other financial liabilities	19B	4,628.96	4,168.42
(v) Derivatives	23	10.76	-
(b) Provisions	20B	442.87	436.57
(c) Other current liabilities	24	1,473.61	1,690.97
(d) Government Grants - Deferred - PPE	21B	6.18	6.18
Total current liabilities		**22,705.10**	**19,785.89**
Total liabilities		**33,268.77**	**29,943.75**
Total Equity and liabilities		**33,660.01**	**33,118.30**

The notes 1 to 58 are an integral part of the financial statements.

For and on behalf of the Board of Directors

Sd/-
(Atul Bhatt)
Chairman-cum-Managing Director
DIN : 07639362

Sd/-
(Suresh Chandra Pandey)
Director (Finance)
DIN : 10149587

Sd/-
(CA V Santa Kumar)
CGM (Finance) and
Chief Financial Officer

Sd/-
(M Jagadeeshwara Rao)
Company Secretary
M.No. FCS-8581

As per our report of even date
For M/s Grandhy & Co.
Chartered Accountants
Firm Regn No: 001007S

Sd/-
(CA Sudheendra Rao S)
Partner
Membership No: 226611
UDIN : 23226611BGQAOX1819

Place : Visakhapatnam
Date : 08th August 2023

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2023

(₹ in Crores)

	Particulars	Notes	For the year ended 31st March 2023	For the year ended 31st March 2022
	Income			
I	Revenue from operations	35	22,809.40	28,359.35
II	Other income	36	229.03	287.72
III	**Total income (I+II)**		**23,038.43**	**28,647.07**
IV	**Expenses**			
	Cost of materials consumed	37	16,997.31	17,806.21
	Changes in inventory of finished goods and work-in-progress	38	(1,378.10)	241.09
	Employee benefits expense	39	2,710.67	2,817.82
	Finance costs	40	1,738.23	1,545.56
	Depreciation and amortisation expense	41	1,192.83	1,204.63
	Other expenses	42	5,085.83	4,313.24
	Total expenses (IV)		**26,346.77**	**27,928.55**
V	**Profit/(Loss) before exceptional items and tax (III-IV)**		**(3,308.34)**	**718.52**
VI	**Exceptional items**	**42A**	**(71.88)**	**(223.06)**
VII	**Profit/ (Loss) before tax (V-VI)**		**(3,236.46)**	**941.58**
VIII	**Tax expense/ (credit):**			
	Current tax		-	-
	Deferred tax	8	(377.91)	28.39
	Mat Credit reversal		-	-
	Earlier year adjustments		0.19	-
	Total Tax expense/ (credit) (VIII)	**8**	**(377.72)**	**28.39**
IX	**Profit/(Loss) for the year from continuing operations (VII-VIII)**		**(2,858.74)**	**913.19**
X	Profit/ (Loss) for the year from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	**Profit/(Loss) for the year from discontinued operations (after tax) (X-XI)**		**-**	**-**

Continued to next page

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STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2023

(₹ in Crores)

Particulars	Notes	For the year ended 31st March 2023	For the year ended 31st March 2022
XIII Profit/ (Loss) for the year (IX+XII)		**(2,858.74)**	**913.19**
XIV Other comprehensive income			
(i) Items that will not be re classified to profit or loss Re-measurements of defined benefit liability /asset		86.64	27.24
(ii) Income tax relating to items that will not be reclassified to profit or loss		(11.21)	(7.08)
Other comprehensive income for the year, net of income tax		**75.43**	**20.16**
XV Total comprehensive income for the year (XIII+XIV)		**(2,783.31)**	**933.35**
XVI Earnings/ (loss) per each equity share of ₹ 10 each	**49**		
1. Basic (₹)		(5.85)	1.87
2. Diluted (₹)		(5.85)	1.87

The notes 1 to 58 are an integral part of the financial statements.

For and on behalf of the Board of Directors

Sd/-
(Atul Bhatt)
Chairman-cum-Managing Director
DIN : 07639362

Sd/-
(Suresh Chandra Pandey)
Director (Finance)
DIN : 10149587

Sd/-
(CA V Santa Kumar)
CGM (Finance) and
Chief Financial Officer

Sd/-
(M Jagadeeshwara Rao)
Company Secretary
M.No. FCS-8581

As per our report of even date
For M/s Grandhy & Co.
Chartered Accountants
Firm Regn No: 001007S

Sd/-
(CA Sudheendra Rao S)
Partner
Membership No: 226611
UDIN : 23226611BGQAOX1819

Place : Visakhapatnam
Date : 08th August 2023

STANDALONE STATEMENT OF CHANGES IN EQUITY
(FOR THE YEAR ENDED 31ST MARCH 2023)

a. Equity Share Capital

(₹ in Crores)

Particulars	Amount
Balance as at 1st April 2021	**4,889.85**
Changes in Equity Share Capital due to prior period errors	-
Restated balance as at 1st April 2021	-
Changes in equity share capital during FY 2021-22	-
Balance as at 31st March 2022	**4,889.85**
Balance as at 1st April 2022	**4,889.85**
Changes in Equity Share Capital due to prior period errors	-
Restated balance as at 1st April 2022	-
Changes in equity share capital during FY 2022-23	-
Balance as at 31st March 2023	**4,889.85**

b. Other Equity

(₹ in Crores)

Particulars	Reserves and Surplus				Total
	Retained Earnings	Capital Redemption Reserve	Reserves for Redeeming Preference Shares	Other Items of Other Comprehensive Income	
Balance at 1st April 2021	**(5,363.07)**	**2,937.47**	**-**	**-**	**(2,425.60)**
Changes in accounting policy or prior period errors	(223.06)	-	-	-	(223.06)
Restated Balance as at 1st April 2021	(5,586.13)	2,937.47	-	-	(2,648.66)
Total comprehensive income for the year ended 31st March 2022					
Profit or loss for the year	913.19	-	-	-	913.19
Other comprehensive income (net of tax)	20.16			-	20.16
Total comprehensive income	**933.35**	**-**	**-**	**-**	**933.35**
Balance at 31st March 2022	**(4,652.77)**	**2,937.47**	**-**	**-**	**(1,715.30)**
Balance at 1st April 2022	**(4,652.77)**	**2,937.47**	**-**	**-**	**(1,715.30)**
Changes in accounting policy or prior period errors	-				0.00
Restated Balance as at 1st April 2022	(4,652.77)	2,937.47			(1,715.30)
Total comprehensive income for the year ended 31st March 2023					
Profit or loss for the year	(2,858.74)	-	-	-	(2,858.74)
Other comprehensive income (net of tax)	75.43	-	-	-	75.43
Total comprehensive income	**(2,783.31)**	**-**	**-**	**-**	**(2,783.31)**
Balance at 31st March 2023	**(7,436.08)**	**2,937.47**	**-**	**-**	**(4,498.61)**

The notes 1 to 58 are an integral part of the financial statements.

For and on behalf of the Board of Directors

Sd/-
(Atul Bhatt)
Chairman-cum-Managing Director
DIN : 07639362

Sd/-
(Suresh Chandra Pandey)
Director (Finance)
DIN : 10149587

Sd/-
(CA V Santa Kumar)
CGM (Finance) and Chief Financial Officer

Sd/-
(M Jagadeeshwara Rao)
Company Secretary
M.No. FCS-8581

Place : Visakhapatnam
Date : 08th August 2023

As per our report of even date
For M/s Grandhy & Co.
Chartered Accountants
Firm Regn No: 001007S

Sd/-
(CA Sudheendra Rao S)
Partner
Membership No: 226611
UDIN : 23226611BGQAOX1819

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH 2023

(₹ in Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Cash flows from operating activities		
Profit/ (loss) for the year (before tax)	(3,236.46)	941.58
Adjustments for:		
Depreciation and amortisation expense	1,192.83	1,204.63
Finance costs	1,738.23	1,545.56
Provision for diminution in the value of investments/ Write off of Investments	-	-
Interest income from banks	(0.20)	(0.16)
Dividend income	0.00	0.00
(Gain) loss on sale of Property, plant and equipment	(0.01)	(0.69)
Unrealised Net (Gain)/ Loss arising on Financial instruments designated as FVTPL	10.76	(8.24)
Operating profit before changes in assets and liabilities	**(294.85)**	**3,682.68**
Changes in assets and liabilities :		
(Increase) decrease in inventories	(517.05)	(1,110.61)
(Increase) decrease in trade receivables and loans	135.66	0.94
(Increase) decrease in other financial assets	(77.61)	(18.09)
(Increase) decrease in other non current assets	2.06	10.94
(Increase) decrease in other current assets	(334.49)	58.99
Increase (decrease) in trade payables	(215.34)	2,926.85
Increase (decrease) in other financial liabilities	641.50	1,451.75
Increase (decrease) in provisions	58.64	(533.41)
Increase (decrease) in non-current liabilities	0.40	0.36
Increase (decrease) in other current liabilities	(217.36)	(71.60)
Cash generated from operating activities	**(818.44)**	**6,398.81**
Income tax paid (net of refund)	(20.10)	0.68
Net cash from (used in) operating activities (A)	**(838.54)**	**6,399.49**
Cash flows from investing activities		
Acquisition of property, plant and equipment	(563.88)	(714.87)
Proceeds from sale of property, plant and equipment	0.01	0.69
Interest received from banks	0.20	0.16
Investment in fixed deposits	(0.56)	(0.49)
Dividend income	-	-
Acquisition of investments	(0.00)	(2.51)

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STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH 2023

(₹ in Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Net cash flow from (used in) investing activities (B)	**(564.23)**	**(717.02)**
Cash flows from financing activities		
Proceeds from (Repayment of) long term borrowings	398.51	(1,343.48)
Proceeds from (Repayment of) short term borrowings	2,877.33	(2,597.48)
Repayment of principal portion of Lease Liability	(0.63)	(16.72)
Interest paid	(1,873.82)	(1,757.71)
Net cash flow from (used in) financing activities (C)	**1,401.39**	**(5,715.39)**
Net increase (decrease) in cash and cash equivalents (A+B+C)	(1.38)	(32.93)
Cash and cash equivalents at 1st April	**4.12**	**37.05**
Cash and cash equivalents at 31st March	**2.74**	**4.12**
Reconciliation of cash and cash equivalent as per the balance sheet	**31st March 2023**	**31st March 2022**
Cash and cash equivalent as per the cash flow statement	2.74	4.12
Cash and cash equivalent as per balance sheet	**2.74**	**4.12**

The Cash flow statement has been prepared under indirect method in accordance with Ind AS 7.

The notes 1 to 58 are an integral part of the financial statements.

For and on behalf of the Board of Directors

Sd/-
(Atul Bhatt)
Chairman-cum-Managing Director
DIN : 07639362

Sd/-
(Suresh Chandra Pandey)
Director (Finance)
DIN : 10149587

Sd/-
(CA V Santa Kumar)
CGM (Finance) and
Chief Financial Officer

Sd/-
(M Jagadeeshwara Rao)
Company Secretary
M.No. FCS-8581

As per our report of even date
For M/s Grandhy & Co.
Chartered Accountants
Firm Regn No: 001007S

Sd/-
(CA Sudheendra Rao S)
Partner
Membership No: 226611
UDIN : 23226611BGQAOX1819

Place : Visakhapatnam
Date : 08th August 2023

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT 31st MARCH 2023

1. Company overview

Rashtriya Ispat Nigam Limited is a company domiciled in India. The Company's registered office is Administrative Building, Visakhapatnam Steel Plant (VSP), Visakhapatnam, Andhra Pradesh. The Company is primarily involved in the manufacture of steel and related products.

2. Significant accounting policies

2.1 Basis of Preparation

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") and provisions of Companies Act, 2013 i.e. Section 133 of the Companies Act, 2013 as prescribed/ notified and amended from time to time under the historical cost convention on accrual basis except for certain material financial instruments which are measured at fair value.

2.2 Functional and Presentation Currency

The standalone financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the entity operates. All financial information presented in Indian rupees has been rounded to the nearest two decimals of Crore except share and per share data.

2.3 Use of Estimates and Judgment

The preparation of financial statements require estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/ materialized.

2.4 Inventories

2.4.1 Inventories are valued at lower of cost and net realizable value.

2.4.2 The basis of determining cost is:

a) Finished / Semi-finished goods, Raw materials – Periodic Weighted Average cost.

b) Minor Raw materials, Stores and spares (which do not meet PPE definition), Loose tools - Dynamic Moving Weighted Average cost.

c) All Materials in- transit at cost.

2.4.3 Necessary provisions are made for obsolete / Surplus / Non-moving inventory.

(Guidelines for Valuation of inventories are provided at Note No. 10)

2.5 Property, Plant and Equipment (PPE)

2.5.1 (a) The company has adopted the previous GAAP value as the 'deemed cost' in preparing its opening balance sheet as on 01 April 2015.

(b) Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

2.5.2 The cost of property, plant and equipment comprises:

(i) Its purchase price;

(ii) Any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management;

(iii) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs either at the time of acquisition of asset or as a consequence of having used the asset during a particular period for purposes other than to produce inventory during that period;

(iv) Expenditure attributable /relating to construction to the extent directly identifiable to any specific plant unit, Trial run expenditure net of revenue.

2.5.3 The cost of replacing a part of an item of PPE is recognized in the carrying amount of the item of property, plant and equipment if the recognition criteria are met. Consequently, the carrying amount of the replaced part is derecognized.

2.5.4 Expenditure attributable /relating to construction to the extent not directly identifiable to any specific Plant Unit is kept under 'Expenditure During Construction' for allocation to PPE and is grouped under 'Capital Work-in- Progress'.

2.5.5 All major spares, stand-by equipment, and servicing equipment that meet the criteria of property, plant and equipment are capitalized.

2.5.6 Depreciation:

Depreciation is recognized on straight-line basis over the estimated useful life of each part of an item of property, plant and equipment. Depreciation methods, useful lives and residual values are reviewed at each reporting date and where expectations differ from previous estimates, the changes are accounted for as change in accounting estimate.

2.6 Intangible Assets

2.6.1 Intangible assets are estimated at cost less accumulated amortization and impairment. Intangible assets are amortized on straight line method over their estimated useful life.

2.6.2 Residual values and useful lives of all intangible assets are reviewed at each reporting date. Changes, if any, are accounted for as changes in accounting estimates.

2.7 Exploration and Evaluation Assets (E&E Assets)

2.7.1 Exploration and evaluation expenditure comprises costs incurred after obtaining legal right to explore the area and before establishing technical feasibility and commercial viability of extracting a mineral resource that are directly attributable to:

– researching and analyzing existing exploration data;

– conducting geological studies, exploratory drilling and sampling;

– examining and testing extraction and treatment methods; and/or

– compiling pre-feasibility and feasibility studies.

2.7.2 Exploration and evaluation expenditure is recognized as an expense, unless the expenditure is expected to be recouped through successful development and exploitation of the area of interest, or alternatively by its sale, in which case it is recognized as an asset.

2.7.3 Exploration and evaluation assets are classified as tangible (as part of property, plant and equipment) or intangible according to the nature of the assets. These assets are not depreciated till they are recognized as an E &E asset. These assets continue in CWIP and are depreciated once they are recognized as E&E assets.

2.7.4 The carrying values of capitalized evaluation expenditure are reviewed for impairment once a year by management.

2.8 Investment in Subsidiaries and Joint Ventures

Investments in subsidiaries and joint ventures are measured at cost. Diminution in value, other than temporary, is provided for.

2.9 Financial Instruments (Financial Assets and Financial Liabilities):

All financial instruments are recognized initially at fair value. The classification of financial instruments depends on the objective of the business model for which it is held. For the purpose of subsequent measurement, financial instruments of the Company are classified into (a) Non-Derivative Financial Instruments and (b) Derivative Financial Instruments.

a) Non Derivative Financial Instruments

(i) Security deposits, cash and cash equivalents, employee and other advances, trade receivables and eligible current and non-current financial assets are classified as Financial assets under this clause.

(ii) Loans and borrowings, trade and other payables including deposits collected from various parties and eligible current and non-current financial liabilities are classified as financial liabilities under this clause.

(iii) Financial instruments are subsequently carried at amortized cost wherever applicable using Effective Interest Method (EIR) less impairment loss.

(iv) Transaction costs that are attributable to the financial instruments recognized at amortized cost are included in the fair value of such instruments.

(b) Derivative Financial Instruments

(i) Derivative Financial Assets and liabilities are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date.

(ii) Changes in the fair value of any derivative Asset or liability are recognized immediately in the Income Statement and are included in other income or expenses.

(iii) Cash flow hedge: Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and presented within equity in the cash flow hedging reserve to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of the related forecasted transaction.

2.10 Impairment

2.10.1 Financial assets

(i) The company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost wherever applicable e.g., loans, debt securities, deposits, and bank balance.

- Trade receivables.

(ii) The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

2.10.2 Non-financial assets

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss.

2.11 Stripping Cost:

Stripping cost in the nature of expense incurred for removing overburden and waste materials is accounted for as follows:

(a) To the extent that the benefit from the stripping activity is realized in the form of inventory produced, the same is accounted for in accordance with the principles of Ind AS 2, Inventories.

(b) To the extent the benefit is improved access to ore, stripping cost shall be recognized as a non-current asset.

2.12 Income Taxes:

Income tax expense comprises of current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

2.13 Revenue Recognition

2.13.1 Revenue is recognized at fair value when significant risks and rewards of ownership and effective control on goods have been transferred to the buyer. Sales revenue is measured net of returns, discounts and rebates.

2.13.2 Claims against outside agencies are accounted for on certainty of realization.

2.13.3 Revenue arising from the rendering of service is recognized to the extent the service is provided and could be estimated reliably.

2.13.4 Interest income is recognized basing on the effective interest method.

2.13.5 Dividends, are recognized at the time the right to receive is established.

2.13.6 Export Incentives are recognized on certainty of realization.

2.14 Employee Benefits

Provisions/Liabilities towards gratuity, post-retirement medical benefits, retirement settlement benefits, Employees' Family Benefit Scheme, encashment of leave and long term service award are made based on the actuarial valuation at the reporting date.

(i) Consequential actuarial gain\loss are charged to Statement of Profit and Loss;

(ii) Actuarial gain/loss relating to Post Retirement Benefits (Defined Benefit Plan) are recognized in other comprehensive income.

2.15 Foreign Currency Transactions

2.15.1 Foreign currency monetary items are disclosed at the closing rate of the reporting period at reporting date. Exchange differences arising on settlement/conversion of foreign currency monetary items are recognized in the statement of profit and loss.

2.15.2 Non-monetary assets and liabilities are recognized at the exchange rate prevailing at the date of transaction.

2.16 Borrowing Costs

2.16.1 Borrowing costs incurred for obtaining qualifying assets are capitalized to the respective assets wherever the costs are directly attributable to such assets and in other cases by applying weighted average cost of borrowings to the expenditure on such assets.

2.16.2 Transaction costs in respect of long-term borrowings are amortized over the tenor of respective loans using effective interest method.

2.16.3 Other borrowing costs are treated as expense for the year.

2.17 Government Grants

2.17.1 Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

2.17.2 Government grants are recognized in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate.

2.17.3 A Government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs, shall be recognized in profit or loss of the period in which it becomes receivable. \

2.17.4 Where the Company receives grants in the form of non-monetary assets such as land or other resources, both the asset and the grant are recorded at a value assessed by the company based on the evidence available as on the date of initial recognition and released to the statement of Profit and Loss over the expected useful life of asset.

2.17.5 Where the Grant relates to an asset value, it is recognized as deferred income and amortized over the expected useful life of the asset.

2.18 Lease

2.18.1 The company as Lessor:

A) Operating Lease:-

i) A contract that is identified as a Lease is classified as 'Operating Lease' when substantially all the risks and rewards incidental to ownership of an underlying asset is not transferred from the company to Lessee.

ii) Income from operating leases is recognized in the statement of profit and loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished.

iii) Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognized on a straight-line basis over the lease term.

iv) Costs including depreciation incurred in earning the lease income is recognized as expense.

v) Impairment if any of underlying asset subject to operating lease is recognized as impairment loss.

vi) The underlying assets subject to operating lease are presented in the Balance Sheet according to the nature of the underlying asset and depreciation thereon is calculated consistent with the company's normal depreciation policy for similar assets.

B) Finance Lease:-

i) A contract that is identified as a Lease is classified as 'Finance Lease' when substantially all the risks and rewards incidental to ownership of an underlying asset is transferred from the company to Lessee.

ii) Amounts due from the lessees under finance lease are recorded as 'Receivables'. Lease rental receipts are apportioned between the finance lease income and capital repayment based on the implicit rate of return. Contingent rents are recognised as revenue in the period in which they are earned.

iii) Finance lease income is allocated to accounting periods over the lease term so as to reflect a constant periodic rate of return on the net investment outstanding in respect of lease.

2.18.2 The company as Lessee:

A) Right Of Use asset (ROU):-

i) The Right Of Use asset (ROU) under the lease is recognised on the commencement date and is measured at cost less any accumulated depreciation and accumulated impairment loss and adjusted for any measurement of the lease liability to reflect any reassessment or lease modification.

ii) The cost of ROU shall comprise:

a) The amount of the initial measurement of the lease liability;

b) Any lease payments made at or before the commencement date, less any lease incentives received;

c) Any initial direct cost incurred by the lessee and

d) The estimated cost to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms of the lease unless those costs are incurred to produce inventory.

iii) The ROU is being depreciated on a straight line basis from the commencement date to the end of the useful life of the underlying asset when the ownership of the underlying asset is transferred to the company by the end of the lease term or when the company is reasonably certain to exercise the purchase option envisaged in the lease. Otherwise, ROU is depreciated on a straight line basis from the commencement date to the earlier of the end of the useful life of the ROU or the end of the lease term.

B) Lease Liability:-

i) Lease liability is measured at the commencement date by discounting the lease payments that are not paid at that date at the interest rate implicit in the lease if, that rate is determinable otherwise the company's incremental borrowing rate is used.

ii) After the commencement date, the lease liability is measured by:

a) Increasing the carrying amount to reflect interest on the lease liability;

b) Reducing the carrying amount to reflect the lease payments made; and

iii) Lease liability is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is re-measured, a corresponding adjustment is made to the carrying amount of the Right-of-use (ROU), or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

3 Property, Plant and Equipment

A. Reconciliation of carrying amount

(₹ in Crores)

	Particulars	Freehold land	Leasehold land	Railway lines and sidings	Roads, bridges and culverts	Buildings	Plant and equip-ments	Furniture and fixtures	Vehicles	Electrical install-ations	Water supply and sewerage systems	Miscellan-eous assets	Total
Gross Block	**Cost or deemed cost (gross carrying amount)**												
	Balance at 1st April 2022	82.32	38.57	472.45	275.67	2,150.06	27,854.55	28.27	33.02	1,246.02	1,619.81	419.23	**34,219.97**
	Additions and adjustments	-	-	-	0.04	0.65	236.84	0.69	-	17.24	7.44	5.56	**268.46**
	Sales and adjustments	-	-	(5.26)	-	-	(9.70)	(0.22)	(0.02)	(0.05)	-	(1.93)	**(17.18)**
	Balance at 31st March 2023	**82.32**	**38.57**	**467.19**	**275.71**	**2,150.71**	**28,081.69**	**28.74**	**33.00**	**1,263.21**	**1,627.25**	**422.86**	**34,471.25**
Accumulated Depreciation	**Accumulated depreciation**												
	Balance at 1st April 2022	-	5.57	238.98	207.74	932.13	11,611.07	24.51	27.40	813.87	606.61	324.50	**14,792.38**
	Depreciation for the year	-	1.57	22.13	8.87	47.04	963.51	0.74	2.30	61.32	69.14	18.99	**1,195.61**
	Sales and adjustments	-	-	-	-	-	(5.56)	(0.14)	-	(0.05)	-	(1.29)	**(7.04)**
	Balance at 31st March 2023	**-**	**7.14**	**261.11**	**216.61**	**979.17**	**12,569.02**	**25.11**	**29.70**	**875.14**	**675.75**	**342.20**	**15,980.95**
Net Block	**Carrying amounts (Net)**												
	At 31st March 2022	**82.32**	**33.00**	**233.47**	**67.93**	**1,217.93**	**16,243.48**	**3.76**	**5.62**	**432.15**	**1,013.20**	**94.73**	**19,427.59**
	At 31st March 2023	**82.32**	**31.43**	**206.08**	**59.10**	**1,171.54**	**15,512.67**	**3.63**	**3.30**	**388.07**	**951.50**	**80.66**	**18,490.30**

Note : All eligible major spares, standby equipment and service equipment whose unit value exceeding ₹ 10 lakhs (threshold value) are capitalized as PPE on acceptance. Spares not meeting the threshold value are charged to revenue on their usage.

B. Details of Right Of Use (ROU) Asset included in Property, Plant & Equipment

(₹ in Crores)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance at 1st April 2022	Additions and Adjustments	Sales and Adjustments	Balance at 31st March 2023	Balance at 1st April 2022	Depreciation for the Year	Sales and Adjustments	Balance at 31st March 2023	At 31st March 2022	At 31st March 2023
Leasehold land	38.57	-	-	38.57	5.57	1.57	-	7.14	33.00	31.43
Building	1.34	-	-	1.34	0.60	0.01	-	0.61	0.74	0.73

C. Freehold land

- Land includes 411.86 acres (As on 31st March 2022: 410.86 acres) allotted to various agencies on lease. It includes 52.85 acres of land alloted to M/s HPCL and 1.24 acres of land alloted to M/s AMTZ on Right of way basis for which the terms of the contract are pending for finalisation.The said land allotment to M/s HPCL and M/s AMTZ is pending for approval from Ministry of Steel & Ministry of Finance.
- Land at a cost of ₹ 38.83 Crores (As on 31st March 2022: ₹ 38.83 Crores) being held in the name of Government of India. The Company is holding Power of Attorney issued by President of India (Government of India) for utilisation of land acquired for the project and related purposes incidental thereto.
- Land includes 26.80 acres whose title is under dispute. (Refer Note 52B for calims in courts in connection with land acqusition).

D. Depreciation methods and useful lives

Depreciation is recognized on a straight-line basis over the estimated useful life as prescribed under Schedule II to the Companies Act, 2013 except in the case of certain category of assets, where useful life is determined by technical experts. For these classes of assets, based on technical evaluation carried out by technical experts, the Company believes that the useful life as given below best represent the period over which Company expects to use these assets.

The technical committee is of the opinion that there are no material changes during the current financial year that may cause changes to the estimated useful life of the assets, method of depreciation and the residual values. Keeping this in view, the committee recommended continuing with the existing assessment of useful life of assets, and existing method of depreciation of Straight line method and residual value at 5%. The estimated useful lives for the current and comparative periods are as follows:

Particulars	31st March 2023	31st March 2022
Useful life as per Sch - II		
Roads, bridges and culverts	3-30 years	3-30 years
Buildings (Refer Note no. 3D.1)	3-60 years	3-60 years
Fixtures and fittings	2-10 years	2-10 years
Vehicles	6-8 years	6-8 years
Miscellaneous assets	2-15 years	2-15 years
Useful life based on technical advice		
Railway lines and sidings	8-25 years	8-25 years
Plant and equipment	2-50 years	2-50 years
Electrical installations	5-30 years	5-30 years
Water supply and sewerage systems	15-30 years	15-30 years

3D.1 Buildings-ROU are amortised over the period of lease. (Refer Note No.50)

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Allocation of depreciation :		
Expenditure During Construction/Capital work-in-progress	3.04	3.15
Current year (Profit or loss)	1,192.57	1,203.88
Total	**1,195.61**	**1,207.03**

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

E. Capital work-in-progress

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Capital work-in-progress	3,006.02	2,709.93
(including material issued to contractors) - (Refer Note no. 3E.1, 3E.2)		
Less: Provision for dropped SLTM project & others		
SLTM	25.54	27.92
Axle Plant	0.63	0.73
Dry Fogging Dust Suppresser	0.59	0.59
Rebar Mill	1.06	1.06
Sinter Machine Consultancy	0.11	0.11
11/12 MT	0.09	0.46
ASU VI	0.78	-
Others	0.78	0.25
Total Provision for dropped projects	29.58	31.12
Total	**2,976.44**	**2,678.81**

3E.1 This includes ₹ 3.62 Crores (As on 31st March 2022: ₹ 5.38 Crores) being the capital inventory lying at different construction zones/ with contractors on the reporting date.

3E.2 This includes ₹ 83.91 Crores as on 31.03.2023 (₹ 83.91 Crores as on 31.03.2022) being the borrowing cost on generally borrowed funds attributable to the qualifying asset that was calculated using a reference interest rate that approximates actual cost of borrowing which involved exercise of judgement in terms of requirements as per Paragraph 11 of Ind AS 23 – Borrowing Costs.

4 Other Intangible assets

A. Reconciliation of carrying amount

(₹ in Crores)

	Particulars	Computer software	Mining rights	Total (i)	Intangible assets under development (ii)	Total (i)+(ii)
Gross Block	**Cost or deemed cost (Gross Carrying Amount)**					
	Balance at 1st April 2022	67.97	5.95	**73.92**	-	**73.92**
	Additions and adjustments	-	-	**-**	-	**-**
	Sales and adjustments	(0.04)	-	**(0.04)**	-	**(0.04)**
	Balance at 31st March 2023	**67.93**	**5.95**	**73.88**	**-**	**73.88**
Accumulated Amortisation	**Accumulated amortisation**					
	Balance at 1st April 2022	67.42	5.83	**73.25**	-	**73.25**
	Amortisation for the year	0.25	0.01	**0.26**	-	**0.26**
	Sales and adjustments	-	-	**-**	-	**-**
	Balance at 31st March 2023	**67.67**	**5.84**	**73.51**	**-**	**73.51**
Net Block	**Carrying amounts (net)**					
	At 31st March 2022	0.55	0.12	**0.67**	-	**0.67**
	At 31st March 2023	0.26	0.11	**0.37**	-	**0.37**

B. Amortisation methods and useful lives

Amortisation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of intangible assets. The estimated useful lives for the current and comparative periods are as follows:

Particulars	31st March 2023	31st March 2022
Computer Software	4 years	4 years
Mining Rights	20 years	20 years

5 Investments

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
A. Non-current investments		
Investment in Equity Shares		
Quoted equity shares		
Equity shares at cost- Subsidiary		
736,638 (31st March 2022: 736,638) equity shares of ₹ 10 each in Eastern Investments Limited (Refer Note no. 5.5)	361.03	361.03
182,927 (31st March 2022: 182,927) equity shares of ₹ 10 each in The Bisra Stone Lime Company Limited (Refer Note no. 5.1)	0.00	0.00
Total	**361.03**	**361.03**
Unquoted equity shares		
Equity shares at cost - Associates		
378,859,405 (31st March 2022: 378,859,405) equity shares of ₹ 10 each in International Coal Ventures Private Limited (Refer Note No. 5.7)	378.86	378.86
Equity shares at cost - Joint ventures		
4,000,000 (31st March 2022: 4,000,000) equity shares of ₹ 10 each in RINL Powergrid TLT Private Limited (Refer Note No. 5.6)	4.00	4.00
Equity shares at cost- Others		
2,280 (31st March 2022: 2,280) equity shares of ₹ 1 each in Free Press House Limited (Refer Note No. 5.2)	0.00	0.00
1 (31st March 2022: 1) equity shares of ₹ 100 each in Anakapalli Rural Elec. Co-operative Society (Refer Note No. 5.3)	0.00	0.00
Total	**382.86**	**382.86**
Total investment in equity instruments (A)	**743.89**	**743.89**
B. Other investments	-	-
Total Other investments (B)	-	-
C. Provision for diminution in value of investments	4.00	4.00
Total Investments (A+B-C)	**739.89**	**739.89**
Aggregate book value of quoted investments	361.03	361.03
Aggregate market value of quoted investments (Refer Note no. 5.4)	NA	NA
Aggregate value of unquoted investments	382.86	382.86
Aggregate amount of impairment in value of investments	4.00	4.00

Note:

5.1 Investment in The Bisra Stone Lime Company Limited amounted to ₹ 1000, hence rounded off to zero.

5.2 Investments in Free Press House Limited amounted to ₹ 2280, hence rounded off to zero.

5.3 Investments in Anakapalli Rural Elec. Co-operative Socity amounted to ₹ 100, hence rounded off to zero.

5.4 The market value of quoted investment not ascertainable due to non availability of quotes as stock exchange is suspended from trading.

5.5 EIL Share price is not availabe as these shares were not traded in the Stock Exchanges during the period under report. EIL is holding more than 50% stake in M/s. OMDC. Further, the market value of the investment of EIL in M/s. OMDC is higher than that of its net assets value and hence, no provision towards impairment is made in the financial statements of EIL towards its investment in M/s. OMDC. Accordingly, there is no impairment of RINL's investment in EIL.

5.6 Subsequent to the decision of M/s Power Grid Corporation Ltd., for the closure of RPTPL, RINL Board accorded approval for closure of RPTPL subject to approval of Ministry of Steel. MoS has accorded approval for closure of RPTPL on 11.07.2022. The Company had made necessary provision towards its investment in M/s RPTPL.

5.7 The company's share in the net assets of ICVL group (CFS) as on reporting date is higher than the company's investment in ICVL. Accordingly, there is no impairment of the company's investment in ICVL as on reporting date.

Interest in Subsidiary

Name of Entity	Place of business	% of ownership interest as on 31.03.2023	% of ownership interest as on 31.03.2022	Relationship
Eastern Investment Limited ("EIL")	Bhubaneswar, India	51%	51%	Subsidiary
The Bisra Stone Lime Company Limited ("BSLC")	Bhubaneswar, India	50%*	50%*	Subsidiary of EIL

*BSLC is a sub-subsidiary of RINL through EIL wherein EIL holds little over 50% stake in BSLC

Interest in associates and joint ventures

Name of Entity	Place of business	% of ownership interest as on 31.03.2023	% of ownership interest as on 31.03.2022	Relation-ship	Accounting method under consolidation
International Coal Ventures Private Limited	New Delhi, India	25.94%	25.94%	Associate	Equity method
RINL Powergrid TLT Private Limited	Visakhapatnam, India	50.00%	50.00%	Joint Venture	Equity method

6 Loans

(Unsecured and considered good unless otherwise stated)

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Non-current loans		
Loans to employees	1.36	4.50
Total Non-current loans	**1.36**	**4.50**

6.1 Particulars of Loans Receivables		
- secured and considered good	0.00	0.00
- unsecured and considered good	1.36	4.50
- loans which have significant increase in credit risk	0.00	0.00
- credit impaired	0.00	0.00
6.2 Loans due by Directors/officers	Nil	Nil
6.3 Loans due by private companies in which director of the Company is a director	Nil	Nil

7 Other financial assets

(₹ in Crores)

Particulars	31st March 2023		31st March 2022	
7A Non-current other financial assets				
Security deposits		5.55		3.10
Accrued interest				
- Employee loans		10.22		14.95
Other advances		0.13		0.14
Total non-current other financial assets		**15.90**		**18.19**
7B Current other financial assets				
Current maturities of long term loans:				
- Employee loans		5.41		9.12
- Loan to APIIC		-		27.46
Accrued interest				
- Employee loans		4.14		4.03
- Others		15.61		24.68
Security deposits (Refer Note No. 7B.2)		484.90		404.18
Advances to related parties				
- International Coal Ventures Private Limited (Refer Note no. 7B.1)		1.35		1.16
- Eastern Investments Limited		1.10		0.01
- The Orissa Minerals Development Co. Ltd		6.32		3.67
- The Bisra Stone Lime Company Ltd		0.86		-
- Minas De Benga Limitada		15.65		-
Claims recoverable	171.70		150.17	
Less: Provision for doubtful claims (Refer Note No. 7B.3)	82.59	89.11	79.69	70.48
Derivatives not designated as hedges		-		8.24
Other receivables		6.69		8.97
Total current other financial assets		**631.14**		**562.00**

		31st March 2023	31st March 2022
7.1	Advances due by Directors/other officers	NIL	NIL
7B.1	Advances due by private companies in which director of the Company is a director	1.35	1.16

7B.2 ₹ 100.90 crores paid to Chief Electrical Inspector to Govt of AP- under protest in line with Supreme Court interim order towards electricity duty charges.

7B.3 The Company has claimed an amount of ₹ 275.76 crores towards property damages and Business loss caused by Hudhud Cyclone. The Surveyor recommended an amount of ₹ 170.59 crores and the same was considered by the insurance company. This has been duly accounted till FY 2018-19. In addition to the adhoc payment of ₹ 140.00 crores, the insurance company has released ₹ 12.48 crores in October'2019 as final settlement of claim leaving balance of ₹ 18.11 crores receivable as per recommendation of Surveyor.

The Company has not agreed with the settlement made by the insurance company and preferred to settle the differences through conciliatory mechanism. The same was informed to the insurance company. Accordingly, Conciliatory Forum was formed and several rounds of meetings were held. In the concluding meeting held on 12th July 2021, it was determined that the conciliation process between parties failed. As per clause 28 of NIT, on failure of conciliation, the issues are to be settled through arbitration. An opinion of the legal expert was obtained, wherein it was stated that the Company has credible ground to assert its claim in arbitration.

Since both RINL & NIA are Public sector enterprises, the dispute needs to be settled through Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD) through concerned Ministries. The matter was put up to High Power Committee through Law Department for deciding on the issue of going for Arbitration (AMRCD) or not. High Power Committee in its meeting convened on 12.08.2022 recommended to initiate for resolution of dispute as per procedure laid down under AMRCD mechanism.

In furtherance of the above, an application for arbitration was referred to the Ministry of Steel for initiating arbitration process under AMRCD process. The process of arbitration under AMRCD will henceforth be taken care by Ministry of Steel under AMRCD process.

8 Deferred tax Asset/Liabilities (net)

8A Reconciliation of effective tax rate

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Profit before tax	**(3,236.46)**	**941.58**
Tax using the Company's domestic tax rate (Current year 31.2% and Previous year 31.2%)	(1,009.78)	293.77
Reduction in tax rate	0.00	0.00
Tax effect of:		
Non-deductible tax expenses	2.77	5.46
Income not credited to SOPL	29.91	5.59
Income exempt/Expenses deductible from income taxes	(4.69)	(8.34)
(Recognition)/Non-recognition of Tax losses	588.41	(193.84)
Income available for Set off of Losses	-	-
Restatement for write back of PRMS liabilities	-	(69.59)
Others	15.47	(4.66)
	(377.91)	**28.39**

8B Recognised deferred tax assets and liabilities

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Deferred tax liabilities		
Property, Plant and Equipment and Intangible Assest	3,254.80	3,197.01
Total deferred tax liabilities (A)	3,254.80	3,197.01
Deferred tax assets		
Provision for Employee Benefits	265.28	263.70
Provision for Doubtful Debts, Advances, Claims, interest, others	35.70	34.31
MAT Credit Entitlement	108.38	108.38
Deferred Income - PPE	33.85	35.78
Losses available for offsetting future Taxable income	5,098.98	4,667.99
Others	15.86	23.40
Total deferred tax assets (B)	5,558.04	5,133.56
Net Deferred Tax Liabilities / (Asset) (A-B)	**(2,303.24)**	**(1,936.54)**

9 Other non-current assets

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Capital advances	112.38	97.16
Advances other than capital advances -		
Advances to related parties		
- The Bisra Stone Lime Company Limited (Trade Advance)	37.28	39.24
Others		
Prepaid expenses (Refer Note no. 9.3)		
Employee loan	3.43	3.53
Total	**153.09**	**139.93**

9.1 Advances due by Directors/other officers	NIL	NIL
9.2 Advances due by private companies in which director of the Company is a director	NIL	NIL

9.3 Prepaid expenses is on account of fair valuation as per IND AS 109 which will be amortised as per the amortisation schedule.

10. Inventories

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Raw materials	1,485.04	1,820.54
Add: In-transit/ Under inspection	1,484.88	2,050.06
Less: Provision for shortages	720.28	686.25
	2,249.64	**3,184.35**
Semi-finished/finished goods	3,279.62	2,009.80
Add: In-transit/ Under inspection	218.19	109.91
	3,497.81	**2,119.71**
Stores and spares	839.52	763.06
Add: In-transit/ Under inspection	53.76	56.04
Less: Provision for obsolescence & Non-moving items	54.90	54.38
	838.38	**764.72**
Total	**6,585.83**	**6,068.78**

Note: Valuation of inventories

10.1 Quantities of closing Stock of finished / semi-finished goods/Raw materials have been adopted as per book balances after duly adjusting for shortages/ excesses identified on physical verification at anytime during the year.

10.2 Finished / Semi-finished / Coke and Other by products are valued at lower of Cost and NRV.

10.3 The basis of cost of the following By-Products is as below:

a) Production Related Steel Scraps	90% of the lower of cost or domestic NRV of Pig Iron.
b) Quality Control Steel Scrap & Scrapped Semis for Internal Consumption	At their respective cost.
c) Production Related Iron Scraps	75% of the lower of cost or domestic NRV of Pig Iron.
d) Nut Coke	90% of the production cost of the BF Coke.
e) Coke Breeze	60% of the production cost of the BF Coke.
f) Coke Dust / Sludge	40% of the production cost of the BF Coke.
g) Metallurgical waste	Average procurement cost of Iron Ore Fines with due adjustment for its Fe Content.

10.4 Coke and Other By Products:

a) Valued at Net Realisable Value where cost is not determinable.

b) Valued at cost where Net Realisable value is not available.

10.5 LD Slag is valued at Net Realisable value. However, no value is assigned to LD Slag stock accumulated up to 31.03.2022.

10.6 BF Slag:

i) BF Slag is valued at Net Realisable value.

ii) However, no value is assigned in respect of the following BF Slag:

* Non-Valued BF Granulated Slag at SSY-2
* Hardened BF Slag at SSY
* Fresh Slag in peripheral areas of SSY (SSY refers to Slag Storage Yard)

10.7 Products which are meant for internal consumption, for further production, but not for sale are valued at cost. However, wherever, NRV is available, the same is measured at lower of cost and NRV.

10.8 No credit is taken in the accounts for the stock of run of mines ore and rejects at mines.

10.9 Capital inventory of ₹ 3.62 crores (As on 31st March 2022: ₹ 5.38 Crores) lying at different construction zones/ with contractors on the reporting date are included in CWIP (Refer Note No. 3E.1).

10.10 The stock of production related Iron scrap and Steel scrap has been considered in the accounts on the basis of visual survey / estimates.

10.11 The above inventories have been pledged as security against certain bank borrowings, details relating to which has been described in note 17.

10.12 The amount of write down of inventories recognised as expense during FY 2022-23 is ₹ 57.93 Crores (FY 2021-22 : ₹ 3.13 Crores)

10.13 Value of the inventories that are recognised as an expenses during the year is included in Changes in inventory of finished goods and work-in-progress.

10.14 No value has been assigned to inventory of Metallurgical waste generated upto 31.03.2022 but the inventory of net Metallurigical waste generated beginning from FY 2022-23 is valued at Average procurement cost of Iron ore Fines with due adjustment for its Fe content.

10.15 The effect on account of valuation of Metallurgical waste and LD slag generated during the FY 2022-23 is valued at ₹ 114.53 Crs.

11 Trade receivables

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	777.16	909.68
Trade Receivables which have significant increase in Credit risk	-	-
Trade Receivables Credit impaired	25.16	25.19
Less: Allowance for Doubtful Debts	(25.16)	(25.19)
Total	**777.16**	**909.68**

Note:

11.1 Debts due by Directors/other officers Nil Nil

11.2 Debts due by private companies in which director of the Company is a director Nil Nil

11.3 The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 51.

Trade Receivables Aging Schedule as on 31.03.2023

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) Undisputed Trade receivables – considered good	644.49	130.40	0.99	0.00	0.01	1.28	777.16
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	17.26	17.26
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	7.90	7.90
Total	**644.49**	**130.40**	**0.99**	**0.00**	**0.01**	**26.44**	**802.32**

Trade Receivables Aging Schedule as on 31.03.2022

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2yrs.	2-3 yrs.	More than 3 yrs.	
(i) Undisputed Trade receivables – considered good	799.46	108.34	0.44	0.03	1.40	-	909.68
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	2.86	13.99	16.85
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	8.34	8.34
Total	**799.46**	**108.34**	**0.44**	**0.03**	**4.26**	**22.33**	**934.87**

12A. Cash and cash equivalents

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Cheques in hand	0.35	1.78
Cash on hand	0.03	0.03
Balance with banks :		
- Current account	2.37	2.31
Total	**2.74**	**4.12**

12B. Balances with banks other than Cash and cash equivalents

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Earmarked Balances with banks :		
Prime Minister's Trophy Award Fund	7.65	7.25
Balance with banks :		
- Deposits	5.11	4.95
Total	**12.76**	**12.20**

13. Other tax assets (net)

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Advance income tax	-	-
[net of provision for tax of ₹ NIL] (31st March 2022: ₹ NIL)		
Total	**-**	**-**

14 Other current assets

(₹ in Crores)

Particulars	31st March 2023		31st March 2022	
Advances other than capital advances				
Advances to related parties				
- The Orissa Mineral Development Company Ltd		102.99		1.89
- Government departments	651.40		441.74	
Less: Provision for doubtful advances	62.74	588.66	57.38	384.36
- Contractors	2.74		3.05	
Less: Provision for doubtful advances	0.40	2.34	0.40	2.65
- Suppliers	123.18		105.38	
Less: Provision for doubtful advances	5.02	118.16	4.11	101.27
- Employees	38.80		30.10	
Less: Provision for doubtful advances	0.01	38.79	0.01	30.09
- Others	54.87		47.58	
Less: Provision for doubtful advances	5.60	49.27	5.81	41.77
Others				
- Prepaid expenses				
Employee loan (Refer Note no. 14.3)		0.51		3.41
Loan to APIIC (Refer Note no. 14.3)		-		5.83
Others		37.51		28.36
- Export benefits receivable	31.87		15.77	
Less: Provision against Export benefits receivable	0.30	31.57	-	15.77
Total		**969.80**		**615.40**

14.1	Advances due by Directors/ other officers	NIL	NIL
14.2	Advances due by private companies in which director of the Company is a director	NIL	NIL

14.3 Prepaid expenses is on account of fair valuation as per IND AS 109 which will be amortised as per the amortisation schedule.

15. Share capital

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Authorised		
4,890,000,000 (31st March 2022: 4,890,000,000) equity shares of ₹ 10 each	4,890.00	4,890.00
3,110,000,000 (31st March 2022: 3,110,000,000) 7% non-cumulative redeemable preference shares of ₹ 10 each	3,110.00	3,110.00
	8,000.00	8,000.00
Issued, subscribed and paid-up capital		
4,889,846,200 (31st March 2022: 4,889,846,200) Equity Shares of ₹ 10 each.	4,889.85	4,889.85
Total	**4,889.85**	**4,889.85**

(i) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period:

Particulars	31st March 2023		31st March 2022	
	No. of shares	Amount (₹ in Crores)	No. of shares	Amount (₹ in Crores)
Shares outstanding at the commencement of the year	4,88,98,46,200	4,889.85	4,88,98,46,200	4,889.85
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**4,88,98,46,200**	**4,889.85**	**4,88,98,46,200**	**4,889.85**

Terms and rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10 each. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting. The Company declares and pays dividends in Indian rupees. The Company may declare dividend in the Annual General Meeting as recommended by the Board of Directors.

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

(ii) Particulars of shareholders holding more than 5% of total number of equity shares

Particulars	31st March 2023		31st March 2022	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of ₹ 10 each, fully paid up held by				
President of India*	4,88,98,46,200	100%	4,88,98,46,200	100%

* includes 800 shares held by CMD and Directors appointed by the Govt. of India

(iii) Particulars of shares held by promoters

Promoter Name	31st March 2023			31st March 2022		
	No. of Shares	% of Total Shares	% change during FY 2022-23	No. of Shares	% of Total Shares	% change during FY 2021-22
President of India	4,88,98,46,200	100	NIL	4,88,98,46,200	100	NIL

(iv) Company does not have any holding company as at 31st March 2023 / 31st March 2022

(v) For the period of five years immediately preceeding the reporting date -

- The Company has not allotted any shares for consideration other than for cash.
- The Company has neither issued bonus shares nor has bought back any shares .

16. Other equity

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Reserves and surplus		
Retained earnings		
Balance at the commencement of the year	(4,652.77)	(5,586.13)
Add: Surplus as per Statement of Profit and Loss	(2,858.74)	913.19
Add: Other comprehensive income (net of tax)	75.43	20.16
Balance at the end of the year	**(7,436.08)**	**(4,652.77)**
Other reserves		
Capital Redemption Reserve		
Balance at the commencement of the year	2,937.47	2,937.47
Movement during the year	-	-
Balance at the end of the year	**2,937.47**	**2,937.47**
Total reserves and surplus	**(4,498.61)**	**(1,715.30)**
Total other equity	**(4,498.61)**	**(1,715.30)**

17. Borrowings

(₹ in Crores)

Particulars		31st March 2023	31st March 2022
17A	**Non-current borrowings**		
	Term loan from banks		
	- Secured bank loans	9,171.02	8,770.04
	- Unsecured bank loans	-	2.47
	Current maturities of term loans	1,641.43	1,368.37
		10,812.45	10,140.88
	Less: Amount included in Current Borrowings	1,641.43	1,368.37
	Total non-current borrowings	**9,171.02**	**8,772.51**
17B	**Current borrowings**		
	Loans from Banks		
	- Secured working capital borrowings (Charge against Current assets)	3,467.01	1,762.69
	- Secured foreign currency facilities (Charge against Current assets)	1,890.63	472.62
	- Unsecured working capital borrowings	4,253.85	4,478.49
	- Unsecured foreign currency facilities	-	293.42
	Current maturities of long term loans	1,641.43	1,368.37
	Total current borrowings	**11,252.92**	**8,375.59**

17C Terms of repayment and Nature of Security of Term Loans

Secured Term Loans

(₹ in Crores)

Security	Terms of Repayment	Bank	31st March 2023		31st March 2022	
			Non - Current	Current	Non - Current	Current
Primary security - Pari passu 1st charge on current assets of the Company along with other secured WC lenders by way of hypothecation charge. Collateral security- Pari passu 1st charge on Company's fixed assets with FACR 1.33	Consecutive quarterly installments, the first of which is to be paid in the quarter ending 31st Dec, 2023 and the last instalment is payable in quarter ending 30th Sep, 2028.	State Bank of India	1,350.33	150.00	-	-
Primary security as pari passu first charge on current assets of the company and collateral security as pari passu first charge on fixed assets of the company.	Consecutive quarterly installments started from first quarter of FY 2017-18 and the last instalment is due on 31st March 2022.Principal and Interest Moratorium will be paid in extended tenor of two quarters.	State Bank of India	-	-	-	100.53
Primary security as pari passu first charge on current assets of the company and collateral security as pari passu first charge on fixed assets of the company.	Consecutive quarterly installments started from first quarter of FY 2019-20 and the last instalment is due on 31st March 2023. Principal and Interest Moratorium will be paid in extended tenor of two quarters.	State Bank of India	-	-	42.61	84.38

(₹ in Crores)

Security	Terms of Repayment	Bank	31st March 2023		31st March 2022	
			Non - Current	Current	Non - Current	Current
Pari passu first charge on current assets of the company	Consecutive monthly installments the first of which shall be payable in the month ending Feb, 2021 and the last instalment is payable in month ending July, 2022.	Union Bank of India	-	-	-	11.11
Pari passu 1st charge on entire fixed assets including CWIP with an FACR of 1.33	Consecutive quarterly installments, the first of which is paid in the quarter ending 31st March, 2017 and the last installment in the quarter payable in quarter ending 31st March, 2031. Principal and Interest Moratorium will be paid in extended tenor of two quarters.	State Bank of India	2,706.49	375.00	3,081.49	375.00
Pari passu first charge on entire fixed assets including CWIP with an FACR of 1.33	Consecutive quarterly installments, the first of which shall be payable in quarter ending 30th June, 2018 and the last installment in the quarter ending 31st March, 2031. Principal and Interest Moratorium will be paid in extended tenor of two quarters.	State Bank of India	1,077.66	225.00	1,226.54	225.00
Hypothecation of movable fixed assets incuding plant & machinery created out of proceeds of the term loan.	Consecutive quarterly Installments, the first of which shall be payable in the quarter ending 28th September, 2022 and the last installment in quarter ending 28th June, 2027. Interest Moratorium will be paid in 20 equal quarterly instalments along with principal instalments.	Canara Bank	672.88	207.04	879.92	155.28
First pari-passu Charge by way of hypothecation on fixed assets with FACR of 1.25:1 to be maintained at any point of time during the entire currency of term loan.	Consecutive quarterly Installments, the first of which shall be payable in the quarter ending 30th June, 2022 and the last installment in quarter ending 31st March, 2027. Interest Moratorium will be paid in extended tenor of two quarters.	Bank of Baroda	128.70	40.00	168.70	40.00

(₹ in Crores)

Security	Terms of Repayment	Bank	31st March 2023		31st March 2022	
			Non - Current	Current	Non - Current	Current
Primary: First pari passu charge on all the moveable fixed assets of the Forged Wheel Plant project loacted at Lalganj, Uttar Pradesh, both present and future. Collateral: First, pari passu charge on Plant & Machinery of company's Visakhapatnam plant to the extent of loan amount.	Consecutive quarterly Installments, the first of which shall be payable in the quarter ending 28th March, 2022 and the last installment in quarter ending 28th December, 2029. Interest Moratorium will be paid along with last principle instalment.	IDBI Bank	382.49	62.50	444.99	62.50
Pari Passu first charge on the movable fixed assets of the company both present and future, including the plant and machinery purchased out of the term loan.	Consecutive quarterly Installments, the first of which shall be payable in the quarter ending 21st December, 2023 and the last installment in quarter ending 21st September, 2028. Interest Moratorium will be paid in 20 equal quarterly instalments along with principal instalments.	Canara Bank	1,384.77	153.86	1,538.63	-
Hypothecation by way of first pari passu charge on all existing/ future machinery/ plant/vehicle/capital goods/assets/ craft and all those assets/ movable properties and/or capable of passing by delivery, whether installed or not and whether now lying loose or in cases and now being or at any time brought into or upon or at any time in course of transit to the premises/factory of the borrower at visakhapatnam steel plant, visakhapatnam-530031 and their other plants/ branches.	Consecutive quarterly installments, the first of which is paid in the quarter ending 31st December, 2020 and the last installment in quarter ending 30th September, 2025. Interest Moratorium will be paid along with last principle instalment.	Union Bank of India	171.42	100.00	271.42	100.00

(₹ in Crores)

Security	Terms of Repayment	Bank	31st March 2023		31st March 2022	
			Non - Current	Current	Non - Current	Current
First paripassu Charge by way of hypothecation on fixed assets of 1.25:1 to be maintained at any point of time during the entire currency of term loan.	Consecutive quarterly installments, the first of which shall be payable in the quarter ending 31st May, 2023 and the last instalment in quarter ending 28th Feb, 2028. Interest Moratorium will be paid in extended tenor of two quarters."	Bank of Baroda	239.93	100.00	339.93	-
Primary: First pari passu charge over entire movable, immovable and intangible assets both present & future, excluding project land of Forged Wheel Plant project, located at Lalganj, Rae Bareli, Uttar Pradesh. Collateral: First, pari passu charge over entire movable, immovable and intangible assets both present & future of Company's Visakha-patnam plant to the extent of 133% of outstanding loan amount at all times.	Consecutive quarterly Installments, the first of which shall be payable in the quarter ending 30th June 2022 and the last instalment in quarter ending 31st March, 2030. Interest Moratorium will be paid in extended tenor of two quarters.	State Bank of India	367.89	77.75	444.42	58.31
First pari-passu charge on the fixed assets including Plant & Machinery of the Company both present and future situated at the premises / factory at Visakhapatnam Steel Plant, Visakhapatnam-530031 on as is where is basis to all the Capex lenders with FACR not less than 1.33 times for the term loan of Indian Bank	Consecutive quarterly Installments, the first of which shall be payable in the month ending 31st Dec-ember, 2022 and the last installment in month ending 30th September, 2034. Interest Moratorium will be paid in 48 equal quarterly instalments along with principal repayments.	Indian Bank	306.43	50.28	91.79	25.14

(₹ in Crores)

Security	Terms of Repayment	Bank	31st March 2023		31st March 2022	
			Non - Current	Current	Non - Current	Current
Pari passu first charge on the fixed assets including Plant & Machinery of the Company both present and future situated at the premises/ factory at Visakahapatnam steel plant, Visakha-patnam - 530031 with FACR not less than 1.33 times for the term loan of Indian Bank (e-AB).	Consecutive quarterly Installments, the first of which shall be payable in the month ending January, 2025 and the last installment in month ending October, 2029. Interest Moratorium will be paid in 20 equal quarterly instalments along with principal repayments.	Indian Bank	336.88	-	94.44	-
Hypothecation by way of first pari passu charge on all existing/ future machinery/ plant/vehicle/capital goods/ assets/ craft and all those assets/ movable properties capable of passing by delivery, whether installed or not and whether now lying loose or in cases and now being or at any time hereafter brought into or upon or at any time in course of transit to the premises/ factory of the borrower at visakhapatnam steel plant, visakha-patnam-530031 and their other plants/ branches.	Consecutive quarterly Installments, the first of which shall be payable in the month ending May, 2022 and the last installment in month ending February, 2027. Interest Moratorium will be paid along with last principle instalment.	Union Bank of India	45.16	100.00	145.16	100.00
Total (A)			**9,171.02**	**1,641.43**	**8,770.04**	**1,337.25**

Unsecured Term Loans (₹ in Crores)

Terms of Repayment	Bank	31st March 2023		31st March 2022	
		Non - Current	Current	Non - Current	Current
Consecutive monthly instalments the first of which is paid in the month ending Dec, 2020 and the last payable in the month ending May, 2023.	Indian Bank	-	-	2.47	16.08
Consecutive monthly instalments the first of which shall be payable in the month ending Jan, 2021 and the last payable in the month ending June, 2022.	Punjab National Bank			-	15.04
Total (B)		**-**	**-**	**2.47**	**31.12**
Total (A+B)		**9,171.02**	**1,641.43**	**8,772.51**	**1,368.37**

17D	**Loans guaranteed by Directors and others**	Nil	Nil
17E	**Default in repayment of loans and interest**	Nil	Nil

17F Reconciliation of liabilities arising from financing activities (₹ in Crores)

Particulars	31st March 2022	Cash Flows : Inflow/ (outflow)	Non-Cash Changes		31st March 2023
			Foreign Exchange Movement	Fair Value Change	
Long-Term Borrowings (including Current maturities of long term borrowings)	10140.88	671.24	0.33	-	10812.45
Short Term Borrowings	7007.22	2,601.82	2.45	-	9611.49

17G The Company has used the Borrowings from the Banks and Financial Institutions for the specific purpose for which it was obtained.

18. Lease Liabilities (₹ in Crores)

Particulars		31st March 2023	31st March 2022
18 A	**Non-current** Lease Liabilities	37.54	35.15
	Total Non-current Lease Liabilities	**37.54**	**35.15**
18 B	**Current** Lease Liabilities	0.69	3.71
	Total Current Lease Liabilities	**0.69**	**3.71**

Note : The details of leases are provided at Note 50

19. Other financial liabilities (₹ in Crores)

Particulars		31st March 2023	31st March 2022
19 A	**Non-current other financial liabilities** Security deposits (Refer Note no. 19A.1)	177.22	132.23
	Total non-current other financial liabilities	**177.22**	**132.23**
19 B	**Current other financial liabilities** Interest accrued but not due on borrowings	26.86	9.78
	Interest accrued and due on borrowings	-	-
	Earnest money, security & other deposits (Refer Note no. 19B.1)	487.44	516.86
	Payable for Capital Projects	846.40	984.93
	Other financial liabilities (Refer Note no. 19B.2)	3,268.26	2,656.85
	Total current other financial liabilities	**4,628.96**	**4,168.42**

19A.1 This includes performace retention deposits of ₹ 132.68 Crores (As on 31st March 2022: ₹ 129.91 Crores) from the contractors which is repayable upon successful performance as per the terms of the contract.

19B.1 This includes deposit of ₹ 289.14 Crores (As on 31st March 2022: ₹ 295.14 Crores) towards Employee Family Benefit Scheme. The company has obtained exemption from Ministry of Finance, Government of India for collecting the said deposits and for operation of the scheme. Under this scheme, the nominee of the deceased/ permanantly disabled employee will receive a fixed amount of pension from the company as envisaged in the scheme.

19B.2 This includes net liability of ₹ 433.55 Crs (CPLY ₹ 464.84 Crs) towards provision on account of -

1. Pension effective from 01.01.2007 in respect of Onrolls Executive employees, and w.e.f. 01.01.2012 in respect of Onrolls Non-executive employees upto 31.03.2019.
2. Differential pension provision due to profit year for FY 2021-22.
3. Non-executive employees Wage Revision Provision (Relating to 2012 Revision)
4. Arrears of disputed amount of Executive PRP pending for final settlement (Relating to FY 2007-08 to FY 2014-15), and
5. Executive PRP pending for settlement (Relating to FY 2021-22)

20 Provisions

(₹ in Crores)

	Particulars	31st March 2023	31st March 2022
20A	**Non-current provisions**		
	Provision for employee benefits		
	Liability for compensated absences	338.34	337.19
	Liability for retirement benefits	509.99	529.74
	Liability for employee family benefit scheme	137.61	158.57
	Liability for service awards	47.16	37.19
	Liability for leave travel concession	27.76	32.58
	Total provisions for employee benefits (A)	**1,060.86**	**1,095.27**
	Other provision		
	Provision for mines closure obligation	7.06	6.95
	Total other provision (B)	**7.06**	**6.95**
	Total non-current provisions (A+B)	**1,067.92**	**1,102.22**
20B	**Current provisions**		
	Provision for employee benefits		
	Liability for gratuity	237.38	289.23
	Liability for compensated absences	110.65	57.07
	Liability for retirement benefits	19.62	19.87
	Liability for employee family benefit scheme	53.55	54.76
	Liability for service awards	5.88	6.85
	Liability for leave travel concession	15.80	8.79
	Total provisions for employee benefits (A)	**442.87**	**436.57**
	Total current provisions	**442.87**	**436.57**

Movement in other provision **(₹ in Crores)**

Particulars	Mine closure obligation
Balance at 1st April 2022 Provisions made during FY 2022-23	6.95 0.11
Balance at 31st March 2023	**7.06**

Mine closure obligation

A provision for mine closure obligation is recognised considering the future obigation on the company for the restoration of mines.

Name of the Mine	Lease expiry
Jaggayyapeta	7-Aug-2030
Madharam	13-Jul-2040
Garbham (Refer Note No. 20A.1)	7-Oct-2022

20A.1. Garbham Manganese Mining Lease is eligible for deemed extension for a further period of 10 years i.e., 07.10.2032 as per section 8A of MMDR Amendment Act, 2015 subject to approval of Government of Andhra Pradesh. Approval of AP Govt. is awaited.

21A Other non current liabilities

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Others		
Deferred income-Grants		
Trophy Fund	7.65	7.25
Total	**7.65**	**7.25**

Deferred income

The grant relating to Trophy fund represents the unspent amount received on account of Prime Minister Trophy, Steel Minister Trophy and Steel Minister Development fund including interest earned.The same has to be spent for specific purposes and will be amortised over the period in which the cost incurred shall be recognised. Wherever the Trophy Fund deposit is utilised for construction of any asset, the transfer from the Trophy Fund is effected only on capitalisation of said assets.

PM Trophy Fund and PM Trophy Fund Deposit changes during FY 2022-23 **(₹ in Crores)**

Particulars	Note:12B	Note:21A
	Deposit	Trophy Fund
Opening balance	7.25	7.25
Add:Interest during the year	0.40	0.40
Less:Utilisation	-	-
Closing Balance	**7.65**	**7.65**

21B Government Grants Deferred - PPE

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Deferred income-Government Grants		
Non Current	102.32	108.50
Current	6.18	6.18
Total Government Grants - PPE	**108.50**	**114.68**

The grants relating to PPE represents unamortised Subsidy received from Government towards establishment of 5 MW Solar Power Plant, Governemnt Grant reveived towards the value of Plant & Machinery supplied free of cost by NEDO, Nodal Agency of Japan Government, under the MOU entered between Government of India and NEDO and unamortised value of PPE aquired out of Trophy Fund. This amount will be amortised over the useful life of the relavant asset as per Accounting policy no. 2.17

There are no unfulfilled conditions or contingencies attached to these grants.

Breakup of Value of grants relating to PPE : (₹ in Crores)

Particulars	31st March 2023	31st March 2022
5 MW Solar Power Plant	3.83	4.03
PM Trophy Fund - Air Conditioners in CWC-II, Welness center for employees, etc.	2.08	2.35
NEDO Grant	102.59	108.30
Total	**108.50**	**114.68**

22 Trade payables

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Trade payables		
- Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note no. 22.2)	75.96	70.14
- Total outstanding dues Other than Micro Enterprises and Small Enterprises	4,813.15	5,034.31
Total	**4,889.11**	**5,104.45**

22.1 All trade payables are current

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in Note 51

Note :Information relating to 'Supplier' under the provisions of Micro, Small and Medium Enterprise Development Act, 2006

Particulars	31st March 2023	31st March 2022
(i) The amounts due thereon remaining unpaid to any supplier as at the end of the year		
- Principal	Nil	Nil
- Interest	Nil	Nil
(ii) Payments made beyond the appointed day and interest thereon during the year	Nil	Nil
(iii) The amount of interest due and payable for the period of delay in making payments but without adding the interest specified in the act.	Nil	Nil
(iv) The amount of interest accrued and remaining unpaid at the end of the year	Nil	Nil
(v) The amount of further interest remaining due and payable in the succeeding year until the date such interest is actually paid	Nil	Nil

Trade Payables Aging Schedule as on 31st March 2023 (₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) MSME	13.65	62.31	-	-	-	-	**75.96**
(ii) Others	1,051.00	1,923.32	1,615.67	222.83	0.26	0.07	**4,813.15**
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-
Total	**1,064.65**	**1,985.63**	**1,615.67**	**222.83**	**0.26**	**0.07**	**4,889.11**

Trade Payables Aging Schedule as on 31st March 2022 (₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) MSME	-	70.14	-	-	-	-	70.14
(ii) Others	1,620.83	2,346.14	1,024.17	43.06	0.05	-	5,034.26
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	0.05	-	-	-	-	0.05
Total	**1,620.83**	**2,416.33**	**1,024.17**	**43.06**	**0.05**	**-**	**5,104.45**

22.2 This represent amount payable to Micro and Small Enterprises which are not due as on the reporting date..

23 Derivatives not designated as hedge - Liabilities (₹ in Crores)

Particulars	31st March 2023	31st March 2022
Foreign exchange contracts	10.76	-
Total	**10.76**	**-**

24 Other current liabilities (₹ in Crores)

Particulars	31st March 2023	31st March 2022
Income Received in advance	1.14	1.27
Advances from customers	759.12	1,122.09
Statutory Liabilities	712.85	567.58
Other advances	0.50	0.03
Total	**1,473.61**	**1,690.97**

25A Capital Work in Progress Aging schedule as on 31st March 2023 (₹ in Crores)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	455.63	346.59	349.69	1,750.24	2,902.15
Projects temporarily suspended	2.41	5.08	7.57	59.23	74.29
Total	**458.04**	**351.67**	**357.26**	**1,809.47**	**2,976.44**

Capital Work in Progress Aging schedule as on 31st March 2022 (₹ in Crores)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	448.91	351.96	752.29	1,121.17	2,674.33
Projects temporarily suspended	0.35	0.29	0.92	2.92	4.48
Total	**449.26**	**352.25**	**753.21**	**1,124.09**	**2,678.81**

25B Capital Work in Progress for time overrun / cost overrun projects as on 31st March 2023 **(₹ in Crores)**

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
6.3 MTPA Expansion project	81.06	-	-	-
7.3 MTPA	58.05	-	-	-
AMR Projects	55.11	17.93	-	-
Coke Oven Battery - V	659.10	-	-	-
FORGED RAIL WHEEL PLANT AT LALGANJ	1,831.98	-	-	-
Others	30.80	84.40	-	-
Total	**2,716.10**	**102.33**	**-**	**-**

Capital Work in Progress for time overrun / cost overrun projects as on 31st March 2022 **(₹ in Crores)**

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
6.3 MTPA Expansion project	88.44	-	-	-
7.3 MTPA	84.52	-	-	-
AMR Projects	51.14	16.97	-	-
Coke Oven Battery - V	-	626.17	-	-
FORGED RAIL WHEEL PLANT AT LALGANJ	1,595.84	-	-	-
Others	24.62	81.64	-	-
Total	**1,844.57**	**724.78**	**-**	**-**

26 Title deeds of Immovable Property not held in name of the Company as on 31st March 2023 (₹ in Crores)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
PPE	Freehold Land	38.83	Government of India	Yes. Promoter	1983 onwards	The Company is holding Power of Attorney in its favour as executed by President of India on behalf of Government of India.
PPE	Building	24.23	M/s NBCC LTD	No	2008	Office building at New Delhi: Lease between NBCC LTD and Delhi Development Authority is yet to be completed.
PPE	Building	0.18	M/s NBCC LTD	No	1995	Office building at Ahmedabad: Litigation is going on between AMC against this builder (NBCC Ltd). Due to this AMC is unable to give Building utilisation permission, without Building permission the sale deed cannot be registered with the Registrar.
PPE	Building	0.95	Debi Prasad Chatterjee	No	1996	Residential Building at Kolkata: Due to non-compliance of the Terms & conditions of Purchase, on roof rights & garage space by developer dispute cropped up, which is pending in the court of 7th Civil judge at Alipore, Kolkata.

Title deeds of Immovable Property not held in name of the Company as on 31st March 2022 **(₹ in Crores)**

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
PPE	Freehold Land	38.83	Government of India	Yes. Promoter	1983 onwards	The Company is holding Power of Attorney in its favour as executed by President of India on behalf of Government of India.
PPE	Building	24.23	M/s NBCC LTD	No	2008	Office building at New Delhi: Lease between NBCC LTD and Delhi Development Authority is yet to be completed.
PPE	Building	0.18	M/s NBCC LTD	No	1995	Office building at Ahmedabad: Litigation is going on between AMC against this builder (NBCC Ltd). Due to this AMC is unable to give Building utilisation permission, without Building permission the sale deed cannot be registered with the Registrar.
PPE	Building	0.95	Debi Prasad Chatterjee	No	1996	Residential Building at Kolkata: Due to non-compliance of the Terms & conditions of Purchase, on roof rights & garage space by developer dispute cropped up, which is pending in the court of 7th Civil judge at Alipore, Kolkata.
PPE	Freehold Land	1.30	Telangana State Industrial Infrastructure Corporation	No	2011	Site for Office at Hyderabad: Application for registration in the name of RINL is made and is pending with Govt of Telangana.
PPE	Building	5.83	Govt of Telangana Undertaking	No	2020	Office Building at Hyderabad: Application for registration in the name of RINL is made and is pending with Govt of Telangana.

27 The Company has not given any Loans or Advances in the nature of loans which are repayable on demand / without specifying any terms or period of repayment to Promoters, directors, KMPs and the related parties during FY 2022-23 and FY 2021-22.

28 The Company has not advanced / loaned / invested funds (borrowed funds / share premium / any other source or kind of funds) to any other person or an entity including foreign entity (intermediaries) with the understanding that the said intermediary shall

a. directly or indirectly lend or invest in other person or entity identified by the company.

b. provide guarantee or security on behalf of the company.

The Company has not received any fund from any person or entity including foreign entity (funding party) with the understanding that the Company shall.

a. directly or indirectly lend or invest in other person or entity identified by the funding party.

b. provide guarantee or security on behalf of the funding party.

29 Statements of Current Assets filed with Banks and Financial Institutions **(₹ in Crores)**

Quarter	Name of the Bank	Particulars (Accounting Head)	Amount as per books of Accounts	Amount as reported in quarterly return/ statement	Amount of Difference	Reason for Difference
Jun-22	SBI, UBI, Canara Bank, PNB, IDBI Bank, BOB and Indian Bank	Current Assets	10613.04	10613.04	NIL	NA
Sep-22			9045.85	9045.85	NIL	NA
Dec-22			9458.10	9458.10	NIL	NA
Mar-23			8979.43	8979.43	NIL	NA

30 All charges and satisfaction of charges are registered with ROC within the statutory period.

31 The company did not enter into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during FY 2022-23 and FY 2021-22.

32 The company has not been declared as wilful defaulter by the Bank/ any Financial Institution during FY 2022-23 and FY 2021-22.

33 No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder during FY 2022-23 and FY 2021-22.

34 Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Current Ratio	Current Assets: ₹ 8979.43 Crs (Prev Period : ₹ 8172.18 Crs)	Current Liabilities : ₹ 22705.1 Crs (Prev Period : ₹ 19785.89 Crs)	0.40	0.41	-4%	
Debt - equity ratio	Total Debt: ₹ 20423.94 Crs (Prev Period : ₹ 17148.1 Crs)	Shareholder's Equity : ₹ 391.24 Crs (Prev Period : ₹ 3174.55 Crs)	52.20	5.40	-866%	Increase in borrowings and reduction in shareholders equity as compared to previous period due to the net loss for the period.
Debt service coverage ratio	Earnings available for Debt Service: ₹ 83 Crs (Prev Period : ₹ 3671.62 Crs)	Debt Service : ₹ 3287.95 Crs (Prev Period : ₹ 2924.84 Crs)	0.03	1.26	-98%	Negative earnings resulted in unfavourable Debt Service Coverage Ratio.
Return on equity ratio	Profit After Tax: ₹ -2858.74 Crs (Prev Period : ₹ 913.19 Crs)	Average Shareholder's Equity : ₹ 1782.895 Crs (Prev Period : ₹ 2707.87 Crs)	(1.60)	0.34	-575%	Net loss for the period when compared to the net profit in the Prev. period.
Inventory turnover ratio	Sales: ₹ 22728.95 Crs (Prev Period : ₹ 28207.3 Crs)	Average Inventory : ₹ 6327.305 Crs (Prev Period : ₹ 5513.48 Crs)	3.59	5.12	-30%	Reduction in sales when compared to Prev. period resulted unfavourable Inventory Turnover ratio.
Trade receivables turnover ratio	Net Credit Sales : ₹ 6864.59 Crs (Prev Period : ₹ 8304 Crs)	Average Accounts Receivable : ₹ 843.42 Crs (Prev Period : ₹ 890.78 Crs)	8.14	9.32	-13%	Reduction in sales when compared to Prev. period resulted unfavourable Trade receivables Turnover ratio.
Trade payables turnover ratio	Net Credit Purchases : ₹ 17160 Crs (Prev Period : ₹ 24541.57 Crs)	Average Trade Payables : ₹ 4996.78 Crs (Prev Period : ₹ 3641.03 Crs)	3.43	6.74	-49%	
Net capital turnover ratio	Net Sales: ₹ 22728.95 Crs (Prev Period : ₹ 28207.3 Crs)	Working Capital : ₹ -13725.67 Crs (Prev Period : ₹ -11613.71 Crs)	(1.66)	(2.43)	-32%	Reduction in Working capital and reduction in sales
Net profit ratio	Net Profit: ₹ -2858.74 Crs (Prev Period : ₹ 913.19 Crs)	Net Sales : ₹ 22728.95 Crs (Prev Period : ₹ 28207.3 Crs)	(0.13)	0.03	-489%	Net loss for the period when compared to net profit for the corressponding period.
Return on capital employed	Earning before interest and taxes : ₹ -1498.23 Crs (Prev Period : ₹ 2487.14 Crs)	Capital Employed : ₹ 20814.81 Crs (Prev Period : ₹ 20321.98 Crs)	(0.07)	0.12	-159%	Negative Profit after tax during the period when compared to profit in the corressponding period
Return on investment	Profit After Tax: ₹ -2858.74 Crs (Prev Period : ₹ 913.19 Crs)	Shareholder's Equity : ₹ 391.24 Crs (Prev Period : ₹ 3174.55 Crs)	(7.31)	0.29	-2640%	Negative Profit after tax during the period when compared to profit in the corressponding period

35 Revenue from operations

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
A. Sale of products		
Domestic sales	21,877.59	22,601.07
Less: Sale of trial run production (transferred to CWIP)	48.94	7.46
	21,828.65	**22,593.61**
Export sales	900.30	5,613.69
Less: Sale of trial run production (transferred to CWIP)	-	-
	900.30	**5,613.69**
Total Sale of Products (A)	**22,728.95**	**28,207.30**
B. Other operating revenues		
Internal consumption	7.90	7.17
Export benefits	41.36	105.91
Others	31.19	38.97
Total other operating revenues (B)	**80.45**	**152.05**
Total revenue from operations (A+B)	**22,809.40**	**28,359.35**

Desegregation of Revenue

Nature of Goods and Services

The Company is engaged in the manufacturing of Iron and Steel Products and generates revenue primarily from Iron & Steel products which is the only reportable segment of the Company (₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
(1) Primary Geographical Markets		
Within India	21,828.65	22,593.61
Outside India	900.30	5,613.69
Total	**22,728.95**	**28,207.30**
(2) Major Products		
Iron & Steel	21,750.18	27,077.90
Other Secondary and by-products	978.77	1,129.40
Total	**22,728.95**	**28,207.30**

A. Stock and sales

31st March 2023

Particulars	Opening stock (01.04.2022)		Sales		Closing stock (31.03.2023)	
	Quantity (in Tonnes)	Value (₹ in crore)	Quantity (in Tonnes)	Value (₹ in crore)	Quantity (in Tonnes)	Value (₹ in crore)
Pig iron	8,523	29.82	44,370	261.05	2,827	11.42
Blooms	1,37,305	553.39	81,993	400.87	1,14,784	584.47
Billets	4,922	22.11	18,931	103.41	8,256	43.51
Finished products	99,269	471.49	36,43,018	20,984.85	2,74,180	1,648.63
Sundries (Refer Note no. 35.1)						-
- Coke and coke products	22,505	47.16	52,429	89.84	35,863	124.84
- Others (Refer Note no. 35.2)	19,55,553	995.74	29,28,562	888.94	38,58,962	1,084.93
Total		**2,119.71**		**22,728.95**		**3,497.81**

31st March 2022

Particulars	Opening stock (01.04.2021)		Sales		Closing stock (31.03.2022)	
	Quantity (in Tonnes)	Value (₹ in crore)	Quantity (in Tonnes)	Value (₹ in crore)	Quantity (in Tonnes)	Value (₹ in crore)
Pig iron	14,404	40.87	82,254	319.47	8,523	29.82
Blooms	2,23,775	719.01	12,83,350	5,655.09	1,37,305	553.39
Billets	49,323	171.81	63,786	306.81	4,922	22.11
Finished products	1,67,039	649.10	38,69,894	20,796.54	99,269	471.49
Sundries (Refer Note no. 35.1)						
- Coke and coke products	1,28,900	173.84	44,869	48.19	22,505	47.16
- Others	16,20,915	606.17	28,41,183	1,081.21	19,55,553	995.74
Total		**2,360.80**		**28,207.30**		**2,119.71**

35.1 Quantity for Argon Gas, Oxygen Gas and Nitrogen Gas is in Thcum.

Sub Note:

(i) Closing stock includes stock in the custody of CAs / HCs / ConvAg and GIT which is 35678.18 MTs & ₹ 219.16 Crores (Previous year 22548.14 tonnes of value ₹ 110.51 Crores).

(ii) Figures of closing stock are after adjustment for internal consumption, transfers to capital works, shortages/excesses.

(iii) Others include By-products, Aux Shop, Iron & Steel Scrap, Defectives, Rejects, Hot Metal, Sized Iron Ore, Gross Sinter & Base Mix.

35.2 This includes sale of Coal amounting to ₹ 103.07 Crores made during FY 2022-23.

36. Other income

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Interest income :		
Banks	0.20	0.16
Loans to employees	2.19	4.13
Others	34.54	38.55
Rent recoveries	45.10	43.31
Liquidated damages	42.46	48.01
Net gain on sale of property, plant and equipment	0.01	0.69
Write back of provisions no longer required	4.24	6.23
Sundry receipts	100.29	146.64
Total	**229.03**	**287.72**

37. Cost of material consumed

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Raw materials		
Coal (Refer Note No.37.1)	11,409.86	9,051.13
Iron ore	4,119.17	7,213.17
Limestone	248.42	253.15
Dolomite	156.20	195.91
Silico manganese	655.30	726.98
Ferro silicon	137.41	142.07
Aluminium	185.05	208.29
Manganese ore	3.48	4.32
Petroleum coke	67.82	45.65
Sea Water magnesite	4.74	5.35
Others	129.13	55.56
Total	**17,116.58**	**17,901.59**
Add : Output from trial run production	-	-
Less : Material Consumed for trial run production	46.24	19.69
Less : Inter account adjustments - raw material mining cost	73.03	75.69
Total	**16,997.31**	**17,806.21**

37.1 This includes 27998 MT of Coal amounting to ₹ 99.22 Crores sold during the FY 2022-23.

38. Changes in inventory of finished goods and work-in-progress

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Opening stock	2,119.71	2,360.80
Less: Closing stock	3,497.81	2,119.71
Total	**(1,378.10)**	**241.09**

Note : (i) Write down of inventories charged as expense

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Cost of inventories valued at net realisable value	1,021.16	84.21
Inventories valued at net realisable value	963.23	81.08
Write down of inventories charged as expense	**57.93**	**3.13**

39. Employee benefits expense

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Salaries and wages	2,235.93	2,205.01
Contribution to provident fund and other funds	304.29	417.80
Staff welfare expenses	170.45	195.01
Total	**2,710.67**	**2,817.82**

Note :

(i) Expenditure on Employee benefits not included above and charged to: **(₹ in Crores)**

Particulars	For the year ended	
	31st March 2023	31st March 2022
Capital Work in Progress / Expenditure During Construction		
Salaries and wages	0.79	0.67
Contribution to provident fund & other funds	0.12	0.10
Staff Welfare expenses	0.05	0.02
Total	**0.96**	**0.79**

40. Finance costs

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Interest expense on financial liabilities :		
Foreign currency facilities	133.18	49.30
Bank loans	1,453.71	1,422.36
Others	110.25	42.75
Other borrowing costs	41.09	31.15
Total	**1,738.23**	**1,545.56**

Note:

(i) Expenditure on finance cost not included above and charged to: **(₹ in Crores)**

Particulars	For the year ended	
	31st March 2023	31st March 2022
Capital Work in Progress / Expenditure During Construction		
Interest - Banks	149.12	182.92
Interest on Lease Liability	3.56	3.02
Total	**152.68**	**185.94**

(ii) In case of general capex borrowings, the capitalisation rate of borrowing cost for FY 2022-23 is 9.07% (Previous Year : 9.25%)

41. Depreciation and amortisation expense

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Depreciation of property, plant and equipment	1,192.57	1,203.88
Amortisation of intangible assets	0.26	0.75
Total	**1,192.83**	**1,204.63**

42. Other expenses

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Consumption of stores and spare parts	931.61	895.45
Power and fuel (Refer note 42.1)	1,902.28	1,290.05
Repairs and maintenance (Refer note 42.2)	582.87	569.61
Remuneration to auditors (Refer note 42.3)	0.25	0.22
Rent	2.17	2.47
Rates and taxes	7.00	10.71
Insurance	49.93	46.76
Handling and scrap recovery	264.38	347.60
Freight outward	517.64	498.09
Research and development expense	0.97	0.33
Provisions		
Shortage/damaged material/obsolescence/non-moving items of stores	0.63	0.40
Doubtful advances and claims	4.23	0.71
Doubtful Debts	-	0.11
Provision for Unsuccessful Projects	1.70	2.56
Write-offs		
Property, plant and equipment written off	4.12	4.46
Shortage / damaged material / obsolescence /non-moving items of stores	0.03	0.07
Doubtful advances and claims	-	-
Unsuccessful Projects Expenditure Written off	-	6.61
Sundries	47.55	49.44
Net (Gain) /Loss arising on Financial instruments designated as FVTPL	(59.10)	20.02
Donation	0.25	1.39
Miscellaneous expenses (Refer note 42.4)	827.32	566.18
Total	**5,085.83**	**4,313.24**

(i) Development expenditure is capitalized only if it can be measured reliably and the related asset and process are identifiable and controlled by the company.

(ii) Expenditure towards research and other development is accounted under the primary heads of account and is expensed as and when incurred.

(iii) Capital Expenditure on Research and Development is included in the Intangible assets.

42. 1 Power and fuel

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Purchased power	1,033.81	506.36
Coal	865.18	781.45
Furnace oil/ LSHS/ LDO	3.29	2.24
Total	**1,902.28**	**1,290.05**

Cost of Power and fuel does not include the cost of generation of power and production of certain fuel elements in the plant which are internally consumed. The related expenses have been included under the primary heads of account.

42.2 Repairs and maintenance

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Plant and Equipment	398.03	393.70
Buildings	32.39	35.56
Others	152.45	140.35
Total	**582.87**	**569.61**

42.3 Remuneration to Auditors

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
As auditor - statutory audit	0.18	0.18
In other capacity		
Tax Audit	0.04	0.04
Other services	-	-
Reimbursement of expenses	0.03	-
Total	**0.25**	**0.22**

42.4 Miscellaneous expenses

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Technical services	7.22	9.62
Travelling expenses	62.29	59.21
Printing and stationery	2.70	3.16
Postage and telephone	1.65	1.90
Water Charges	95.16	112.20
Legal expenses	8.95	5.65
Bank charges	13.14	13.74
Community development welfare	0.07	10.05
Security expenses	118.76	108.15
Entertainment expenses	2.91	1.28
Advertisement	3.90	2.54
Demurrages and wharfages	198.63	101.00
ISO Audit Expenses	0.18	0.07
Selling expenses	18.25	19.19
Exchange differences (Net)	293.51	118.42
Total	**827.32**	**566.18**

42.5 Details of Corporate Social Responsibility expenditure (₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
(a) Amount required to be spent by the Company during the year	Nil	Nil
(b) Amount spent during the year		
- Construction/ acquisition of any asset	-	-
- On purpose other than above	0.33	11.42
Total	**0.33**	**11.42**

42.6 Expenditure on Other expenses not included above and charged to: (₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Capital Work in Progress / Expenditure During Construction		
Travelling expenses	0.02	0.01
Power and fuel	0.21	0.25
Total	**0.23**	**0.26**

42.A Exceptional Items (₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Recovery of Overloading and Underloading Charges	(71.88)	-
(Refer note 42A.1)		
Write back of Post-Retirement Medical Benefit Scheme Liabilities	-	(223.06)
Total	**(71.88)**	**(223.06)**

42A.1 An amount of ₹ 186.92 crores incurred by RINL during the period April'14 to March'21 towards under loading and over loading charges has been withheld from NMDC. The Committee representing RINL and NMDC recommended to the respective Managements to share ₹ 143.75 crores by both the parties equally. Considering the long-standing business relation between the PSUs, Competent Authority of RINL agreed to the proposal of the committee. Accordingly, necessary treatment is carried out in the books of accounts. Considering the materiality of the amount involved the said amount was shown under Exceptional Item.

43. Details of Corporate Social Responsibility (₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Amount required to be Spent during the year	NIL	NIL
Amount of Expenditure Incurred	0.33	11.42
Shortfall at the end of the year	NIL	NIL
Total of Previous year Shortfall	NIL	NIL
Reasons for Shortfall	NA	NA
Nature of CSR Activities		
Skill Development for unemployed / needy youth		
Women empowerment for female artisans		
Senior citizen care through helping hands initiative		
Health and Education		
Details of related party transactions- Contribution to CSR Foundation	0.25	1.39

44 There are no transactions that have been surrendered or disclosed as income during FY 2022-23 and FY 2021-22 in the tax assessments under the Income Tax Act, 1961. Also the Company has not traded/ invested in Crypto currency or Virtual currency during FY 2022-23 and FY 2021-22.

45 Statement of Compliance

These are the Company's standalone financial statements prepared in accordance with IND AS and provisions of the Companies Act, 2013.

The financial statements were authorized for issue by the Board of Directors on 08th August, 2023

46 Use of estimates and judgement

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 8 – utilization of tax losses

Note 47 – measurement of defined benefit obligations

Notes 20 and 52 – provisions and contingencies

47 Employee benefits

(i) a) Contribution to Superannuation Benefit Scheme

An amount of ₹ 42.07 Crores (31st March 2022: ₹ 124.05 Crores) recognised in the Statement of Profit and Loss and ₹ 0.06 Crore (31st March 2022 : ₹ 0.02 Crores) in Capital Work in Progress towards Superannuation Benefit Scheme (Post Employment Benefit - Defined Contribution Plan).

b) Pension

The cumulative provision/liability towards pension benefit (Post Employment Benefit - Defined Contribution Plan) for executive & non-executive employees, amounting to ₹ 393.65 Crores (CPLY: ₹ 418.73 Crores.)

(ii) Other Long-term employee benefits

Liability towards other long-term employee benefits:- leave encashment and long service award etc ., are determined on actuarial valuation by qualified actuary by using Projected Unit Credit Method.

The current service cost of other long term employee benefits, recognized in the statement of Profit and Loss as part of employee benefit expenses, reflects the increase in the obligation resulting from employee service in the current year, benefit changes, curtailments and settlements.

(iii) General description of the post employment benefits

a) Provident fund

The Company pays fixed contribution to Provident Fund, at predetermined rates, to a separate Trust, which invests the funds in permitted securities. On the contributions, the trust is required to pay a minimum rate of interest, to the members, as specified by Government of India. The obligation of the Company is limited to the shortfall in the rate of interest on the Contribution based on its return on investments as compared to the declared rate.

The defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

b) Gratuity

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. The Gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service at the time of retirement / exit for service upto 30 Years and to receive one month salary for each year of completed service for service above 30 years. The defined benefit plan for gratiuity is administered by a single gratuiy trust that is legally spearate from the company.

Gratuity is fully funded by the Company. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. Employees do not contribute to the plan.

c) Retirement settlement benefits

The retired employees, their dependents, as also the dependents of the employees expired while in service are entitled for travel and transport expenses to their place of permanent residence. Provisions / Liabilities are made based on the Actuarial valuation at each reporting date. Actuarial gain / loss relating to this scheme are recognized in Other Comprehensive Income.

d) Retirement medical benefits

(i) Medical benefits are available to all retired Non Execcutive employees and for Executive employees seperated before 01.01.2007 at the Company's hospital and under the health insurance policy under Group Medical Insurance Coverage Scheme (GMICS). Provisions / Liabilities are made based on the Actuarial valuation at each reporting date. Actuarial gain / loss relating to this scheme are recognized in Other Comprehensive Income.

(ii) For Executive employees retired on or after 01.01.2007, the company is operating Post Retirement Medical Scheme under Defined Contribution Plan. The defined contribution plan for PRMS is administered by a single PRMS trust that is legally spearate from the company.

e) Farewell scheme

Employees superannuating from the service of the company shall be given 10 Gms of gold each.The scheme shall cover all regular employees of the company. Provisions / Liabilities are made based on the Actuarial valuation at each reporting date. Actuarial gain / loss relating to this scheme are recognized in Other Comprehensive Income.

iv. Other disclosures*, as required under IND AS 19 on "Employee Benefits", in respect of defined benefit obligations are :-

a) Reconciliation of Present Value of Defined Benefit Obligation **(₹ in Crores)**

Sl.No	Particulars	Gratuity	Leave Encash-ment	Post Retirement Medical Benefits	Long Service Award	Farewell	Post Retirement Settlement Benefit	Employee Family Benefit Scheme	LTC/LTA
i)	Present Value of defined benefit obligations as at the beginning of the year	1578.09 (1593.41)	919.81 (945.80)	505.75 (674.93)	1.41 (2.62)	42.63 (54.08)	43.87 (45.50)	213.33 (200.54)	41.37 (11.94)
ii)	Service cost	37.63 (41.74)	63.42 (61.07)	15.95 (21.86)	0.07 (0.12)	1.31 (1.54)	2.09 (1.51)	- -	15.43 (33.14)
iii)	Actuarial loss/ (gain) on obligation	-31.57 (-4.28)	66.85 (-5.85)	-45.45 (13.02)	1.14 (-1.49)	8.84 (-12.87)	-14.11 (-4.71)	25.51 (59.13)	-7.16 (-3.52)
iv)	Interest cost	101.66 (103.46)	62.02 (62.26)	35.53 (30.14)	0.10 (0.16)	2.80 (3.57)	2.88 (2.97)	13.02 (12.19)	3.13 (0.78)
v)	Benefits paid	167.18 (156.24)	96.92 (143.47)	13.49 (11.14)	0.57 -	4.70 (3.69)	3.42 (1.40)	45.81 (58.53)	9.21 (0.97)
vi)	Past service cost	- -	- -	- -	- -	- -	- -	- -	- -
vii)	Losses/(Gains) on curtailments / settlements	- -	- -	- (-223.06)	- -	- -	- -	- -	- -
viii)	Present value of defined benefit obligations as at end of the year (i + ii + iii + iv - v + vi + vii)	1518.63 (1578.09)	1015.17 (919.81)	498.29 (505.75)	2.16 (1.41)	50.88 (42.63)	31.31 (43.87)	206.04 (213.33)	43.56 (41.37)

b) Reconciliation of Fair Value of Plan Assets **(₹ in Crores)**

Sl.No.	Particulars	Gratuity	Leave Encashment
i)	Fair Value of plan assets at the beginning of the year	1288.86 (946.11)	525.54 (488.26)
ii)	Expected return on plan assets	90.22 (60.57)	36.79 (46.66)
iii)	Actual company contribution	65 (420.00)	- -
iv)	Actuarial gain/ (loss) on plan assets	4.35 (18.42)	3.85 (9.38)
v)	Benefits paid	167.17 (156.24)	- -
vi)	Fair value of plan assets at the end of the year (i+ii+iii+iv-v)	1281.26 (1288.86)	566.18 (525.54)
vii)	Present Value of Defined Benefit Obligation	1518.63 (1578.09)	1015.17 (919.81)
viii)	Net Liability recognised in the Balance Sheet (vi-vii)	237.37 (289.23)	448.99 (394.26)

c) Expenses recognised in the Statement of Profit and Loss for the Year

(₹ in Crores)

Sl.No	Particulars	Gratuity	Leave Encash-ment	Post Retirement Medical Benefits	Long Service Award	Farewell	Post Retirement Settlement Benefit	Employee Family Benefit Scheme	LTC / LTA
i)	Service cost	37.63 (41.74)	63.42 (61.07)	15.95 (21.86)	0.07 (0.12)	1.31 (1.54)	2.09 (1.51)	- -	15.43 (33.14)
ii)	Interest cost	101.66 (103.46)	62.02 (62.26)	35.53 (30.14)	0.10 (0.16)	2.80 (3.57)	2.88 (2.97)	13.02 (12.19)	3.13 (0.78)
iii)	Actuarial losses / (gains)	-35.92 (-22.70)	62.99 (3.52)	-45.45 (13.02)	1.14 (-1.49)	8.84 (-12.87)	-14.11 (-4.71)	25.51 (59.13)	-7.16 (-3.52)
iv)	Past service cost	- -	- -	- -	- -	- -	- -	- -	- -
v)	Losses / (Gains) on curtailments / settlements	- -	- -	- (-223.06)	- -	- -	- -	- -	- -
vi)	Expected return on plan assets	90.22 (60.57)	36.79 (46.66)	- -	- -	- -	- -	- -	- -
vii)	Total (i + ii + iii + iv + v - vi)	13.15 61.93	151.64 (80.19)	6.03 (158.04)	1.31 (-1.20)	12.95 (-7.76)	-9.14 (-0.23)	38.52 (71.32)	11.40 (30.40)
viii)	Employee Benefit Expenses :								
	a) Charged to Statement of Profit & Loss	49.05 (84.61)	151.62 (80.16)	51.47 (-171.08)	1.31 (-1.20)	4.10 (5.12)	4.97 (-4.48)	38.51 (71.32)	11.40 (30.40)
	b) Charged to Expenditure during construction	0.02 (0.02)	0.02 (0.03)	0.01 (0.01)	- -	0.01 -	- -	0.01 (0.01)	- -
	c) Charged to OCI	-35.92 (-22.70)	- -	-45.45 (13.02)	- -	8.84 (-12.87)	-14.11 (-4.71)	- -	- -

***** figures in brackets represents previous year figures**

e) Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	31st March 2023	31st March 2022
Discount rate	7.30%	7.00%
Rate of increase in compensation levels	7.00%	7.00%
Expected return on plan assets	7.30%	7.00%
Medical Inflation Rate	5.00%	5.00%

f) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation and current service cost by the amounts shown below:

- Gratuity **(₹ in Crores)**

Particulars	31st March 2023		31st March 2022	
	Increase	Decrease	Increase	Decrease
1. Effect of 0.5% Change in the assumed discount rate				
- Defined benefit obligation	(30.44)	31.92	(40.91)	43.28
- Current service cost	-	-	-	-
2. Effect of 0.5% Change in the assumed salary escalation rate				
- Defined benefit obligation	4.92	(5.15)	11.08	(11.96)
- Current service cost	-	-	-	-

- Retirement medical benefits **(₹ in Crores)**

Particulars	31st March 2023		31st March 2022	
	Increase	Decrease	Increase	Decrease
1. Effect of 0.5% Change in the assumed discount rate				
- Defined benefit obligation	(37.27)	41.70	(38.97)	44.18
- Current service cost	-	-	-	-
2. Effect of 0.5% Change in the assumed medical inflation rate				
- Defined benefit obligation	37.49	(34.95)	44.85	(39.85)
- Current service cost	-	-	-	-

- Retirement settlement benefits **(₹ in Crores)**

Particulars	31st March 2023		31st March 2022	
	Increase	Decrease	Increase	Decrease
Effect of 0.5% Change in the assumed discount rate				
- Defined benefit obligation	(0.69)	0.73	(0.94)	0.99
- Current service cost	-	-	-	-

- Farewell scheme **(₹ in Crores)**

Particulars	31st March 2023		31st March 2022	
	Increase	Decrease	Increase	Decrease
Effect of 0.5% Change in the assumed discount rate				
- Defined benefit obligation	(1.24)	1.31	(1.01)	1.07
- Current service cost	-	-	-	-

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(v) Provident fund :

The Company's contribution paid/ payable during the year to Provident Funds are recognised in the Statement of Profit & Loss. The company's Provident Fund Trusts are exempted under section 17 of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The conditions for grant of exemption stipulated that the employer shall make good, deficiency if any, in the interest rate declared by the Trusts vis-a-vis statutory rate. The Company does not anticipate any further obligations in the near forseeable future having regard to the assets of the funds and return on investment. This Note is to be read with Note No 47 (iii) (a).

48 Capital management

The Company aims to maintain a strong capital base so as to maintain the confidence of investor, creditor and market and to sustain future development of the business.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity other than amounts accumulated in the effective portion of cash flow hedges and cost of hedging, if any.

Management assesses the Company’s capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Company's adjusted net debt to equity ratio at the reporting dates were as follows: **(₹ in Crores)**

Particulars	31st March 2023	31st March 2022
Total net debt	20,462.17	17,186.96
Less: cash and cash equivalents	2.74	4.12
Adjusted net debt	20,459.43	17,182.84
Total equity	391.24	3,174.55
Less: Cost of hedging	-	-
Adjusted equity	391.24	3,174.55
Adjusted net debt to adjusted equity ratio	**52.29**	**5.41**

49 Earnings per share (not annualised)

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the year:

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share calculation are as follows:

Particulars	31st March 2023	31st March 2022
i. Profit/ (loss) attributable to equity shareholders (₹ in Crores)	(2,858.74)	913.19
ii. Weighted average number of Equity Shares outstanding during the year	4,88,98,46,200	4,88,98,46,200
iii. Face value per share (₹)	10	10
Basic and Diluted EPS (₹)	**(5.85)**	**1.87**

The Company does not have any potentially dilutive equity shares outstanding during the year.

50 Leases

RINL as a Lessee

Other Informations:

1. Nature of Lease: The Company has entered into Long term lease which are as follows:
   a) Land measuring 1.00 acre at Mumbai taken on Lease from CIDCO towards operation of stockyard for storing and selling steel materials for a period of 60 years.
   b) Land measuring 37 acres at Rai Bareli from Indian Railways towards establishment of Forged Wheel Plant for a period of 22 years.
   c) Area Measuring 350.396 sqaure meter in Multistorey Building taken on lease from M/s NBCC(India) Limited for a period of 99 years.
2. Interest Expenses on Lease Liabilities for FY 2022-23 is ₹ 3.56 Crores (Prev.Year: ₹ 3.02 Crores)
3. Total Cash outflow for leases for FY 2022-23 is ₹ 4.19 Crores (Prev.Year: ₹ 8.39 Crores)
4. Restrictions or covenants imposed by leases,
   a) Forged Wheel Plant Lease
      - The lessee shall not create any lien or charge or encumbarance on the site except as permitted in this Land lease Agreement.
      - After the expiry or termination of the Land Lease Agreement, the site should be handed over to the Lessor.
   b) Mumbai stockyard Lease - NIL
5. Sale and Lease back transactions.- NIL.
6. Future cash outflows that are not reflected in the measurement of lease liability - NIL
7. Lease liability outstanding as on 31st March 2023 is ₹ 38.23 Crores (As on 31st March 2022 is ₹ 38.86 Crores). Current maturities of lease liability as on 31st March 2023 is ₹ 0.69 Crores (As on 31st March 2022: ₹ 3.71 Crores).

8. Maturity analysis of lease liability from 01.04.2023 (undiscounted) **(₹ in Crores)**

Particulars	< 12 Months	01-05 Years	Over 5 Years	Total Cash Flow	Carrying Amount
Lease Liability	4.19	16.77	62.89	83.85	38.23

RINL as a Lessor

1. Nature of Lease: - The Company has given land on Operating lease basis to various agencies. The details of major lease are as follows:
   a) 149.25 acres of land allotted to Power Grid Corporation of India Ltd for installation of Grid & Staff Quarters for a period of 33 years which is due for renewal.
   b) 49.50 acres of land allotted to NTPC Ltd.(Simhadri) for Rail Road Corridor for a period of 99 years
   c) 5.00 acres of land allotted to APIIC for Laying Water Pipeline for Pump House for a period of 33 years
   d) 3.33 acres of land allotted to Gangavaram Port Ltd. for laying Railway Track for a period of 33 years
   e) 9.27 acres of land alloted to M/s Air Liquide India Holding Pvt Ltd. for Construction of Air Separation Plant (BOO basis) for a period of 18.5 years.
2. Lease Income during FY 2022-23 is ₹ 0.07 Crores (Prev.Year : ₹ 0.07 Crores)
3 Income relating to variable lease receipts (not depending on index or rate) during FY 2022-23 is ₹ NIL (Prev. Year : ₹ NIL)
4. Risk Management strategy ie., Buy back agreements, Guaranteed residual value, variable lease receipts- NIL

5. Undiscounted lease Receipts **(₹ in Crores)**

Particulars	< 12 Months	01-05 Years	Over 5 Years	Total Cash Flow
Lease Receipts	0.07	0.28	1.04	1.39

51 Financial instruments - Fair values and risk management
A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

31st March 2023 **(₹ in Crores)**

Particulars	Carrying Amount					Fair Value			
	Fair Value Hedging Instruments	Mandatorily at FVTPL others	Other Financial Assets - Amortised Cost	Other Financial Liabilities - Amortised Cost	Total Carrying Amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value									
Forward Contracts*	-	-	-	-	-	-	-	-	-
Employee loans	-	-	6.77	-	6.77	-	6.77	-	6.77
	-	**-**	**6.77**	**-**	**6.77**	**-**	**6.77**	**-**	**6.77**
Financial assets not measured at fair value									
Security deposits*			490.45		490.45				-
Loans and advances			25.41		25.41				-
Trade receivables*			777.16		777.16				-
Accrued interest*			29.97		29.97				-
Cash and cash equivalents*			2.74		2.74				-
Other receivables*			95.80		95.80	-	-	-	-
	-	**-**	**1,421.53**	**-**	**1,421.53**	**-**	**-**	**-**	**-**
Financial liabilities measured at fair value									
Interest rate swaps		-			-	-	-	-	-
Forward exchange contracts		10.76			10.76	-	10.76	-	10.76
	-	**10.76**	**-**	**-**	**10.76**	**-**	**10.76**	**-**	**10.76**
Financial liabilities not measured at fair value*									
Secured bank loans				16,170.09	16,170.09		-		-
Unsecured bank loans				4,253.85	4,253.85				-
Lease Liability				38.23	38.23				
Commercial papers				-	-				-
Accrued interest				26.86	26.86				-
Trade payables				4,889.11	4,889.11				-
Security deposits received				177.22	177.22				-
Earnest money deposits				487.44	487.44				-
Claims payable				-	-				-
Payable for Capital Projects				846.40	846.40				-
Other liabilities				3,268.26	3,268.26	-		-	-
	-	**-**	**-**	**30,157.46**	**30,157.46**	**-**	**-**	**-**	**-**

* The carrying amounts of these financial instruments recognized in the financial statements are a reasonable approximation of their fair values.

31st March 2022

(₹ in Crores)

Particulars	Carrying Amount					Fair Value			
	Fair Value Hedging Instruments	Mandatorily at FVTPL others	Other Financial Assets - Amortised Cost	Other Financial Liabilities - Amortised Cost	Total Carrying Amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value									
Forward Contracts*	-	8.24	-	-	8.24	-	8.24	-	8.24
Employee loans	-	-	13.62	-	13.62	-	13.62	-	13.62
	-	**8.24**	**13.62**	**-**	**21.86**	**-**	**21.86**	**-**	**21.86**
Financial assets not measured at fair value									
Security deposits*			407.28		407.28				
Loans and advances			32.44		32.44	-	-	-	-
Trade receivables*			909.68		909.68				
Accrued interest*			43.66		43.66				
Cash and cash equivalents*			4.12		4.12	-	-	-	-
Other receivables*			79.45		79.45				
	-	**-**	**1,476.63**	**-**	**1,476.63**	**-**	**-**	**-**	**-**
Financial liabilities measured at fair value									
Interest rate swaps		-			-	-	-	-	-
Forward exchange contracts		-			-		-		-
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Financial liabilities not measured at fair value*									
Secured bank loans				12,342.60	12,342.60	-	-	-	-
Unsecured bank loans				4,805.50	4,805.50				
Lease Liability				38.86	38.86				
Commercial papers				-	-	-	-	-	-
Accrued interest				9.78	9.78				
Accrued income				-	-				
Trade payables				5,104.45	5,104.45				
Security deposits received				132.23	132.23				
Earnest money deposits				516.86	516.86				
Claims payable				-	-				
Payable for Capital Projects				984.93	984.93				
Other liabilities				2,656.85	2,656.85				
	-	**-**	**-**	**26,592.06**	**26,592.06**				

* The carrying amounts of these financial instruments recognized in the financial statements are a reasonable approximation of their fair values.

B. Measurement of fair values

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable input	Inter-relationship between significant unobservable inputs and fair value measurement
Forward exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date.	Not applicable	Not applicable
Interest rate swaps	Swap models: The fair value is determined using quoted swap rates at the reporting date.	Not applicable	Not applicable
Financial liabilities	Discounted cash flows: The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate.	Not applicable	Not applicable

C. Financial risk management

Risk management framework

The Company is exposed to various risk in relation to financial instruments. The company's financial asset and liabilities by category are summarised in note 51A.'The main types of risks are market risk, credit risk and liquidity risk.The Company's risk management is coordinated at its headquarters, in close cooperation with the board of directors, and focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below.

The Company has exposure to the following risks arising from financial instruments:

i) credit risk

ii) liquidity risk

iii) market risk

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers; and loans.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade receivables and loans

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry in which customers operate.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the common credit risk characteristics.

Movements in the allowance for impairment in respect of trade receivables and loans

The movement in the allowance for impairment in respect of trade receivables and loans is as follows:

(₹ in Crores)

Particulars	For the year	
	31st March 2023	31st March 2022
Balance at 1st April	25.19	25.75
Amounts written off	-	-
Net measurement of loss allowance	(0.03)	(0.56)
Balance at 31st March	**25.16**	**25.19**

Cash and cash equivalents

The Company holds cash and cash equivalents of ₹ 2.74 Crore at 31st March 2023 (As on 31st March 2022: ₹ 4.12 Crore). The cash and cash equivalents are only held with highly rated banks.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties

Derivatives

The derivatives are only entered into with highly rated scheduled banks.

ii) *Liquidity risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities (other than trade payables). The Company also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities.

Exposure to liquidity risk

The following are the remaining contractual maturities of long term financial liabilities at the reporting date. The amounts reflect the principal amounts that are gross and undiscounted, and exclude the impact of netting agreements

31st March 2023 **(₹ in Crores)**

Particulars	Contractual Cash Flows					
	Carrying Amount	Total	12 months or less	1-2 Years	2-5 Years	More than 5 years
Non-derivative financial liabilities						
Secured bank loans	9,171.02	9,171.02	-	1,935.54	6,333.66	901.82
Unsecured bank loan	-	-	-	-	-	-
	9,171.02	**9,171.02**	**-**	**1,935.54**	**6,333.66**	**901.82**
Derivative financial liabilities						
Interest rate swaps	-	-	-	-	-	-
Other forward exchange contracts	-	-	-	-	-	-
	-	-	-	-	-	-

31st March 2022 **(₹ in Crores)**

Particulars	Contractual Cash Flows					
	Carrying Amount	Total	12 months or less	1-2 Years	2-5 Years	More than 5 years
Non-derivative financial liabilities						
Secured bank loans	8,770.04	8,770.04	-	1,534.13	5,138.20	2,097.71
Unsecured bank loan	2.47	2.47	-	2.47	-	-
	8,772.51	**8,772.51**	**-**	**1,536.60**	**5,138.20**	**2,097.71**
Derivative financial liabilities						
Interest rate swaps	-	-	-	-	-	-
Other forward exchange contracts	-	-	-	-	-	-
	-	-	-	-	-	-

Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

iii) *Market risk*

Market risk is the risk that results from changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company uses derivatives to manage market risks.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated. The functional currency for the Company is INR (₹). The currencies in which these transactions are primarily denominated is INR (₹), which is also the company's functional and presentation currency.

The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

Currency risks related to the principal amounts of the US dollar bank loan, which have been fully hedged using forward contracts that mature on the same dates as the loans are due for repayment. These contracts are designated as derivative contracts.

Interest rate risk

The Company aims to minimise its interest rate risk exposure by maintaining a balance of fixed/ floating rate of interest.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to management is as follows:

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Fixed rate instruments		
Financial assets	1.36	4.50
Financial liabilities	9,408.76	6,861.04
	9,410.12	**6,865.54**
Variable rate instruments		
Financial assets	-	-
Financial liabilities	11,015.18	10,287.07
	11,015.18	**10,287.07**

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ in Crores)

Particulars	Profit or loss		Equity, pre tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31st March 2023				
Variable-rate instruments	(110.15)	110.15	NIL	NIL
31st March 2022				
Variable-rate instruments	(102.87)	102.87	NIL	NIL

52 *Contingent liabilities and commitments*

Contingent liabilities

A. Claims against company not acknowledged as debts

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Contractors / suppliers / customers		
CPSE	95.00	95.00
Other than CPSE	1,630.91	1,667.78
Local Authorities - state govt.	1,075.14	956.19
Sales tax /GST matters (Refer Note no. 52A.1)	1,021.78	1,024.66
Income tax	2.22	2.20
Customs / excise duty	120.08	128.15
Others		
CPSE	-	-
Other than CPSE	465.35	404.58
Bank Guarantees	147.97	147.74
Total	**4,558.46**	**4,426.29**

52A.1 This includes an amount of ₹ 988.89 Crs for which the Company has received demand notice from Sales tax authorities deeming the stock transfer as interstate sales. However, the company expects no liability to arise as the movement of goods were on stock transfer basis and sales tax was also paid on eventual sales.

Contingent Liabilities as on 31.03.2023 are after considering a reduction of ₹ 341.16 Crores from the balance as on 31.03.2022

B. Claims in Courts in connection with Land Acquisition:

1) 130 Sq. Yards in Sy. No. 9 of Sanivada village:
The encroachment was noticed in the last week of Sep'18. Notices were issued on 03.10.2018 and 04.12.2018. Attempts were made to remove unauthorized constructions from RINL land departmentally. Unauthorized occupant approached High Court in WP No. 17798 of 2019. Vide order dated 13.11.2019 and 20.12.2019, High court of AP has granted stay on proceedings of Estate Court.

2) 12.5 Acres in Sy. No. 12/2 of Kaniti village and 2.0 Acres in Sy. No. 138(p) of Kurmanapalem village:

Land was acquired and handed-over to RINL by state Govt. Immediately after the decree by District court on 02.08.2010 in favour of the erstwhile owners, they tried to take physical possession of the land which was stopped by RINL. RINL filed appeal with A. S. no. 598 of 2010 wherein High Court directed to maintain the Status Quo.

3) 5.03 Acres in Sy. No. 227 of Aganampudi village:
Land was acquired and handed-over to RINL by state Govt. Lands were under the possession of RINL. Compound wall has also been constructed in majority of the area. Two erstwhile owners of land have filed W. P. no. 15135 and 20722 of 2019 in the High Court of AP which has granted order for maintaining Status quo. Case is pending in High Court of AP.

4) 1.40 Acres in Sy. No. 30(p) & 1.59 Acres in Sy. No. 31/2 of Vadlapudi village:
Land was acquired and handed-over to RINL by state Govt. Lands were under the possession of RINL. Compound wall has also been constructed and lands are within the Boundary wall of RINL.The erstwhile owners of land have filed W. P. no. 12034 of 2020 in the High Court of AP which has granted order for maintaining Status quo. Case is pending in High Court of AP.

5) 4.25 acres of land in Sy. No. 143 of Pedamadaka village:
The Karnavanipalem village, Hamlet of Sanivada in Sy. No. 143 of Pedamadaka was acquired by Govt. of AP for Visakhapatnam Steel Plant in 1991. However, the land has not been handed over to RINL-VSP by Govt. of AP. The villagers are still occupying the land measuring approx. 4.25 acres as Govt. is not able to shift them to Rehabilitation Colonies. The matter is being followed up with Govt. of AP regularly.

C. Show cause notices issued by various Government Authorities are not considered as contingent liabilities.

D. Commitments **(₹ in Crores)**

Particulars	31st March 2023	31st March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided	565.55	985.68
Total	**565.55**	**985.68**

E. Others

Rashtriya Ispat Nigam Limited ("RINL") and Air Liquide India Holding Private Limited ("ALIH") entered into a Contract dated 26th November 2010 for supply of Oxygen and Nitrogen gases and liquids for captive consumption of RINL on a Build, Own and Operate basis ("BOO") with an option to transfer. The production facility envisaged to be installed and commissioned by ALIH consisted of two air separation units (Plant-1 & Plant-2), each of 850 TPD capacity. The contractual time for completion of the entire scope of work was 28 months for the first ASU along with common facility and 30 months for second ASU from the date of the receipt of the letter of acceptance i.e. 6th July 2010. Vide letter dated 16th December 2014, ALIH terminated the contract and proposed to transfer the ownership of ASU plant to RINL subject to payment of around ₹ 455 Crores. Thereafter, RINL vide its letter dated 6th January 2015, rejected the termination of the Contract by ALIH and called upon ALIH to perform its obligations under the BOO Contract. However, since ALIH did not withdraw the termination notice, RINL was compelled to agree for in principle takeover of ASP from ALIH subject to inter alia, technical audit of the ASP.

Post the termination of the BOO Contract, several meetings and exchange of correspondences between RINL and ALIH took place in relation to the modalities for the takeover of the ASP by RINL. However, the parties could not agree on the final terms of the takeover. Because of the failure of the negotiations primarily due to unreasonable conduct of ALIH, RINL was compelled to invoke arbitration under Clause No. 32 of the Contract dated 26th November 2010.

The Arbitral Tribunal, which was constituted, issued the First Partial Award (Liability) on 12th June 2020. The Arbitral Tribunal has ruled that the ASP BOO Contract was validly terminated by ALIH's Termination Notice dated 16th December 2014. The ASP BOO will be transferred by ALIH to RINL at a price ("the Takeover Price") and on terms to be determined by the Arbitral Tribunal in a further Award. The Arbitral Tribunal by its Second Partial Final Award (Costs of First Partial Award) dated 12th October 2020 has awarded a cost of ₹ 160,099,066 in favour of ALIH. RINL has challenged the findings of the Arbitral Tribunal in the First Partial Liability Award dated 12th June 2020 (except the findings and order with regard to the takeover of the ASP BOO Plant by RINL), and the Second Partial Liability Award dated 12th October 2020 before the Commercial Court at Vishakhapatnam and such challenge petitions are presently pending.

The Arbitral Tribunal by its Third Partial Final (Valuation Issue) Award dated 02nd April 2021, has decided that the takeover price shall be determined in two phases and directed that the commissioning of the Plant shall commence no later than 1st May 2021. The First Phase of the calculation of the Takeover Price shall comprise the ascertainment of the value of the physical assets as on the Termination Date (the Book Value), Phase 2 shall comprise ascertainment of any necessary adjustments to the Book Value following the commissioning of the Plant.

Subsequently, pursuant to various orders passed by the Arbitral Tribunal (AT), ALIH is executing the works in relation to the commissioning of the two units of the ASP BOO, since May 2021, and from 16th December 2021, such works are being executed under the overall supervision of Mr. Zaffer Khan, expert appointed by the AT with the consent of ALIH and RINL.

RINL has made a payment of ₹ 45 crores to ALIH pursuant to the directions of the AT.

Additionally, as per the AT's orders, a sum of ₹ 40 crores has been deposited by RINL in an escrow account, opened jointly in the name of ALIH and RINL. The amount lying in the Escrow Account shall be released to ALIH upon completion of the milestones with regard to commissioning of the ASP BOO, which have been defined by the AT. Out of the ₹ 40 Crores, ₹ 35 Crores have been released upon reaching of six(6) milestones as per AT's orders.

The amounts of ₹ 45 Crores together with the amounts which shall be released from the Escrow Account shall be adjusted in the final Takeover Price which shall be decided by the AT.

Simultaneously, a valuation expert appointed by the AT with the consent of RINL and ALIH, is assessing the book value of the two units of the ASP BOO as on 16th December 2014, i.e, the Termination date.

Out of the two plants integrated trial runs of Plant-2 was started on 15.12.2022 and commissioning is under progress.

53 Related parties

A. List of related parties and nature of relationship

Name of the related party	Nature of relationship	Country
Eastern Investments Limited (EIL)	Subsidiary	India
The Orissa Minerals Development Company Ltd	Subsidiary of EIL	India
The Bisra Stone Lime Company Limited	Subsidiary of EIL	India
RINL Powergrid TLT Pvt Ltd	Joint ventures	India
International Coal Ventures Pvt Ltd (ICVL)	Associate	India
MINAS DE BENGA LIMITADA	ICVL's Joint Venture	Mozambique

B-I. Key Management personnel as on 31st March 2023

Name of the related party	Nature of relationship
Shri Atul Bhatt	Chairman-cum-Managing Director
Shri V V Venugopal Rao	Director (Finance) & CFO
Shri Deb Kalyan Mohanty	Director (Commercial)
Shri Kanak Kumar Ghosh (upto 30.09.2022)	Director (Projects)
Shri Arun Kanti Bagchi (w.e.f. 26.12.2022)	Director (Projects)
Shri Ajit Kumar Saxena (upto 28.12.2022)	Director (Opeations)
Shri M Jagadeeshwara Rao	Company Secretary
Shri V Santa Kumar (from 29.08.2022 to 08.01.2023)	CFO

B-II. Independent Directors as on 31st March 2023

Name of the related party	Nature of relationship
Shri Sunil Kumar Hirani	Independent Director
Dr. Sita Sinha (upto 16.01.2023)	Independent Director
Shri Ghanshyam Singh	Independent Director

B-III. Government Directors as on 31st March 2023

Name of the related party	Nature of relationship
Ms. Ruchika Chaudhry Govil	Government Director
Ms. Sukriti Likhi	Government Director

C. Post employment plans of Rashtriya Ispat Nigam Limited

Name of the related party	Country
RINL Employees' Group Gratuity Fund Trust	India
Vishakhapatnam Steel Project Employees' Provident Fund Trust	India
RINL Employees' Superannuation Benefit Fund Trust	India
RINL PRMS Trust	India

D. Other Related Parties

Name of the related party	Country
RINL - CSR Foundation	India

E. Transactions with related parties during the year ended 31st March 2023 (₹ in Crores)

Name of the Related Party	Nature of Relationship	Nature of Transactions	31st March 2023	31st March 2022
Eastern Investments Limited	Subsidiary	Receipt of Salaries	-	0.05
Eastern Investments Limited	Subsidiary	Salaries Recoverable	0.71	-
The Bisra Stone Lime Company Limited	Subsidiary of EIL	Purchases	14.05	24.41
The Bisra Stone Lime Company Limited	Subsidiary of EIL	Interest-Others	0.03	0.09
The Bisra Stone Lime Company Limited	Subsidiary of EIL	Interest earned from Supplier - Advances	3.27	3.46
The Bisra Stone Lime Company Limited	Subsidiary of EIL	Salaries Recoverable	0.48	-
The Orissa Mineral Development Company Ltd	Subsidiary of EIL	Amount Recovered (Punitive Charges)	-	0.05
The Orissa Mineral Development Company Ltd	Subsidiary of EIL	Purchases	9.55	0.51
The Orissa Mineral Development Company Ltd	Subsidiary of EIL	Advances to Supplier	102.00	0.55
The Orissa Mineral Development Company Ltd	Subsidiary of EIL	Interest earned from Supplier - Advances	2.89	-
The Orissa Mineral Development Company Ltd	Subsidiary of EIL	Salaries Recoverable	1.49	2.44
The Orissa Mineral Development Company Ltd	Subsidiary of EIL	License fees	0.54	0.54
International Coal Ventures Pvt Ltd (ICVL)	Associate	Subscription of Equity Shares	-	2.50
International Coal Ventures Pvt Ltd (ICVL)	Associate	Salaries Recoverable	0.64	0.60
International Coal Ventures Pvt Ltd (ICVL)	Associate	Receipt of Claims	0.45	1.43
MINAS DE BENGA LIMITADA	ICVL's Joint Venture	Purchases	1,083.53	600.82
MINAS DE BENGA LIMITADA	ICVL's Joint Venture	Demurrages / Despatches	14.93	2.76
RINL Employees' Group Gratuity Fund Trust	Post Employment Benefit Plan	Employee Benefit Expenses	13.15	61.94
RINL Employees' Group Gratuity Fund Trust	Post Employment Benefit Plan	Amount Remitted to Trust	65.00	420.00
Vishakhapatnam Steel Project Employees' Provident Fund Trust	Post Employment Benefit Plan	Employee Benefit Expenses	185.02	179.52
Vishakhapatnam Steel Project Employees' Provident Fund Trust	Post Employment Benefit Plan	Amount Remitted to Trust	184.74	164.13
RINL Employees' Superannuation Benefit Fund Trust	Post Employment Benefit Plan	Employee Benefit Expenses	42.21	124.14
RINL Employees' Superannuation Benefit Fund Trust	Post Employment Benefit Plan	Amount Remitted to Trust	42.19	95.46
RINL PRMS Trust	Post Employment Benefit Plan	Employee Benefit Expenses	8.21	8.05
RINL PRMS Trust	Post Employment Benefit Plan	Amount Remitted to Trust	8.66	8.05
RINL - CSR Foundation	CSR Trust	Donations	0.25	1.39

F. Balances outstanding (unsecured & considered good)

(₹ in Crores)

Name of the Related Party	Nature of Relationship	Details	31st March 2023	31st March 2022
Eastern Investments Limited	Subsidiary	Investment in Subsidiary	361.03	361.03
Eastern Investments Limited	Subsidiary	Other financial assets	1.10	0.01
The Bisra Stone Lime Company Limited	Subsidiary of EIL	Advances recoverable	37.28	39.24
The Bisra Stone Lime Company Limited	Subsidiary of EIL	Amounts payable	1.98	0.31
The Bisra Stone Lime Company Limited	Subsidiary of EIL	Other financial assets	0.86	-
The Orissa Mineral Development Company Ltd	Subsidiary of EIL	Advances recoverable	102.99	1.89
The Orissa Mineral Development Company Ltd	Subsidiary of EIL	Other financial assets	6.48	3.67
The Orissa Mineral Development Company Ltd	Subsidiary of EIL	Other financial liabilities	-	0.05
International Coal Ventures Pvt Ltd (ICVL)	Associate	Investment in Associate	378.86	378.86
International Coal Ventures Pvt Ltd (ICVL)	Associate	Other financial assets	1.35	1.16
MINAS DE BENGA LIMITADA	ICVL's Joint Venture	Amounts payable	415.27	27.50
MINAS DE BENGA LIMITADA	ICVL's Joint Venture	Other financial assets	15.65	-
RINL Employees' Group Gratuity Fund Trust	Post Employment Benefit Plan	Other financial liability / (asset)	237.38	289.23
Vishakhapatnam Steel Project Employees' Provident Fund Trust	Post Employment Benefit Plan	Other financial liability	15.67	15.39
RINL Employees' Superannuation Benefit Fund Trust	Post Employment Benefit Plan	Other financial liability	397.20	422.26
RINL PRMS Trust	Post Employment Benefit Plan	Other financial assets	0.69	2.76

Note:
In addition to above, the company has invested an amount of ₹ 4.00 Crores in Equity Shares of M/s RPTPL for which necessary provision has been made in the books of accounts (Refer Note No. 5)

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Provision for doubtful debts related to the amount of outstanding balances	-	-

G. Key management personnel compensation & Sitting Fee paid

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Short-term employee benefits	2.42	1.91
Post-employment benefits	1.13	0.56
Other long-term benefits	1.74	0.59
Sitting fee paid to Independent Directors	0.25	0.10
	5.55	**3.16**

H. Transactions with Government Related Entities

During the year, significant amount of purchase of indigenous raw materials i.e., Iron ore of about ₹ 3499.14 Crs (Prev. Year : ₹ 6890.08 Crs) were procured from National Mineral Development corporation (NMDC), a central PSU. Also the company has made sale of coal amounting to ₹ 103.07 Crs (CPLY: ₹ 183.88 Crs) to NMDC. The Company has also entered into other transactions such as service contracts, fuel purchase etc. with other various government related entities. These transactions are insignificant individually and collectively and hence not disclosed.

54. Current and Non-current Classification

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

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.Deferred tax assets and liabilities are classified as Non-current only.

55. The company is the single Cash Generating Unit consisting of many assets that are largely dependent on each other for generating cash flows. The Company is the manufacturer of Steel Products and it is not exposed to any technology obsolesce, legal restriction, etc. Accordingly, there is no indication that exists on the reporting date to carry out the assessment of impairment of the assets by the company. Hence, as on the reporting date, no impairment loss is required to be provided.

56. Going Concern Assessment

1. The management of the company has carried out an assessment on the Company's ability to continue as a Going Concern considering a wide range of factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing etc.,
2. As a part of the assessment of its ability to continue as a going concern, the management of RINL has taken into consideration the following factors from the financial year under report as well as the financial year ahead.

a. Its track record of Debt servicing without default.

b. Its successful and strategic deployment of its resources and capacities and market opportunities to optimise its costs and maximize its revenues during the year despite adverse conditions owing to volatile pricing and availability issues of Coking coal and thermal coal during the earlier part of the previous financial year.

c. Assured supply of and support from vendors of major materials pursuant to settlements and long term agreements/MOUs made with them during the year.

d. Active engagement with lenders from time to time for their continued support in terms of financing of its working capital needs.

e. There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future during the year.

3. Based on its performance during the year under report, the management of the company has also made the following estimates for its next financial year in the following manner:

i. Gross Sales Turnover of ₹ 35,857 Crores for the FY 2023-24 as against the actual turnover of ₹ 22,778 Crores achieved during 2022-23 due to higher capacity utilisation envisaged.

ii. Gross sales volume of 5.79 million tonnes of saleable steel for the FY 2023-24 as against 3.74 million tonnes achieved in 2022-23.

iii. The production for the year 2023-24 at 5.80 Million tonnes of saleable steel as compared to 3.96 million tonnes achieved during 2022-23.

iv. Generation of positive cashflows from operations during FY 2023-24.

In view of the above, the management of the company believes that the Company has the ability to continue as a going concern due to the steps taken by the company to continue its operations in the FY 2022-23 and the action plan for the FY 2023-24.

57. Disinvestment of Rashtriya Ispat Nigam Limited:

The Cabinet Committee on Economic Affairs (CCEA), in its meeting held on 27.01.2021, had given "in principle" approval for 100% disinvestment of GOI shareholding in RINL along with RINL's stake in its Subsidiaries/JVs through strategic disinvestment by way of privatization. An Inter-Ministerial Group has been constituted by Ministry of Finance vide office order dtd. 12.02.2021, for driving the process of strategic disinvestment of RINL. Transaction Advisor (TA), Legal Advisor (LA) and Asset Valuer (AV) have been appointed by GoI to take forward the process of 100% disinvestment of RINL. Information / data / agreements / reports / clarifications (queries related to Corporate structure, Financials, Operations, Land, JV and Subsidiaries, Employees, Litigations, Status of contracts, etc.) as sought by the LA & TA from time to time is being furnished by RINL. To facilitate sharing of voluminous data/information/reports required for the process of disinvestment, as advised by the TA, a Virtual Data Room (VDR) Service provider has been appointed by RINL and the VDR is in place from 30-Mar-2022.

58. a) The Company's business is construed as one business segment which comprises of mainly production of Steel products, whose associated risks and returns are predominantly the same. Further, the Company has no geographical segments which are subject to different risks and returns.

b) Previous years's figures have been rearranged / regrouped wherever necessary to confirm to current year's classification.

NOTES ON SUBSIDIARIES AND JOINT VENTURES

SUBSIDIARIES:

Eastern Investments Limited (EIL)

EIL is a Non Banking Financial Company (NBFC) and income of the company is mainly derived from (i) Dividends from investments in shares of various companies including subsidiary companies and (ii) Interest on term deposits with banks and deposits in bonds.

EIL is the holding company of The Orissa Minerals Development Co. Ltd. (OMDC) and The Bisra Stone Lime Company Ltd. (BSLC).

Performance of EIL during FY 2022-23 as per Standalone Accounts:- (₹ in Crs)

Particulars	FY 2022-23	FY 2021-22
Total Income	0.57	0.81
Profit Before Tax	(3.58)	(0.44)

Performance of EIL during FY 2022-23 as per Consolidated Accounts:- (₹ in Crs)

Particulars	FY 2022-23	FY 2021-22
Total Income	129.18	176.05
Profit Before Tax	(20.47)	(4.86)

The Orissa Minerals Development Company Limited (OMDC)

OMDC has six mining leases in the state of Odisha with reserves of 206 million tonnes of Iron Ore and 44 million tonnes of Manganese Ore. Three mines , Bagiaburu, Bhadrasahi , Belkundi in the name of OMDC and the other three viz., Kolha Roida , Thakurani , Dalki under Power of Attorney by Bharat Process and Mechanical Engineers Ltd.(BPMEL), another CPSE under Ministry of Heavy Industry. At present BPMEL is under liquidation. All six mines were inoperative since 2010 for want of statutory clearances & renewal of lease rights.

Pursuant to the judgment of Hon'ble Supreme Court dated 02.08.2017. Dy. Director of Mines, Odisha had issued different demand notices to the company and to BPMEL towards compensation against excess mining amounting to ₹ 1,563.76 Crs (i.e. ₹ 702.19 Crs. for OMDC and ₹ 861.57 Crs. for BPMEL). OMDC has paid the compensation of ₹ 876.22 Crs. towards OMDC mining leases (Incl. interest of ₹ 174.03 Crs) and ₹ 27.15 Crs as advance towards BPMEL mining leases. The balance amount of compensation for BPMEL mining leases along with interest up to 31.03.2023 of ₹ 1860.61 Crs is shown as contingent liability since the mining right of BPMEL leases are sub-judice and the consequences of legal outcome is unknown.

At present, the company derives its income mainly from disposal of old Iron ore lying at Bhadrasahi Mines and Bagiaburu mines.

Performance of OMDC during FY 2022-23: (₹ in Lac.)

Particulars	FY 2022-23	FY 2021-22
Total Income	4494.99	8947.04
Profit Before Tax	(2721.94)	(1357.06)

Present Status:-

The MoEF & CC, Govt of India , New Delhi has granted EC for Bagiaburu Mines on 14.7.2023. Operationalization of Bagiaburu Mines is most likely by Aug'23 after receipt of CTO (Consent to Operate) from Govt. of Odisha.

Future Outlook:-

The reasonable progress is made for obtaining the statutory clearances of other two mines i.e. Belkundi and Bhadrasahi mines. MDO (Mines Developer and Operator) agency contract was awarded by the Company on 01.10.2022. Operationalization of Belkundi Mines will be made after successful conduct of Public Hearing (earlier scheduled on 16.06.23 which was postponed. The reschedule of same is to be announced by Dist. Collector of Keonjhar, Odisha) and after clearance of other statutory requirements.

The Bisra Stone Lime Company Ltd. (BSLC)

BSLC is currently engaged in mining and marketing of limestone and dolomite. The mines are located at Birmitrapur in the district of Sundargarh, Odisha. The company is having reserves of about 287 million tonnes of dolomite and 367 million tonnes of limestone.

The company had shown growth in Production and Financials as detailed below:

Particulars	FY 2022-23	FY 2021-22
Production of Dolomite & Limestone (Incl. Fines) (in lakh MT)	11.02	12.42
Despatches / Sales volume (in lakh MT)	11.09	11.50
Total Income (₹ in Cr.)	86.73	85.62
Profit Before Tax (₹ in Cr.)	12.07	7.81

Future Outlook:

a) New MOU price for Dolomite was implemented on plants.
b) Road dispatches started for Dolomite and Limestone.
c) Enrolled in GeM Portal for participation in tenders for sale of materials.

JOINT VENTURES

International Coal Ventures Private Limited (ICVL)

International Coal Ventures Private Limited (ICVL) was set up as a Joint Venture Company with SAIL, CIL, RINL, NMDC and NTPC in the shareholding ratio of 2:2:1:1:1 as the promoter companies respectively for securing metallurgical coal and thermal coal assets in overseas territories. Present Shareholding ratio between SAIL, RINL and NMDC is 48:26:26 as CIL and NTPC are not interested in further investments.

International Coal Ventures Private Limited (ICVL) has a 100% subsidiary in Mauritius by the name of ICVL Mauritius Limited which has a step down 100% subsidiary namely Riversdale Mining (Pty) Limited (RMPL) in Australia which in turn holds a share of 65% stake in Minas De Benga Mauritius Limited (MBML), along with Tata Steel (TSL) which is holding remaining 35% stake. MBML, in turn, has been holding 99.5% shares in Minas de Benga Lda (MBL). MBL is operating Benga Mine which is having 236 million tonnes of mineable reserves in Tete Province of Mozambique and also exports coal to SAIL and RINL.

In addition, RMPL is also the 100% owner of ICVL Zambeze Mauritius Ltd (IZML), a company incorporated in Mauritius and which is holding 100% shares of ICVL Zambeze Lda (IZL). IZL is owner of Greenfield Mines in Mozambique with estimated Coal reserves of about 493 million tonnes. Performance of Minas De Benga Ltd (MBL) during FY 2022-23:-

(in million tons)

Particulars	FY 2022-23	FY 2021-22
Production		
Low Ash Coking Coal	1.18	1.30
High Ash Coking Coal	0.451	0.447
Export Sales		
Low Ash Coking Coal	1.253	1.233
High Ash Coking Coal	0.46	0.31

Performance of ICVL during FY 2022-23 as per Consolidated Accounts:- (₹ in Crs)

Particulars	FY 2022-23	FY 2021-22
Total Income	118.58	177.96
Profit Before Tax	(126.46)	(22.54)

Future Outlook:

a) Exploring new markets for Benga coal

b) Taking initiatives for adding Locomotives and wagons which would help in railing more coking coal to Beira Port, thereby improving total sales revenue.

c) Undertaken three major Capex projects wherein the DPRs are under preparation

- Zambeze Coal Mine – Green Field Project
- Tete East Coal Mine – Green Field Project
- Benga Coal Mine – Doubling of CHPP Capacity

RINL Powergrid TLT Private Limited (RPTPL)

RPTPL is a Joint Venture Company of RINL and POWERGRID with 50:50 shareholding. The JV Company is formed for engaging in the business of Manufacture of Transmission Line Towers (TLT) and other related allied activities. M/s MECON was engaged as Project Management Consultant (PMC) for End to End Consultancy for the entire RPTPL Project.

However, in view of the changed business scenario, POWERGRID Board accorded approval for closure of RPTPL and to seek consent of RINL for winding up/ dissolution of RPTPL. Subsequent to the decision of the Board of M/s POWERGRID, Board of RINL agreed for winding up of RPTPL subjected to approval by Ministry of Steel (MoS). Approval for closure of RPTPL is received from MoS on 11.07.2022. Meanwhile, as directed by RPTPL Board a Joint Working Committee (JWC) was formed with representatives from both RINL and POWERGRID to expedite the closure of the contracts of RPTPL project along with end to end consultant M/s. MECON to avoid further financial implications.

However, winding up process could not be initiated as M/s SRICO, contractor for Site Enabling works, served notice on 17-12-2022 for invocation of Arbitration as per the clause 39.1 of the Work order. RPTPL Board discussed the same and requested M/s MECON to examine the subject matter and take necessary action as required under the Arbitration and Conciliation Act and to initiate Conciliation Proceedings where both M/s. MECON and RPTPL will participate together. Subsequently, Conciliator has been appointed by M/s. MECON based on the preference of M/s SRICO and currently Conciliation Proceedings are under progress.

As the Company will not be able to do further activity in the near future, the financial statements are not prepared on the assumption of going concern.

FINANCIAL HIGHLIGHTS

(₹ in Crores)

The Financial performance of Subsidiaries/Joint Ventures/ Associate Companies & RINL Group (Consolidated)	Subsidiaries(Standalone)*						Associate		RINL Group		RINL	
	EIL		OMDC		BSLC		ICVL (Consolidated)		Consolidated		Standalone	
Particulars	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Total Income	0.57	0.81	44.95	89.47	86.73	85.62	11.86	17.80	23137.09	28793.94	23038.43	28647.07
Profit before finance charges, Tax, Depreciation/ Amortisation (PBITDA)	(0.11)	0.27	(2.10)	31.60	13.28	8.79	(3.97)	(6.12)	(408.85)	3500.11	(377.28)	3468.71
Less: Finance Charges	-	-	24.43	30.00	0.83	0.64	122.49	16.42	1756.47	1572.01	1738.23	1545.56
Profit before Depreciation/ Amortisation (PBTDA)	(0.11)	0.27	(26.52)	1.59	12.45	8.15	(126.46)	(22.54)	(2165.32)	1928.10	(2115.51)	1923.15
Less: Depreciation	-	-	2.23	15.31	0.38	0.35	0.00	0.01	1195.44	1220.29	1192.83	1204.63
Profit before exceptional items	(0.11)	0.27	(28.75)	(13.72)	12.07	7.81	(126.46)	(22.54)	(3360.76)	707.81	(3308.34)	718.52
Less: Exceptional items	4.71	-	(1.53)	(0.15)	-	-	0.00	0.00	(71.01)	(223.06)	(71.88)	(223.06)
Net Profit before Taxation (PBT)	(4.81)	0.27	(27.22)	(13.57)	12.07	7.81	(126.46)	(22.54)	(3289.75)	930.87	(3236.46)	941.58
Provision for taxation	(1.24)	0.71	(10.68)	0.92	0.34	-	0.00	0.00	(389.30)	30.02	(377.72)	28.39
Profit/(Loss) after Taxation (PAT) before Non-controlling interests	(3.58)	(0.44)	(16.54)	(14.49)	11.74	7.81	(126.46)	(22.54)	(2900.45)	900.85	(2858.74)	913.19
Total comprehensive income for the year before Non-controlling interests	(3.58)	(0.44)	(16.33)	(14.54)	9.88	7.13	166.06	90.80	(2750.77)	949.70	(2783.31)	933.35
Payment of dividend incl Dividend Tax	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-	-	-	-	-	-

*Subsidiaries Standalone Financials without inter company eliminations.

Form AOC-I

(Pursuant to first provisio to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) rules, 2014)

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

PART "A": SUBSIDIARIES

(₹ in Crores)

1	Sl No	1	2	3
2	Name of the Subsidiary	Eastern Investments Limited (EIL)	The Bisra Stone Lime Company Limited (Subsidiary of EIL)	The Orissa Minerals Development Company Limited (Subsidiary of EIL)
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as holding company's reporting period i.e Financial year ending 31st March 2023.		
4	Reporting currency and Exchange rate as on the last date of relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable	Not Applicable
5	Share Capital	1.44	87.29	0.60
6	Reserves & Surplus	265.73	(218.50)	(13.40)
7	Total assets	269.34	54.47	395.23
8	Total Liabilities	2.16	185.68	408.03
9	Investments	260.55	0.00	0.02
10	Turnover	0.37	86.19	35.53
11	Profit Before Taxation	(4.81)	12.07	(27.22)
12	Provision for Taxation	(1.24)	0.34	(10.68)
13	Profit After Taxation	(3.57)	11.73	(16.54)
14	Proposed dividend	-	-	-
15	% of shareholding	51.00%	50.22%*	50.01%

* Extent of holding through EIL is 50.01% and directly is 0.21%.

1	Name of Subsidiaries which are yet to commence operations	NIL
2	Name of Subsidiaries which have been liquidated or sold during the year	NIL

PART "B" : ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl No	PARTICULARS	International Coal Ventures Private Limited	RINL Powergrid TLT (P) Ltd
1	Latest Audited Balance Sheet Date	Same as holding company's reporting period i.e Financial year ending 31st March 2023.	
2	Shares of Associate/Joint Ventures held by the company on the year end		
	No.	378859405	4000000
	Amount of Investment in Associates/ Joint Venture (₹ in Crores)	378.86	4.00
	Extend of Holding %	25.94%	50.00%
3	Description of how there is significant influence	Associate	Joint Venture
4	Reason why Associate/Joint Venture is not consolidated	Not Applicable	Not Applicable
5	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in Crores)	659.64	0.00
6	Profit/Loss (-) for the year		
	i. Considered in Consolidation	(32.81)	0.00
	ii. Not Considered in Consolidation	(93.65)	0.00

1 Name of associates/Joint Ventures which are yet to commence operations- NIL

2 Name of associates/Joint Ventures which have been liquidated or sold during the year- NIL

For and on behalf of Board of Directors

Sd/-
(Atul Bhatt)
Chairman-cum-Managing Director
DIN : 07639362

Sd/-
(Dr Suresh Chandra Pandey)
Director (Finance)
DIN: 10149587

Sd/-
(M Jagadeeshwara Rao)
Company Secretary
Membership No: FCS 8581

Sd/-
(V Santa Kumar)
CGM (Finance) and Chief Financial Officer

Place : Visakhapatnam
Date : 08th August, 2023

Grandhy & Co.
Chartered Accountants

Enclosure to Directors' Report

MIG-36, 4-68-1/4
Lawsons Bay Colony
Visakhapatnam - 530 017

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RASHTRIYA ISPAT NIGAM LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **RASHTRIYA ISPAT NIGAM LIMITED** (hereinafter referred to as the "Holding Company") its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") Eastern Investments Limited (EIL) and its subsidiaries – The Orissa Minerals Development Company Limited (OMDC), The Bisra Stone Lime Company Limited (BSLC) and Borrea Coal Company and its associate companies- The Burrakur Coal Company Limited, The Karanpura Development Company Limited;- the Holding Company's Joint Venture – RINL PowerGrid TLT Private Limited; and the Holding Company's Associate Company, International Coal Ventures Private Limited; comprising the Consolidated Balance Sheet as at 31st March, 2023, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and Statement of Changes in equity for the year then ended on that date, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view, in conformity with the Indian Accounting Standards ("IND AS") prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Group (as referred to below in the Other Matter Paragraph) as at 31st March 2023, and its consolidated profit including other comprehensive income, its Consolidated cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing ("SA" s) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Material Uncertainty related to Going Concern:

In respect of Holding Company,

We draw attention to Note - 56 to the Standalone Financial Statements, which indicates that the Company has incurred a cash loss of ₹ 1,987.79 Crores and is also facing cash flow problems. The Negative Cash Flow from operating activities is ₹ 838.54 Crores, also the Company has incurred losses for the FY 2022-23 of ₹ 2,783.31

Crores and accumulated losses of ₹ 7,436.08 Crores as on 31st March 2023. The company is having current liabilities exceed the current assets by ₹ 13,725.67 Crores as on March 31, 2023.

In our opinion, the assumptions made by the company with regard to the state of its affairs in the near future depend on many major factors such as, the demand for its products in a competitive market, quantity of sales, the prices realizable, Raw Material Availability and its index price fluctuations therefor, which are beyond the control of the company, and may therefore indicate that a material uncertainty exists on the company's ability to continue as a Going Concern unless all the aforesaid factors materialize as per the company's assumptions.

Our opinion is not modified in respect of this matter.

In respect of Sub-Subsidiary The Bisra Stone Lime Company Limited,

"The Bisra Stone Lime Co. Limited" (BSLC), the company (BSLC) has accumulated losses and net worth has been fully eroded. The appropriateness of assumption of going concern is critically dependent upon market scenario, the debt resolution of the company, the company's ability to raise requisite finance, generation of cash flows in future to meet its obligation and to earn profit in future.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to following in the Notes to the Consolidated Financial Statements:

1. **In respect of Holding Company,**

   We draw the attention to Note - 3 of the accounts regarding submission of declaration to the Bankers as to Date of Commencement of Commercial Operations (DCCO) of Forged Wheel Plant (FWP) vis-à-vis the actual date on which the plant was ready for the intended use by the company. The management is of the view that the output produced prior to 30th April, 2023 was not in commercially feasible quantities and in such practicable manner that forged wheel plant is ready for use as intended by the management. The requirement by Indian Railways to put the plant to 'demonstrable actual production' for certain period is for the purpose of pressing upon RINL for bringing the plant to such standard of performance as is envisaged in the MoU. Indian Railways being the exclusive customer for RINL w.r.t. the intended production from FWP, the latter is under the contractual obligation to achieve the commercial exploitation or feasibility of the plant as per the former's approval or acceptance. The capitalization date hence could be 30th April, 2023, as this is the date by which the plant was brought to the location and condition necessary for it to be capable of operating in the manner intended by the management and various factors such as, technological parameters, safety parameters, various pre-requisite and substantive approvals from competent authorities, completion of test runs, etc. were concluded and settled.

2. **In respect of, Eastern Investments Limited, the Subsidiary Company as reported by its Auditors on its Consolidated Financial Statements**:

   a. Note No. 28.1(a) of Standalone financial statements describe the non payment of Rent and cess or land revenue amounting to ₹ 103.31 lacs on Lawrence Property at Bauria, Howrah, West Bengal. The said property is yet to be muted in the name of the Company.

   b. Note No. 28.1(b) of Standalone financial statements describes that demand of ₹ 58.45 lacs from Additional Commissioner of Stamp Revenue , Government of West Bengal for transfer of shares of Orissa Minerals Development Company Ltd (OMDC) and The Bisra Stone Lime Company Ltd. (BSLC) to Eastern Investments Ltd (EIL) from President of India has not been considered in accounts, since the company contends that the said stamp duty is not applicable on it as the transfer of shares were effected by virtue of Restructuring Scheme approved by the Union Cabinet and the said transfer of shares took place from the President of India without any financial consideration.

   c. Note No. 29.2 of Standalone financial statements states that the Company could not comply with RBI Revised Guidelines issued for NBFC.

   d. Note No. 29.3 of Standalone financial statements states that the exceptional items include the Co-Sharing of various common expenses of M/s OMDC and Manpower & other cost charged by

RINL for its employees served to the group companies. The Company also created Deferred Tax Assets on these expenses considering it as an allowable expenditure under the Income Tax Act.

3. **In respect of, The Orissa Minerals Development company Ltd, the Sub-Subsidiary Company:**

    a. Pursuant to the Judgement of Hon'ble Supreme Court dated 02.08.2017, Dy. Director of Mines, Odisha had issued different demand notices dated 02.09.2017, 23.10.2017 & 13.12.2017 to OMDC for OMDC Leases and to BPMEL for BPMEL Leases towards compensation. The amount of Demand for OMDC Leases is ₹ 70218.46 Lacs and for BPMEL Leases is ₹ 86157.12 Lacs, totalling ₹ 156375.58 Lacs towards EC, FC and MP/CTO. OMDC had been operating BPMEL Leases backed by Power of Attorney to sign and execute all mining leases and other mineral concessions from time to time. OMDC has paid the compensation of OMDC Leases of ₹ 87622.10 Lakhs towards OMDC Leases (₹ 1479.68 Lakhs on 29.12.2017, ₹ 13093.47 Lakhs on 16.11.2018, ₹ 693.45 Lakhs on 30.01.2019, ₹ 40000.00 Lakhs on 01.03.2019, ₹ 100 Lakhs on 20.09.2019 and ₹ 32255.50 Lakhs on 03.10.2019) in 2017-18, 2018-19 and 2019-20 out of its own fund of ₹ 56622.10 Lac and borrowed fund from Bank ₹ 31000.00 Lac. OMDC has paid a sum of ₹ 2715.14 Lakhs (₹ 2515.14 Lakhs on 29.12.2017 and ₹ 200.00 Lakhs on 16.11.2018) towards BPMEL Leases under protest. The remaining amount of compensation including interest upto 31.3.2023 against BPMEL Leases amounting ₹ 186061.84 Lac are shown under Contingent Liability.

    b. The mine stock has been assessed by a third party, Superintendence Co. of India (P) Ltd. for qualitative and quantitative verification as on 31.03.2023. The certificate of the said third party mentions in a note that for the old stack No.124 which is located at Thakurani Iron Ore Mines, was lying along the rail track at No.2 siding earlier and a platform along the rail track had been prepared by SE Railway by using the mixed iron ore of the same stack lying along the rail track. The stack could not be assessed as the iron ore has been mixed up with other waste within the platform. Assessment can be done after retrieving, screening, and stacking of ore from the platform.

       The total quantity in the same stake was 18744.124 MT as per physical verification report for 2015-16. The identified stock in 2022-23 by the third party is 1742.98 MT. Management has considered the stock lying under the platform for valuation. SE Railway has issued circular dated 27/10/17 by virtue of which the rights and powers to permit the use of the Railway Siding for the traffic of any person and to work such traffic over this siding has been withdrawn.

    c. The mining operation of the Company is continued to remain suspended due to non-renewal of the leases and non-receipt of requisite clearances from the Government of Odisha and the Central Government. These conditions indicate the existence of a material uncertainty to resume the mining operations. These standalone financial statements have been prepared on a going concern basis mainly for the initiative taken by the Company's management for opening of the mines and resumption of mining operations.

4. **In respect of, The Bisra Stone Lime Company Limited, the Sub-Subsidiary Company:**

    a. Balances under Trade Receivables/Loans & Advances/Trade Payable/Borrowings /Other Liabilities in many cases have not been confirmed and consequent reconciliation/adjustments, if any, required upon such confirmation are not ascertainable at this stage. The impact of the adjustment, if any, in respect thereof on assets and liabilities and Profit for the year with consequential impact on the reported financials remain unascertained.

Our opinion is not modified in respect of above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

In respect of Holding Company,

S.No.	Key Audit Matter (KAM)	How the Matter was addressed in Audit
1.	**Revised Schedule III compliances** Ministry of Corporate affairs as per notification dated 24.03.2021, has revised Schedule III and become applicable on the Company with effect from April 1, 2021 which prescribes detailed guidance for various elements of financial statement line items and requires detailed disclosures as prescribed under the newly applicable Schedule III. The application of new schedule III involves certain key disclosures and interpretations relating to identification of separate ratios and other elements. Accordingly, the matter has been identified as KAM.	The procedures performed by us and other validations includes following: • Assessed the process followed by the management to identify the impact of adoption of revised Schedule III; • Evaluated the appropriateness of the disclosures provided under the new Schedule III and assessed the completeness and mathematical accuracy of the relevant disclosures. Read and assessed the disclosure made in the Financial Statements for assessing compliance with disclosure requirements. Our procedures did not identify any material exceptions.
2.	**Evaluation of Uncertain outcome of pending litigation:** Refer Note No. 52 for policies in respect of contingent liabilities. These litigations involve significant management judgement to determine the possible outcome of the uncertain tax positions and legal cases, consequently having an impact on related accounting and disclosures in the IND AS Financial Statements.	Our Audit procedures include following substantive procedures: a) Obtained understanding of key issues involved in pending tax and other litigations. b) We have obtained from the management information about new legal cases arose during current financial year and latest development. c) We have discussed with appropriate senior management and evaluated underlying key assumptions.
3.	**By-Products Inventory:** Refer to note 10.5, 10.14 & 10.15 of notes to accounts for valuation of by-products amounting to 114.60 crores as at 31st March 2023 and significant accounting judgements, estimates and assumptions related thereto of the standalone financial statements. First time valuation of inventories of by-products mainly consists of Metallurgical Waste and LD Slag generated during the year.The management of the company also sought the opinion of expert advisory committee of the ICAI ('EAC opinion') in the previous years and current year on recognition and measurement of by-product inventories. Valuation of such items requires management to exercise significant judgement in respect of use of estimates for	Our audit procedures included, but were not limited to the following:- - Obtained an understanding of the processes and procedures, including controls relating to Metallurgical Waste & LD slag containing iron ore fines ('by-products').- - Evaluated the working guidelines adopted by the company for valuation of the by-product inventory in accordance with the requirements of IND AS 2, inventory in conjunction with the EAC opinions obtained by the management. According to the information and explanations provided to us, the quantities of stock of two By-products, namely Metallurgical waste of

S.No.	Key Audit Matter (KAM)	How the Matter was addressed in Audit
	determination of the quantity, quality, and valuation rate of these items. Further, on the basis of the expected future salability and plans for captive consumption of such by-product inventories, the management has classified inventory expected to be sold / consumed before 12 months from the date of balance sheet, being the operating cycle of the company, as current inventory. Owing to the insignificant movement in sales / consumption of such by-products inventory, the materiality of the carrying value thereof and the complexities discussed above, we have considered this area as a key audit matter in the current year audit. Further, the management's assessment of classification and valuation of aforesaid inventory as described in note 10 is considered fundamental to the understanding of the users of the standalone financial statements.	2,31,000 MT and LD Slag of 7,30,999 MT respectively, were valued by the company during the FY 2022-23, that have been verified by the company's stock verification department. However, these quantities of stocks are not physically identifiable on yearly basis and as such we could not ascertain them.

In respect of Sub-Subsidiary, The Bisra Stone Lime Company Limited (BSLC),

S.No.	Key Audit Matter (KAM)	How the Matter was addressed in Audit
1.	**Statutory compliances for keeping mines operative** In mining industries there are several compliances w.r.t Wildlife Conservation, Scheme of Mining, Consent to operate, Mines closure plan, Renewal of lease etc. which the company needs to comply for keeping their operations active.	Our procedures in respect of statutory compliance includes the following: We have reviewed necessary provisions made by the management towards expenditures like Wildlife Conservation, Scheme of Mining, Renewal of Lease, Mine Closure Plan etc.
2.	**Evaluation of Uncertain outcome of pending litigation:** Refer to the policies in respect of contingent liabilities. These litigations involve significant management judgment to determine the possible outcome of the uncertain tax positions and legal cases, consequently having an impact on related accounting and disclosures in the IND AS financial statements.	Our audit procedures include following substantive procedures: a) Obtained understanding of key issues involved in pending tax and other litigations b) We have asked the management for new legal cases arose during current financial year and latest development c) We have discussed with appropriate senior management and evaluated underlying key assumptions.

Other Matter

In respect of Holding Company,

A. The Cabinet Committee on Economic Affairs (CCEA), in its meeting held on 27.01.2021, has inter-alia given "in principle" approval for 100% disinvestment of Government of India shareholding in Rashtriya Ispat Nigam Limited along with RINL's stake in its Subsidiaries/JVs through strategic disinvestment by way of privatization. Transaction advisor and Legal advisor have been appointed for carrying out 100% sale of GOI share in RINL. Information / data / agreements / reports / clarifications (queries related to corporate structure, Financials, Operations, Land, JV and Subsidiaries, Employees, Litigations, Status of contracts, etc.) as sought by the LA & TA from time to time is being furnished by RINL. To facilitate sharing of voluminous data/information/reports required for the process of disinvestment, as advised by the TA, a Virtual Data Room (VDR) Service provider has been appointed by RINL and the VDR is in place from 30-Mar-2022. The carrying values may undergo changes on account of such independent evaluations.

B. The Company has granted Right of Way (ROW) to M/s HPCL for routing 200 KV overhead transmission line and 220 KV underground cables through the Company land after obtaining in-principal approval of the Board in its 314th and 315th meeting held on 16.08.2018 and 01.09.2018 respectively.

The Company allotted 53.45 acres of Land to HPCL towards ROW on payment of ad-hoc amount of ₹ 1 Crore per acre prior to commencement of project activity by HPCL. The Company has also granted Right of Way (ROW) to M/s. AMTZ of 1.24 acres by accepting the ad-hoc payment of ₹ 1 Crore per acre prior to commencement of Activity.

The company has communicated to M/s HPCL and M/s AMTZ that the said allotment of land is subject to approval of Ministry of Steel (MoS), Govt. of India. The Board in 343rd meeting held on 27.07.2021 opined that the clearance of Ministry of Finance (MoF), Govt. of India in terms of Sl. No. 28 of GFR-2017 may be required for this allotment.

As per rule -28 of General Financial Rules (GFR-2017), Powers in regard to certain special matters.—

Except in pursuance of the general delegation made by, or with the approval of the President, a subordinate authority shall not, without the previous consent of the Finance Ministry, issue an order which -

(i) involves any grant of land, or assignment of revenue, or concession, grant, lease or license of mineral or forest rights, or rights to water, power or any easement or privilege of such concessions, or

(ii) involves relinquishment of revenue in any way.

In order to comply with the above referred rule 28 of GFR-2017, the Company has been requesting the Ministry of Steel (MoS) to take up the matter with the Ministry of Finance (MoF). However, confirmation of approval in this regard from Ministry of Finance (MoF) is still awaited.

C. We draw your attention to Note No-52, on Contingent liabilities, out of total 105 cases worth ₹ 4,558.46 Crores, as per SA-501, Para A-2, Audit Evidence - Specific Considerations for Selected Items, "Direct communication with the entity's external legal counsel assists the auditor in obtaining sufficient appropriate audit evidence as to whether potentially material litigation and claims are known and management's estimates of the financial implications, including costs, are reasonable". There was no confirmation received from the external legal counsel of the company to us, regarding the evaluation of the likelihood of an unfavorable outcome and an estimate, the status of these liabilities whether crystalized or not cannot be ascertained at this point of time.

D. Ministry of Home Affairs has classified as Visakhapatnam as risk prone area for payment of Risk and Hardship allowance to CISF Employees and in line with MHA circular CISF claimed ₹ 44.14 Crores towards RHA along with arrears for the period from July 2017 to February 2019, as the amount was not paid by the Company, CISF claimed penal interest of ₹ 4.73 Crores for the delay till March 2022 and Risk & Hardship Allowance of liability as on 31st March 2023 is ₹ **66.50 Crores** relating to the period from 1st July 2017 to 31st March 2023. The company disclosed the same as Contingent Liability as on 31st March, 2023. The Management informed us that the Ministry of Steel (MoS) was requested to take up the matter with the Ministry of Home Affairs (MoHA) in this regard.

In respect of, Eastern Investments Limited, the Subsidiary Company as reported by its Auditors on its Consolidated Financial Statements:

A. The Company has only one independent director on its board as on 31.03.23 but as per the section 149 of the Companies Act 2013 regarding constitution of board every listed public company is required to have at least one-third of the total number of directors as independent directors. Hence there is non-compliance in this regard.

B. Section 177 of the Act read with Rule 6 and 7 of Companies (Meetings of Board and its Powers) Rules, 2014 deals with the Audit Committee. The Audit Committee shall consist of a minimum of three directors with independent directors forming a majority. Since the company has only one independent director on its board as on 31.03.23, no audit committee has been formed since September, 2022. So, there is non-compliance of Section 177 of the Act.

C. As required by section 178 of the Companies Act, 2013, the Nomination and Remuneration committee shall consist of three or more non-executive directors out of which not less than one-half shall be independent directors. Since the company has only one independent director on its board, no Nomination and Remuneration committee has been formed since September, 2022.

D. Balances with group companies are not reconciled and consequent reconciliation / adjustments, if any, required upon such confirmation are not ascertainable at this stage.

In respect of, The Bisra Stone Lime Company Limited, the Sub-Subsidiary Company:

A. The Company has only one independent director on its board as on 31.03.23 but as per the relevant provisions of section 149 of the Companies Act 2013 regarding constitution of board every listed public company is required to have at least one-third of the total number of directors as independent directors. Hence there is non-compliance in this regard.

B. Section 177 of the Act read with Rule 6 and 7 of Companies (Meetings of Board and its Powers) Rules, 2014 deals with the Audit Committee. The Audit Committee shall consist of a minimum of three directors with independent directors forming a majority. Since the company has only one independent director on its board as on 31.03.23, no audit committee has been formed. So, there is non-compliance of Section 177 of the Act.

C. As required by section 178 of the Companies Act, 2013, the Nomination and Remuneration committee shall consist of three or more non-executive directors out of which not less than one-half shall be independent directors. Since the company has only one independent director on its board, no Nomination and Remuneration committee has been formed.

Our opinion is not modified in respect of above matters.

We did not audit the financial statements of the subsidiary company of the holding company namely Eastern Investments Limited and its subsidiaries and associate companies of the said Eastern Investments Limited whose consolidated financial statements, reflect its consolidated total assets of ₹ 468.12 Crores as at 31st March 2023, consolidated total revenues of ₹ 98.85 Crores and consolidated net cash and cash equivalents amounting to ₹ 81.26 Crores for the year ending on that date, as considered in these Consolidated Financial Statements. We did not also audit the Financial Statements of the Holding Company's Associate Company namely, International Coal Ventures Private Limited (ICVL) and its subsidiaries, Associates, and Joint Venture. We did not also audit the financial statements of the Holding Company's joint venture company namely RINL PowerGrid TLT Private Limited. The consolidated net loss of ₹ 32.80 Crores, of the said Associate and Joint Venture of the Holding is included, under the Equity Method, in these Consolidated Financial Statements.

The financial statements of the said subsidiary, Associate and Joint Venture of the Holding Company have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary, joint venture and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, joint venture and associate, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance or conclusion thereon. In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the respective companies in the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

In case of the Joint Venture Company RINL PowerGrid TLT Private Limited, as reported by the Auditors, The Board of POWERGRID Corporation has accorded in principle approval for winding-up/ dissolution of RPTPL vide the resolution in its 353rd meeting held on 01.05.2018 and seek consent of the other J.V partner RINL. The proposal was deliberated by RINL Board in its 318th meeting held on 08.03.2019. RINL Board directed to seek the approval for closure of RPTPL from Ministry of Steel (MoS), Government of India and to agree with POWERGRID for winding-up/ dissolution of RPTPL, subject to approval of closure by Government of India. MoS has accorded approval for closure of RPTPL on 11.07.2022.

However, winding up process could not be initiated as M/s SRICO, contractor for Site Enabling works, served notice on 17-12-2022 for invocation of Arbitration as per the clause 39.1 of the Work order, justifying their claim of ₹ 1,95,24,273/- which is compensatory in nature and not as per contractual provisions of contract. The matter was discussed in the 33rd Board meeting of RPTPL held on 10-01-2023 and M/s MECON, end to end consultant for RPTPL, was requested to examine the subject matter and take necessary action as required under the Arbitration and Conciliation Act and to initiate Conciliation Proceedings where both M/s.MECON and RPTPL will participate together. Subsequently, Conciliator has been appointed by M/s. MECON based on the preference of M/s SRICO and currently Conciliation Proceedings are under progress.

After the approval of MoS, RPTPL will cease to exist and likely to be wound up in the future, and therefore it is concluded it is not a going concern and treated accordingly.

The Holding Company (RINL) has considered the same and disclosed the current status on the winding/dissolution of RPTPL under Note no. 6 to the Consolidated Financial Statements.

The Boards of Directors of the respective companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the said companies.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under sec 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the Financial Information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision, and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

  Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. 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 Companies Act, 2013, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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 and proper returns adequate for the purpose of our audit have been received from the branches in India not visited by us.

   c. The report on the accounts of the branch office (IMO Srilanka) of the Company audited under Section143(8) of the Act by branch auditor was not completed as on the date of our audit report.

   d. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the relevant books of accounts maintained for the purpose of the preparation of the consolidated financial statement subject to the observations mentioned below, made in case of The Orissa Minerals Development Company Limited.

   1. Matters highlighted under section 143(6)(b) of companies Act 2013 but not complied : An amount of ₹ 2715 Lakh deposited by OMDC (₹ 2515.14 lakh on 29.12.2017 and ₹ 200 lakh on 16.11.2018) with Govt. of Odisha towards compensation payable under Section 21(5) of Mines and Minerals Development Regulation Act.,1957 on extraction of minerals without/in excess of EC / FC in respect of Leases in the name of BPMEL being operated by OMDC on Power of Attorney basis. The

deposit of ₹ 2715.14 Lakh made by OMDC had been appropriated by Government of Odisha (GoO) as part- payment. In view of uncertainty in getting refund/ adjustment, OMDC should have made full provision against the amount so deposited with GoO. Non-provision of the same has resulted in overstatement of Other Assets and understatement of Loss for the year by ₹ 2715.14 Lakh. This issue was also commented by C & AG on the financial statement of OMDC for the year 2019-20, 2020-21 & 2021-22.

2. Matters highlighted under section 143(6)(b) of companies Act 2013 but not complied Govt of Odisha has renewed (February, 2020) the mining leases of OMDC namely Bagiaburu, Belkundi and Bhadrasai upto 10th October, 2021, 15th August, 2026 and 30th September, 2030 respectively with a direction to execute supplementary lease deed within August 2020. GoO vide order dated 07.12.2021, extended the mining lease validity period of Bagiburu mines from 11.10.2021 to 10.10.2041. For execution of supplementary lease deed, OMDC is liable to pay Stamp Duty (five per cent) and Registration Charges (two per cent), to be assessed as per the GoO. Gazette Notification of January 2012. During the year, Stamp duty and Registration charges of Bagiburu Mines ₹ 610 Lakhs has been paid. And as per the Company's assessment, ₹ 7427 Lakh was payable towards stamp duty and registration charge (Bhadrasai ₹ 3559 lakh and Belkundi ₹ 3868 lakh). No Provision had been made in the Accounts; however, OMDC has disclosed ₹ 14526 Lakh as contingent liability. Non-provision for stamp duty and registration charges payable to GoO towards execution of supplementary lease of two mining leases of OMDC has resulted in understatement of Current Liabilities by ₹ 7427 Lakh.

3. During our verification of inventories under current assets we observed, an amount of ₹ 47.41 lakh on account of value of coal and dolomite lying at closed Sponge Iron Plant (SIP), Thakurani as on 31-03-2023.The coal and dolomite were procured for internal consumption in the SIP which had been closed since 2010 and Management is not desirous of reviving the Plant. Due to very low metallization of the coal and dolomite, no market price is available with the company. Management had assured to review the cost price taken for valuation of coal in 2022-23. However, no assessment has been done before finalization of accounts for the year 2022-23. Valuation of the above coal had resulted in overstatement of inventories by ₹ 47.41 lakh and understatement of loss to the same extent. The same was observed via, Annual Accounts Audit Memo/OMDC/2021-22/10 dated: 07.07.2022. The same is still pending.

4. All the six mines of OMDC are inoperative since 2010 for want of various statutory clearances like Environmental Clearance, Forest Clearance etc. As the mining activities had suspended since 2010, there had been substantial erosion in the condition of such mining equipment, Sponge Iron Plant etc. and they are not in operable condition. Based on Management estimate (2017-18), OMDC provided ₹ 417.93 lakh as provision for restoration cost of these mining equipment. Three years had elapsed from the date of estimation and the mining equipment has deteriorated further. The same is still pending and no further estimation has been made by the company.

5. Ministry of Coal (MoC), GoI allotted (July 2016) Brahmani coal block with an estimated reserve of 58.90 million tonne in Odisha to OMDC. An agreement supposed to be entered between OMDC & MoC stipulating the relevant terms and conditions of allotment namely "Coal Block Development and Production Agreement (CBDPA)". OMDC reviewed the possibilities to surrender the coal block in its 69th Board Meeting dated 14th February 2022 and Board approved the proposal and authorize MD OMDC to execute the process of surrendering the block to MoC. MD OMDC vide letter dated 9th March 2022, requested the Secretary, MoC to facilitate the surrender access of the coal block.

MoC has accepted the letter for surrendering the Brahmani coal block on 25th July, 2022. OMDC incurred ₹ 245.40 lakh for exploration of the said coal block till March 2022 and are exhibited it as Capital Work in Progress. Thus, CWIP on account of Brahmani coal block will not fetch any future benefit to OMDC and should have been charged to P&L as on 31st March, 2023. This has resulted in overstatement in CWIP and understatement of loss for the year 2022-23 by ₹ 245.40 lakh.

6. 3 Mines of Bharat Process and Mechanical Engineers Limited (BPMEL) were operated by OMDC by holding a power of attorney. These Mines have been inoperative since August 2006, November 2006 and December 2009 respectively. Due to non-availability of statutory clearances, the operation of the mines was stopped by GoO. Due to continuous loss in business, BPMEL was referred (1992) to Board of Industrial and Financial Reconstruction (BIFR) which recommended (1996) for liquidation of BPMEL. As on date the ownership is sub-judice under to Hon'ble High Court of Calcutta. The above inventories included iron and manganese ores worth ₹ 951.06 lakh lying in the BPMEL lease premises has been shown as inventory in OMDC. BPMEL leases is sub-judice and renewal of mining leases in favour of OMDC had been rejected by Govt. of Odisha, OMDC cannot sell the ores lying in those area. The compensation payable by OMDC for illegal mining in respect of BPMEL leases stands at ₹ 1,86,061.84 lakh as on 31 March 2023 (including interest). Unless, OMDC pays the compensation in full, Supreme Court and GoO will not allow sell of old stocks lying in BPMEL leases. Government of Odisha vide its letter dated 2 December 2019 had already made it clear that after clearance of all litigations in respect of BPMEL leases, reservation of those mining leases in favour of a central PSU under Ministry of Steel would be considered subject to commitment for payment of mutually agreed premium under MMGC Rules, 2015. As such, issue of lease rights in favour of OMDC seems remote. As per Ind-AS 2, inventories are assets intended for sale during the normal operating cycle of a Company. However, OMDC itself had admitted (15 July 2020) that the ores lying in BPMEL leases are not saleable in the present circumstances. In view of the above, the iron ore and manganese ore lying in BPMEL leases did not satisfy the conditions to be valued as inventory as neither it can be used for consumption in production process not it is saleable in present circumstances. Since, it is not saleable in the normal course of business of OMDC, it should be valued at ₹ 1. Due to this the inventories have been overstated by ₹ 951.06 lakh and with consequential understatement of loss by the same amount.

7. Current Liability includes total ₹ 49.42 lakh dividend payable pertaining to 2012-13 to 2016-17, Out of which disputed dividend is ₹ 32.34 lakh & balance ₹ 17.15 lakh is unpaid dividend. According to Section 124 of The Companies Act 2013 (previously as Companies act 1956) "all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the company in the name of Investor Education and Protection Fund (IEPF)". If a company fails to comply with any of the requirement of this section, the company shall be punishable with fine which shall not be less than five lakh rupees but which may extend to twenty-five lakh rupees. It was noted that the unclaimed dividend for more than 7 years amounting (₹ 3.40 lakh for 2012-13, ₹ 1.36 lakhs for 2013-14 & ₹ 6.03 lakh for 2014-15) total ₹ 10.79 lakh has not been transferred to IEPF yet. Thus, due to violation of Companies Act 2013, the company is liable to pay minimum penalty of ₹ 5 lakhs. The penalty amount may extend to ₹ 25 lakhs.

e. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

f. In our opinion, our observations or comments on financial transactions or matters do not have any adverse effect on the functioning of the company.

g. The provisions of Section 164 (2) of the Act are not applicable to the Government Companies vide notification No. G.S.R. 463[E] dated 5th June, 2015 of Ministry of Corporate Affairs.

h. No qualification, reservation, or adverse remark relating to the maintenance of accounts and other matters connected therewith.

i. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

j. The Company, being a Government Company is exempt from the provisions of Sec 197 of the Companies Act, 2013 pursuant to the Notification No. GSR 463(E) dated 05th June, 2015 issued by the Ministry of Corporate Affairs, Government of India.

k. 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, in our opinion and to the best of our information and according to the explanations given to us:

i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the group as stated in Note No. 54 to the Consolidated Financial Statements;

ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) In respect of subsidiary company (EIL), there was an amount of ₹ 2.27 lacs for F.Y. 2011-12 and ₹ 1.89 lacs for F.Y. 2012-13 and ₹ 0.14 lacs for F.Y. 2013-14 totaling to ₹ 4.30 lacs related to unpaid/ unclaimed dividend which were required to be transferred to the Investor Education and Protection Fund (IEPF) by the subsidiary company within 25-10-2019 and 26-10-2020 and 31-10-2021 respectively but the same has not been transferred to IEPF till the date of our report.

iv)

a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group and its associates and jointly controlled entities to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group and its associates and jointly controlled entities ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Group and its associates and jointly controlled entities from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group and its associates and jointly controlled entities 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;

c) Based on the audit procedures that have been 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

d) As per Rule 11(g) of the Companies (Accounting) Rules, 2014 as amended, companies have been mandated to use accounting software with requisite audit trail facility from 1st April 2023. We are not required to comment on this matter for the year ended 31st March 2023.

v) The Group and its associates and jointly controlled entities has not declared any dividend hence reporting on compliance of section 123 of the Act is not applicable.

As required by the Sec 143(5) of Companies Act, 2013, we give in "Annexure C" a statement on the matters specified by the Comptroller and Auditor General of India for the Group.

For **Grandhy &Co.,**
Chartered Accountants
Firm Registration Number: 001007S
Sd/-
CA. Sudheendra Rao S
Partner
Membership No: 226611
UDIN: 23226611BGQAOY8340

Place: Visakhapatnam
Date: 08th August, 2023.

Grandhy & Co.
Chartered Accountants

MIG-36, 4-68-1/4
Lawsons Bay Colony
Visakhapatnam - 530 017

ANNEXURE -A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RASHTRIYA ISPAT NIGAM LIMITED

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date to the members of Rashtriya Ispat Nigam Limited)

xxi) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us and other auditors for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that qualifications or adverse remarks in these CARO reports are tabulated below:

Sl. No.	Name	CIN	Holding Company/ Subsidiary/ Associate/Joint Venture	Clause Number of the CARO Report which is qualified or adverse
1.	Rashtriya Ispat Nigam Limited	U27109AP1982GOI003404	Holding Company	i (b), (xix)
2.	Eastern Investments Limited	L65993OR1927GOI034842	Subsidiary Company	(i)(a); (i)(b);(i)(c); (vii)(b); (xi)(c) & (xiv)(a)
3.	The Orissa Minerals Development Company Limited	L51430OR1918GOI034390	Sub-Subsidiary Company	(i)(c); (vii); (xvii) & (xix)
4.	The Bisra Stone Lime Company Limited	L14100OR1910GOI033904	Sub-Subsidiary Company	(vii);(ix)(a); (xix) & (xx)
5.	International Coal Ventures Private Limited	U10100DL2009PTC190448	Associate	NIL
6.	RINL Powergrid TLT Private Limited	U28121AP2015PTC097211	Joint Venture	NIL

For **Grandhy &Co.,**
Chartered Accountants
Firm Registration Number: 001007S
Sd/-
CA. Sudheendra Rao S
Partner
Membership No: 226611
UDIN: 23226611BGQAOY8340

Place: Visakhapatnam
Date: 08th August, 2023.

Grandhy & Co.
Chartered Accountants

MIG-36, 4-68-1/4
Lawsons Bay Colony
Visakhapatnam - 530 017

ANNEXURE -B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RASHTRIYA ISPAT NIGAM LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

The Annexure referred to in our report to the members of the Company for the year ended on 31st March 2023.

We report that:

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2023, we have audited the Internal financial controls over financial reporting of **RASHTRIYA ISPAT NIGAM LIMITED** (hereinafter referred to as “the Holding Company”) and its subsidiary companies, its associate companies and jointly controlled companies, that are companies incorporated in India, as of that date. In respect of Subsidiary Companies of M/s. International Coal Ventures Private Limited which are Companies incorporated outside India, the reporting on the adequacy of the internal financial controls over financial reporting in respect of those Companies is not applicable and hence this report is limited to companies incorporated in India only.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its Subsidiary companies, its Associate companies and jointly controlled companies, which are companies incorporated in India, are 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 issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

i) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

ii) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

iii) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its Subsidiary companies, jointly controlled companies and associate company have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 01(One) subsidiary company, and 01(One) jointly controlled company and 01(One) Associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **Grandhy &Co.,**
Chartered Accountants
Firm Registration Number: 001007S
Sd/-
CA. Sudheendra Rao S
Partner
Membership No: 226611
UDIN: 23226611BGQAOY8340

Place: Visakhapatnam
Date: 08th August, 2023.

Grandhy & Co.
Chartered Accountants

MIG-36, 4-68-1/4
Lawsons Bay Colony
Visakhapatnam - 530 017

ANNEXURE -C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RASHTRIYA ISPAT NIGAM LIMITED

The Annexure referred to in our report to the members of the Holding Company for the year ended on 31st March, 2023. We report under section 143(5) of the Companies Act, 2013 in respect of the Holding company and based solely on the reports of the respective Auditors of the Subsidiary, Jointly Controlled Companies and the Associate company, as under:

DESCRIPTION:

1. **Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.**

AUDITOR'S RESPONSE:

RASHTRIYA ISPAT NIGAM LIMITED:

According to the information and explanation furnished to us and on our examination of the accounts, records, reports, and the system in place for the preparation of the same, we report that the company has deployed SAP ERP for the said purpose. Further based on the aforesaid examination no accounting transactions are passed outside the books of accounts that form the basis for the Standalone Financial Statements being audited by us.

EASTERN INVESTMENTS LIMITED:

As explained to us and on the basis of information available, all the accounting transaction are accounted for through the IT system except some operations/transactions which have a bearing on the accounts of the company, takes place outside the system. As per practice all transactions are manually entered in software which maintains regular books of accounts.

In this prevailing system there is a chance of some aforesaid transaction being missed to be accounted for as the flow of accounting transactions are not automated at the point of generation of transactions. The financial implications of transactions outside the IT system are unascertainable.

THE ORISSA MINERALS DEVELOPMENT COMPANY LIMITED:

Yes, all the accounting transactions are accounted for through IT System. However, as explained to us, there are operations/transactions which take place outside the system but have a bearing on the accounts of the Company.

As per past practice, all transactions are manually entered in the software which maintains regular books of account.

As per existing practice, there are chances of some aforesaid transactions being missed to be accounted as the flow of accounting transactions are not automated at the point of generation of transaction. The financial implications of transactions outside the IT system are unascertainable.

THE BISRA STONE LIME COMPANY LIMITED:

The company has a system in place to process all the accounting transactions through IT System except as detailed below which have implication of the processing of transactions outside IT System:

The Company does all the accounting transactions through IT System. However, as explained to us, there are operations/transactions which take place outside the system but have a bearing on the accounts of the Company.

For instance, the accounting transactions flow from the EDP department of the Company which maintains data for Payroll and stores operations are not automatically updated in the software where regular books of accounts are maintained. As per past practice, all said transactions are then manually entered in the software which maintains regular books of account.

As per existing practice, there are chances of some aforesaid transactions being missed to be accounted as the flow of accounting transactions are not automated at the point of generation of transaction. The financial implications of transactions outside the IT system are unascertainable.

INTERNATIONAL COAL VENTURES PRIVATE LIMITED:

The Company's all accounting transactions are processed through tally accounting software.

RINL POWERGRID TLT PRIVATE LIMITED:

Based on the information and representations provided by the management to us and based on the verification procedures performed by us, the Company has system in place to process/ record all the accounting transaction through IT system. No accounting transactions are being recorded/ processed through other than IT system.

2. **Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender company).**

AUDITOR'S RESPONSE:

RASHTRIYA ISPAT NIGAM LIMITED:

According to the information and explanations given to us and on the basis of our examination of records of the Company, there is no restructuring of an existing loans or cases of waiver/ write off of debt/ loans/ interest etc. made by a lender to the company during the year.

EASTERN INVESTMENTS LIMITED:

As explained to us and on the basis of information available, there is no instance of waiver/ write off of debts/ Interest on loan during the current financial year.

THE ORISSA MINERALS DEVELOPMENT COMPANY LIMITED:

To the best of our knowledge and according to the explanations and information given to us, there are no cases of waiver/write off of debts/loans/interest etc. or any restructuring of an existing loan during the period under audit.

THE BISRA STONE LIME COMPANY LIMITED:

Based on our examination of relevant records of the company and the information and explanations received from the Management, there were no cases of restructuring of an existing loan or cases of waiver/write off of debts/loans / interest by any of the lenders of the company due to inability to repay the loan made during the financial year 2022-23.

INTERNATIONAL COAL VENTURES PRIVATE LIMITED:

The company has not availed any loan. There is no restructuring of a loan. No case of waiver/write off of debts/ loans/interest etc. made by a lender to the company due to company's inability to repay the loan. Therefore, the clause is not applicable.

RINL POWERGRID TLT PRIVATE LIMITED:

Based on the information and representations provided by the management to us and based on the verification procedures performed by us, there were no restructuring of loans or cases of waiver/ write-off of debts/ loans/ interest etc., during the year.

3. Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.

AUDITOR'S RESPONSE:

RASHTRIYA ISPAT NIGAM LIMITED:

According to the information and explanations given to us and on the basis of our examination of records of the Company, the company has not received funds (grants / subsidy etc.) for specific schemes from Central/ State Government or its agencies during the year.

EASTERN INVESTMENTS LIMITED:

As explained to us and on the basis of information available, the Company has not received any funds from Central/ State agencies.

THE ORISSA MINERALS DEVELOPMENT COMPANY LIMITED:

As explained to us and on the basis of information available, the Company has not received any funds from Central/State agencies.

THE BISRA STONE LIME COMPANY LIMITED:

Based on our examination of relevant records of the Company and the information and explanations received from the Management, the Company has not received any Funds for specific schemes from central/state agencies during the financial year 2022-23.

INTERNATIONAL COAL VENTURES PRIVATE LIMITED:

During the year under audit, company has not received funds under any specific scheme from Central/ State Government or its agencies, therefore the clause is not applicable.

RINL POWERGRID TLT PRIVATE LIMITED:

Based on the information and representations provided by the management to us and based on the verification procedures performed by us, no funds were received for any specific schemes from Central / State agencies during the year.

For **Grandhy &Co.,**
Chartered Accountants
Firm Registration Number: 001007S
Sd/-
CA. Sudheendra Rao S
Partner
Membership No: 226611
UDIN: 23226611BGQAOY8340

Place: Visakhapatnam
Date: 08th August, 2023.

भारतीय लेखापरीक्षा और लेखा विभाग
महानिदेशक वाणिज्यिक लेखापरीक्षा का कार्यालय, हैदराबाद

INDIAN AUDIT AND ACCOUNTS DEPARTMENT
OFFICE OF THE DIRECTOR GENERAL
OF COMMERCIAL AUDIT, HYDERABAD

सत्यमेव जयते

No. DGCA/A/c/Desk/2022-23/RINL/1.01(A)/201

Date: 27 September 2023

To
The Chairman-cum-Managing Director,
Rashtriya Ispat Nigam Limited,
Visakhapatnam Steel Plant, Administrative Building,
Visakhapatnam- 530031

Sub: - Comments of the C&AG of India under Section 143(6)(b) of the Companies Act, 2013 on the Consolidated Financial Statements of Rashtriya Ispat Nigam Limited, Visakhapatnam for the year ended on 31 March 2023

Sir,

I forward herewith the 'Comments' of Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Consolidated Financial Statements of Rashtriya Ispat Nigam Limited, Visakhapatnam for the year ended on 31 March 2023.

2. The date of placing the comments along with Annual Accounts and Auditors' Report before the shareholders of the Company may please be intimated and a copy of the proceedings of the meeting may be furnished.

3. The date of forwarding the Annual Report and Annual Accounts of the Company together with Auditors' Report and comments of the Comptroller and Auditor General of India to the Central Government for being placed before the Parliament may please be intimated.

4. Ten copies of the Annual Report for the year 2022-23 may please be furnished in due course.

The receipt of this letter along with the enclosures may please be acknowledged.

Yours faithfully,

Encl:- As above

M. S. Subrahmanyam
27/09/23

(M. S. Subrahmanyam)
Director General

महालेखाकार का कार्यालय परिसर, सैफाबाद, हैदराबाद - 500 004.
A.G.'s Office Complex, Saifabad, Hyderabad - 500 004.
e-mail : pdcahyderabad@cag.gov.in

FAX : 040-23231318
Phone : 040-23235131, 040-23239887

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RASHTRIYA ISPAT NIGAM LIMITED FOR THE YEAR ENDED 31 MARCH 2023

The preparation of consolidated financial statements of Rashtriya Ispat Nigam Limited, Visakhapatnam for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) read with Section 129(4) of the Act are responsible for expressing opinion on the financial statements under Section 143 read with Section 129(4) of the Act based on independent audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 08 August 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Rashtriya Ispat Nigam Limited, Visakhapatnam for the year ended 31 March 2023 under Section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of Rashtriya Ispat Nigam Limited, subsidiaries and associate companies listed in Annexure. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) read with Section 129(4) of the Act which have come to my attention and which, in my view, are necessary for enabling a better understanding of the financial statements and the related audit report:

Other Comments

Comments pertaining to Orissa Mineral Development Corporation – a subsidiary of Eastern Investment Limited, Kolkata

Comments on Financial Position

Balance Sheet

1.Capital Work-in-Progress (Notes-6.2): ₹ 339.97 lakh

The above includes ₹ 245.39 lakh incurred by OMDC towards exploration of Brahmani Coal Block. Ministry of Coal, GoI allotted (July 2016) Brahmani Coal Block with an estimated reserve of 58.90 million tonnes in Odisha to OMDC. The Company incurred ₹ 245.39 lakh towards exploration of the coal block and the same had been kept under Capital Work-in-Progress. Subsequently, based on approval (February 2022) of OMDC Board for surrender of the coal block, OMDC requested (May 2022) Ministry of Coal to facilitate the surrender of coal block. Ministry of Coal accorded (July 2022) its approval for surrender of coal block and returned the bank guarantee furnished by OMDC.

As per Ind AS 36, an asset is impaired when the carrying amount exceeds its recoverable amount. As no amount is recoverable from the Capital Work-in-Progress, the same should have been charged as an expense. Depiction of surrendered coal block in Capital Work-in-Progress had resulted in overstatement of Capital Work-in-Progress and understatement of Loss for the year by ₹ 245.39 lakh.

2.Other Current Assets (Note-12B): ₹3,277.73 lakh

The above includes ₹ 2,715.14 lakh deposited by OMDC (₹ 2,515.14 lakh on 29.12.2017 and ₹200 lakh on 16.11.2018) with Government of Odisha towards compensation payable under Section 21(5) of Mines and Minerals Development Regulation Act, 1957 on extraction of minerals without/in excess of Environmental Clearance/Forest Clearance in respect of leases in the name of Bharat Process and Mechanical Engineers Limited (BPMEL), being operated by OMDC on Power of Attorney basis. The deposit of ₹ 2,715.14 lakh made by OMDC had been appropriated by Government of Odisha as part payment. In view of uncertainty in getting refund/adjustment, OMDC should have made full provision against the amount so deposited with Government of Odisha.

Non-provision of the same has resulted in overstatement of Other Current Assets and understatement of Loss for the year by ₹ 2,715.14 lakh.

This issue was also commented by C&AG on the financial statements of OMDC for the years 2019-20, 2020-21 and 2021-22.

3.Other Current Liabilities (Note-22): ₹ 13,853.54 lakh

Government of Odisha has renewed (February 2020) Belkundi and Bhadrasahi mining leases of OMDC upto 15 August 2026 and 30 September 2030 respectively with a direction to execute supplementary lease deeds within three months. For execution of lease deeds, OMDC is liable to pay Stamp Duty (five per cent) and Registration Charges (two per cent), to be assessed as per the Government of Odisha Gazette Notification of January 2012.

As per company's assessment, ₹ 7,427 lakh was payable towards stamp duty and registration charges (Bhadrasahi: ₹ 3,560 lakh and Belkundi: ₹ 3,867 lakh). Non-provision for stamp duty and registration charges payable to Government of Odisha towards execution of supplementary lease deeds of two mining leases of OMDC has resulted in understatement of Current Liabilities by ₹ 7,427 lakh and understatement of Intangible Assets (net of amortization expenses) by ₹ 1,980 lakh. Further, considering the life of the respective leases, current year amortization expenses are understated by ₹ 371 lakh and Retained Earnings (Loss) are understated by ₹ 5,076 lakh.

This issue was also commented by C&AG on the financial statements of OMDC for the years 2019-20, 2020-21 and 2021-22.

4.Other Current Liabilities (Note-22): ₹ 13,853.54 lakh

Government of Odisha had renewed (February 2020) the mining leases of OMDC, namely, Belkundi and Bhadrasahi upto 15 August 2026 and 30 September 2030 respectively with a direction to execute supplementary lease deeds subject to availability of the requisite forest clearance. Subsequently, OMDC applied for extension of forest clearance co-terminus with the extended mining lease period for the above mines. Government of Odisha demanded (October 2021) ₹ 1,974 lakh and ₹ 5,125 lakh towards Net Present Value on the forest land included in the lease out of which OMDC agreed for payment of ₹ 1,808 lakh and ₹ 5,111 lakh respectively and requested Government of Odisha for revision in demand. The amounts had not yet been paid and were disclosed under contingent liabilities of the Company.

As per Para 4.2 of the Ind-AS accounting policy of the Company, mining rights comprising of NPV and related payments to Government authorities for iron ore and manganese mines are amortised over the period of lease from the date of payment or date of renewal of mining lease whichever is earlier. OMDC, however, in violation of its accounting policy had neither provided for the NPV due nor amortised it from the date of renewal of mining lease.

This has resulted in understatement of Current Liabilities and 'Plant Property and Equipment' by ₹ 6,919 lakh. Further considering the life of the respective leases, this has also resulted in understatement of Depreciation and Amortisation Expenses by ₹ 2,387 lakh with consequent understatement of Loss for the year by the same amount. The Contingent Liabilities have also been overstated by ₹ 6,919 lakh.

5.Other Current Liabilities (Note-22): ₹ 13,853.54

In view of delay in realisation from sale of additional undisposed stock/mining operation and urgency to pay the quarterly EMI on short term loan and monthly interest on Funded Interest Term Loan, OMDC availed trade advance amounting ₹ 10,200 lakh from Rashtriya Ispat Nigam Limited (RINL) against future supply of iron ore from OMDC mines.

The trade advance from RINL was interest bearing which was to be calculated at the monthly average rate on the working capital borrowing of RINL on the outstanding trade advance at the respective period. The interest was to be recovered against future supplies first followed by adjustment of principal against value of supplied quantity.

OMDC had not made provisions for interest amounting to ₹ 283.55 lakh due on trade advance as on 31 March 2023. This has resulted in understatement of Other Current Liabilities and Loss for the year by 283.55 lakh.

For and on the behalf of the
Comptroller and Auditor General of India

M. S. Subrahmanyam
27/09/23

(M. S. Subrahmanyam)
Director General of Commercial Audit,
Hyderabad

Place: Hyderabad
Date: 27 September 2023

Annexure

Subsidiaries

1. Eastern Investment Limited, Kolkata and its subsidiaries
   i. Orissa Mineral Development Corporation, Kolkata
   ii. Bisra Limestone Company Limited, Kolkata

2. RINL Power grid TLT Private Limited

Associates

1. International Coal Ventures Private Limited, New Delhi

MANAGEMENT REPLIES ON C & AG COMMENTS ON CONSOLIDATED FINANCIAL STATEMENTS

C&AG Comment	Management Reply
Consolidated Balance Sheet **1. Capital Work-in-Progress (Note no. 3):** **₹ 3.40 crores** The above includes ₹ 2.45 crores incurred by OMDC towards exploration of Brahmani Coal Block. Ministry of Coal, GoI allotted (July 2016) Brahmani Coal Block with an estimated reserve of 58.90 million tonne in Odisha to OMDC. The Company incurred ₹ 2.45 crores towards exploration of the coal block and the same had been kept under Capital Work-in-Progress. Subsequently, based on approval (February 2022) of OMDC Board for surrender of the coal block, OMDC requested (May 2022) Ministry of Coal to facilitate the surrender of coal block. Ministry of Coal accorded (July 2022) its approval for surrender of coal block and returned back the bank guarantee furnished by OMDC. As per Ind AS 36, an asset is impaired when the carrying amount exceeds its recoverable amount. As no amount is recoverable from the Capital Work-in-Progress, the same should have been charged. Depiction of surrendered coal block in Capital Work-in-Progress had resulted in overstatement of Capital Work-in-Progress and understatement of Loss for the year by ₹ 2.45 crores.	The allocated Coal Block was surrendered to Ministry of Coal (MoC) in July-2022. OMDC has paid ₹ 2.45 crores to Central Mine Planning and Design Institute (CMPDIL), a subsidiary of Coal India Ltd. (CIL), a PSU, under Ministry of Coal (MoC), for exploration works. OMDC is yet to pay ₹ 0.11 crores to CMPDIL which was kept as Security Deposit (SD) for the said work. The process of releasing the SD and closure of contract is underway. CMPDIL was requested to submit the "No-Dues Certificate (NDC)" for above job. This is a procedural issue between the two CPSUs and likely to be completed during H1 FY24. After the receipt of NDC, the expenditure under this head (Brahmani Coal Block) will be charged to revenue in OMDC Books of accounts.
2. Other Current Assets (Note no. 10): **₹ 49.02 crores** The above includes ₹ 27.15 crores deposited by OMDC (` 25.15 crores on 29.12.2017 and ₹ 2.00 crores on 16.11.2018) with Government of Odisha towards compensation payable under Section 21(5) of Mines and Minerals Development Regulation Act, 1957 on extraction of minerals without/in excess of Environmental Clearance/Forest Clearance in respect of leases in the name of Bharat Process and Mechanical Engineers Limited (BPMEL), being operated by OMDC on power of Attorney basis. The deposit of ₹ 27.15 crores made by OMDC had been appropriated by Government of Odisha as part payment. In view of uncertainty in getting refund/ adjustment, OMDC should have made full provision against the amount so deposited with Government of Odisha.	OMDC was operating three leases of BPMEL as beneficial owner by virtue of a power of attorney granted by BPMEL (the nominal owner). Pursuant to the order of Hon'ble Supreme Court dated 2.8.2017 in WP(C) 114/2014, the Govt. of Odisha (GoO) imposed a penalty of ₹ 862 Crs for the three leases. The matter is sub-judice. The notices were served on OMDC though addressed to BPMEL. In all probability, OMDC would get to operate the mines of BPMEL. In the worst case scenario, the amount of Rs 27.15 Crs paid by OMDC would be collected from the third party who gets the mines. Hence, the amount paid by OMDC is shown as advance paid to Gov. of Odisha (GoO).

C&AG Comment	Management Reply
Non-provision of the same has resulted in overstatement of other current Assets and understatement of Loss for the year by ₹ 27.15 crores. This issue was also commented by C&AG on the financial Statement of OMDC for the year 2019-20, 2020-21 and 2021-22.	
3. Other Current Liabilities (Note no. 22): ₹ 177.85 crores Government of Odisha has renewed (February 2020) Belkundi and Bhadrasahi mining leases of OMDC up to 15 August 2026 and 30 September 2030 respectively with a direction to execute Supplementary lease deed within three months. For execution of lease deed, OMDC is liable to pay Stamp Duty (five per cent) Registration Charges (two per cent), to be assessed as per the Government of Odisha Gazette Notification of January 2012. As per company's assessment, ₹ 74.27 crores was payable towards stamp duty and registration charges (Bhadrasahi: `35.60 crores and Belkundi: ₹ 38.67 crores). Non-provision for stamp duty and registration charges payable to Government of Odisha towards execution of supplementary lease of two mining leases of OMDC has resulted in understatement of Current Liabilities by ₹ 74.27 Crores and understatement of Intangible Assets (net of amortization expenses) by ₹ 19.80 crores. Further, considering the life of the respective leases, current year amortization expenses is understated by ₹ 3.71 crores and Retained Earnings (Loss) is understated by ₹ 50.76 crores. This issue was also commented by C&AG on the financial statement of OMDC for the year 2019-20, 2020-21 and 2021-22.	Mining Sector is marked by uncertainty around getting "Statutory Clearances" from State Government. OMDC has been struggling to revive it mining operation since more than one decade for want of Statutory Clearances. Further, OMDC has paid ₹ 6.10 crores towards stamp duty & registration fees and executed the supplementary lease deed of Bagiaburu mines for the period from 11.10.2021 to 10.10.2041 after receipt of "Demand Notice" (DN) from Govt. Of Odisha. In case of Belkundi & Bhadrasahi mines OMDC has yet to receive "Demand Notice" towards payment of stamp duty & registration fees. As the stamp duty & registration fees is calculated based on the average sales price of last 12 months (declared by IBM), the stamp duty & Registration fees to be paid to GoO would be different /vary/ change as per the date of Demand Notice. In view of the above, OMDC has not created provision towards stamp duty & registration fees w.r.t. Belkundi & Bhadrasahi mines.
4. Other Current Liabilities: (Note-22): ₹ 177.85 crores Government of Odisha had renewed (February 2020) the mining leases of OMDC namely Belkundi and Bhadrasahi up to 15 August 2026 and 30 September 2030 respectively with a direction to execute supplementary lease deed subject to availability of the requisite forest clearance. Subsequently, OMDC applied for extension of forest clearance co-terminus with the extended mining lease period for the above mines. Government of	The Net Present value (NPV) for Belkundi & Bhadrasahi mines amounting to ₹ 70.99 crores (`19.74 crores and ₹ 51.25 crores respectively) is not paid by OMDC yet. However OMDC has shown the amount of ₹ 70.99 crores as Contingent Liability for FY'23. Meanwhile OMDC has calculated NPV amount as ₹ 69.19 Crores (₹ 18.08 Crores and ₹ 51.11 crores for Belkundi & Bhadrasahi respectively) against the Demand Notice of ₹ 70.99 crores and same was communicated to Forest Dept. of GoO for issuance

C&AG Comment	Management Reply
Odisha demanded (October 2021) ₹ 19.74 crores and ₹ 51.25 crores towards Net Present Value on the forest land included in the lease out of which OMDC agreed for payment of `18.08 crores and ₹ 51.11 crores respectively and requested Government of Odisha for revision in demand. The amounts had not yet been paid and disclosed under contingent liabilities of the Company. As per Para 4.2 of the Ind-AS accounting policy of the Company, mining rights comprising of NPV and related payments to Government authorities for iron ore and manganese mines are amortised over the period of lease from the date of payment or date of renewal of mining lease whichever is earlier. OMDC, however, in violation of its accounting policy had neither provided for the NPV due nor amortised it from the date of renewal of mining lease. Thus, this has resulted in understatement of Current Liabilities and 'Plant Property and Equipment' by ₹ 69.19 crores. Further considering the life of the respective leases, this has also resulted in understatement of Depreciation and Amortisation Expenses by ₹ 23.87 crores with consequent understatement of Loss for the year by the same amount. The Contingent Liabilities has also been overstated by ₹ 69.19 crores.	of Revised final Demand Notice. OMDC is yet to receive the revised final Demand Notice. In view of pending final Demand notice from GoO, and the fact that the mining lease of both mines (Belkundi & Bhadrasahi mines) has been extended but not renewed, amortization of NPV over the period of lease was not done during FY'23. However, OMDC expects the same to be completed during FY'24 after the receipt of Revised final Demand Notice from the Govt. of Odisha (GoO).
5. Other Current Liabilities: Provision (Note-22): **₹ 177.85 crores** In view of delay in realisation from sale of additional undisposed stock/mining operation and urgency to pay the quarterly EMI on short term loan and monthly interest on Funded Interest Term Loan, OMDC availed trade advance amounting ₹ 102.00 Crores from Rashtriya Ispat Nigam Limited (RINL) against future supply of iron ore from OMDC mines. The trade advance from RINL was interest bearing which was to be calculated at the monthly average rate on the working capital borrowing of RINL on the outstanding trade advance at the respective period. The interest was to be recovered against future supplies first followed by adjustment of principal against value of supplied quantity. OMDC had not made provisions for interest amounting to ₹ 2.84 Crores due on trade advance as on 31 March 2023. This has resulted in understatement of Other Current Liabilities and Loss for the year by ₹ 2.84 Crores.	The trade advances received from RINL is interest bearing which is calculated at the monthly average rate on the working capital borrowing of RINL on the outstanding trade advance at the respective period (monthly basis). Subsequent to the receipt of information from RINL, the same was taken in the books of account of Q1 FY'24.

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2023

(₹ in Crores)

Particulars	Notes	31st March 2023	31st March 2022
I Assets			
Non-current assets			
(a) Property, plant and equipment	3	18504.22	19442.04
(b) Capital work-in-progress	3	2979.83	2682.21
(c) Investment Property	4	0.06	0.06
(d) Goodwill	5	149.49	149.49
(e) Other intangible assets	5	21.29	23.69
(f) Intangible assets under development	5	-	-
(g) Equity Accounted Investees	55	659.64	616.56
(h) Financial assets			
(i) Investments	6	1.92	1.72
(ii) Trade Receivables	12A	-	-
(iii) Loans	7A	1.74	4.92
(iv) Other financial assets	8A	16.59	18.85
(i) Deferred tax asset (net)	9	2486.05	2104.98
(j) Other non-current assets	10	116.66	101.28
Total non-current assets		**24,937.49**	**25,145.79**
Current assets			
(a) Inventories	11	6,612.77	6,093.77
(b) Financial assets			
(i) Investments	6	-	-
(ii) Trade receivables	12B	783.07	915.63
(iii) Cash and cash equivalents	13A	12.76	52.97
(iv) Bank Balances Other than (iii) above	13B	99.18	146.44
(v) Loans	7B	0.20	0.25
(vi) Other financial assets	8B	629.28	565.49
(c) Other tax assets (net)	14A	49.94	58.49
(d) Other current assets	15	915.82	655.53
Total current assets		**9,103.01**	**8,488.57**
Assets classified as held for sale	**16**	**-**	**-**
Total assets		**34,040.50**	**33,634.36**
II Equity and liabilities			
Equity			
(a) Equity share capital	17	4,889.85	4,889.85
(b) Other equity			
(i) Reserves and surplus	18 A	(4,673.17)	(1,853.33)
(ii) Other comprehensive income	18 B	203.97	128.08
(i) Equity attributable to the owners of the company		**420.65**	**3,164.60**
(ii) Non Controlling Interests	**56**	**(71.19)**	**(64.37)**
Total Equity		**349.46**	**3,100.23**

Continued to next page

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CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2023

(₹ in Crores)

Particulars	Notes	31st March 2023	31st March 2022
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19A	9,171.02	8,900.45
(ii) Lease Liabilities	20A	37.54	35.15
(iii) Other financial liabilities	21A	177.22	132.23
(b) Provisions	22A	1,083.49	1,123.23
(c) Deferred tax liabilities (net)	9	-	-
(d) Other non-current liabilities	23A	7.65	7.25
(e) Government Grants - Deferred - PPE	23B	102.32	108.50
Total non-current liabilities		**10,579.24**	**10,306.81**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19B	11,426.52	8,581.01
(ii) Lease Liabilities	20B	0.69	3.71
(iii) Trade payables	24		
- Total outstanding dues of Micro Enterprises and Small Enterprises		75.96	70.14
- Total outstanding dues of Other than Micro Enterprises and Small Enterprises		4,819.75	5,048.27
(iv) Other financial liabilities	21B	4,699.66	4,250.04
(v) Derivatives	25	10.76	-
(b) Provisions	22B	559.26	535.09
(c) Other tax liabilities	14B	1.83	12.63
(d) Other current liabilities	26	1,511.20	1,720.25
(e) Government Grants - Deferred - PPE	23B	6.18	6.18
Total Current Liabilities		**23,111.80**	**20,227.32**
Total Liabilities		**33,691.04**	**30,534.13**
Total Equity and Liabilities		**34,040.50**	**33,634.36**

The notes 1 to 63 are an integral part of the financial statements.

For and on behalf of the Board of Directors

Sd/-
(Atul Bhatt)
Chairman-cum-Managing Director
DIN : 07639362

Sd/-
(Suresh Chandra Pandey)
Director (Finance)
DIN : 10149587

As per our report of even date
For M/s Grandhy & Co.
Chartered Accountants
Firm Regn No: 001007S

Sd/-
(CA V Santa Kumar)
CGM (Finance) and
Chief Financial Officer

Sd/-
(M Jagadeeshwara Rao)
Company Secretary
M. No. FCS-8581

Sd/-
(CA Sudheendra Rao S)
Partner
Membership No: 226611
UDIN : 23226611BGQAOY8340

Place : Visakhapatnam
Date : 08th August, 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2023

(₹ in Crores)

	Particulars	Notes	For the year ended 31st March 2023	For the year ended 31st March 2022
	Income			
I	Revenue from operations	37	22,912.16	28,507.50
II	Other income	38	224.93	286.44
III	**Total income (I+II)**		**23,137.09**	**28,793.94**
IV	**Expenses**			
	Cost of materials consumed	39	16,973.71	17,781.29
	Changes in inventory of finished goods and work-in-progress	40	(1,380.04)	245.03
	Employee benefits expense	41	2,754.98	2,857.90
	Finance costs	42	1,756.47	1,572.01
	Depreciation and amortisation expense	43	1,195.44	1,220.29
	Other expenses	44	5,164.47	4,403.76
	Total expenses (IV)		**26,465.03**	**28,080.28**
V	**Profit/ (Loss) before exceptional items, share of profit/ (loss) of equity accounted investees and tax (III-IV)**		**(3,327.94)**	**713.66**
VI	Share of profit/ (loss) of equity accounted investees	55	**(32.81)**	**(5.85)**
VII	**Profit/ (Loss) before exceptional items and tax (V+VI)**		**(3,360.75)**	**707.81**
VIII	Exceptional items	44A	**(71.01)**	**(223.06)**
IX	**Profit/ (Loss) before tax (VII-VIII)**		**(3,289.74)**	**930.87**
X	**Tax expense/ (credit):**			
	Current tax		2.48	0.67
	Deferred tax		(391.96)	29.35
	Mat Credit reversal		-	-
	Earlier year adjustments		0.19	-
	Total Tax expense/ (credit) (X)	9	**(389.30)**	**30.02**
XI	**Profit/ (Loss) for the year from continuing operations (IX-X)**		**(2,900.45)**	**900.85**
XII	Profit/ (Loss) for the year from discontinued operations		**-**	**-**
XIII	Tax expense of discontinued operations		**-**	**-**
XIV	**Profit / (Loss) for the year from discontinued operations (after tax) (XII-XIII)**		**-**	**-**
XV	**Profit/ (Loss) for the period (XI+XIV)**		**(2,900.45)**	**900.85**
XVI	**Other comprehensive income**			
	(i) Items that will not be re classified to profit or loss			
	(a) Re-measurements of defined benefit liability /asset		84.68	26.37
	(b) Income tax relating to items that will not be reclassified to profit or loss		(10.89)	(6.93)

Continued to next page

Continued from previous page

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2023

(₹ in Crores)

	Particulars	Notes	For the year ended 31st March 2023	For the year ended 31st March 2022
	(ii) Items that will be re-classified to profit or loss			
	(a) Share of Other comprehensive income of equity accounted investees	55	75.89	29.41
	(b) Income tax relating to items that will be reclassified to profit or loss		-	-
	Other comprehensive income for the year, net of income tax		**149.68**	**48.85**
XVII	**Total comprehensive income for the year (XV+XVI)**		**(2,750.77)**	**949.70**
	Profit attributable to:			
	(i) Owners of the company		(2,894.86)	905.74
	(ii) Non-controlling interests		(5.59)	(4.89)
	Profit for the year		**(2,900.45)**	**900.85**
	Other comprehensive income attributable to:			
	(i) Owners of the company		150.90	49.37
	(ii) Non-controlling interests		(1.22)	(0.53)
	Other comprehensive income for the year		**149.69**	**48.85**
	Total comprehensive income attributable to:			
	(i) Owners of the company		**(2,743.95)**	**955.11**
	(ii) Non-controlling interests		**(6.82)**	**(5.41)**
	Total comprehensive income for the year		**(2,750.77)**	**949.70**
XVIII	**Earnings/ (loss) per each equity share of ₹10 each**	51		
	1. Basic (₹)		(5.92)	1.85
	2. Diluted (₹)		(5.92)	1.85
	Weighted average number of shares used in computing earnings per share			
	Basic		4,88,98,46,200	4,88,98,46,200
	Diluted		4,88,98,46,200	4,88,98,46,200

The notes 1 to 63 are an integral part of the financial statements.

For and on behalf of the Board of Directors

Sd/-
(Atul Bhatt)
Chairman-cum-Managing Director
DIN : 07639362

Sd/-
(Suresh Chandra Pandey)
Director (Finance)
DIN : 10149587

As per our report of even date
For M/s Grandhy & Co.
Chartered Accountants
Firm Regn No: 001007S

Sd/-
(CA V Santa Kumar)
CGM (Finance) and
Chief Financial Officer

Sd/-
(M Jagadeeshwara Rao)
Company Secretary
M. No. FCS-8581

Sd/-
(CA Sudheendra Rao S)
Partner
Membership No: 226611
UDIN : 23226611BGQAOY8340

Place : Visakhapatnam
Date : 08th August, 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (FOR THE YEAR ENDED 31ST MARCH 2023)

a. Equity Share Capital

(₹ in Crores)

Particulars	Amount
Balance as at 1st April 2021	4,889.85
Changes in equity share capital during 2021-22	-
Balance as at 31st March 2022	**4,889.85**
Changes in equity share capital during 2022-23	-
Balance as at 31st March 2023	**4,889.85**

b. Other Equity

(₹ in Crores)

Particulars	Reserves and Surplus							Items of OCI	Total attributable to owners of the Company	Attributable to NCI	TOTAL
	Retained Earnings	Capital Redemption Reserve	Reserves for redeeming Preference shares	Capital Reserve	Investment Reserve	Reserve fund as per RBI Act (Special Reserve)	General Reserve	Other items of OCI			
Balance as at 1st April 2021	(5720.65)	2937.47		(0.46)		0.75	3.84	98.67	(2680.38)	(58.95)	**(2739.33)**
Total comprehensive income for the year ended 31st March 2022	-	-	-	-	-	-	-	-	-	-	-
Profit or loss	905.74								905.74	(4.89)	**900.85**
Other comprehensive income (net of tax)	19.98							29.41	49.37	(0.53)	**48.85**
Total comprehensive income	**925.72**							**29.41**	**955.12**	**(5.42)**	**949.70**
Dividend including dividend distribution tax	-	-	-	-	-	-	-	-	-	-	-
Amounts transferred within the reserves	-	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-	-
Balance at 31st March 2022	**(4794.94)**	**2937.47**		**(0.46)**		**0.75**	**3.84**	**128.08**	**(1725.26)**	**(64.37)**	**(1789.62)**
Total comprehensive income for the year ended 31st March 2023	-	-	-	-	-	-	-	-	-	-	-
Profit or loss	(2894.86)								(2894.86)	(5.59)	**(2900.45)**
Other comprehensive income (net of tax)	75.01							75.89	150.90	(1.22)	**149.68**
Total comprehensive income	**(2819.85)**							**75.89**	**(2743.95)**	**(6.82)**	**(2750.77)**
Dividend including dividend distribution tax	-	-	-	-	-	-	-	-	-	-	-
Amounts transferred within the reserves	-	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-	-
Balance at 31st March 2023	**(7614.78)**	**2937.47**		**(0.46)**		**0.75**	**3.84**	**203.97**	**(4469.20)**	**(71.19)**	**(4540.39)**

The notes 1 to 63 are an integral part of the financial statements.

For and on behalf of the Board of Directors

Sd/-
(Atul Bhatt)
Chairman-cum-Managing Director
DIN : 07639362

Sd/-
(Suresh Chandra Pandey)
Director (Finance)
DIN : 10149587

Sd/-
(CA V Santa Kumar)
CGM (Finance) and
Chief Financial Officer

Sd/-
(M Jagadeeshwara Rao)
Company Secretary
M. No. FCS-8581

As per our report of even date
For M/s Grandhy & Co.
Chartered Accountants
Firm Regn No: 001007S

Sd/-
(CA Sudheendra Rao S)
Partner
Membership No: 226611
UDIN : 23226611BGQAOY8340

Place : Visakhapatnam
Date : 08th August, 2023

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH 2023

(₹ in Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Cash flows from operating activities		
Profit/ (loss) for the year (before tax)	(3,289.74)	930.87
Adjustments for:		
Depreciation and amortisation expense	1,195.44	1,220.29
Finance costs	1,756.47	1,572.01
Share of (profit)/ loss of equity accounted investees	32.81	5.85
Interest income from banks	(0.20)	(0.16)
(Gain) loss on sale of Property, plant and equipment	(0.01)	(0.69)
Unrealised Net (Gain)/ Loss arising on Financial instruments designated as FVTPL	10.76	(8.24)
Operating profit before changes in assets and liabilities	**(294.48)**	**3,719.93**
Changes in assets and liabilities :		
(Increase) decrease in inventories	(519.00)	(1,106.70)
(Increase) decrease in trade receivables and loans	135.80	1.45
(Increase) decrease in other financial assets	(72.29)	(16.29)
(Increase) decrease in other non current assets	0.11	7.41
(Increase) decrease in other current assets	(240.39)	56.18
Increase (decrease) in trade payables	(222.69)	2,933.58
Increase (decrease) in other financial liabilities	630.57	1,453.68
Increase (decrease) in provisions	69.11	(526.95)
Increase (decrease) in non-current liabilities	0.40	0.36
Increase (decrease) in other current liabilities	(209.05)	(46.58)
Cash generated from operating activities	**(721.90)**	**6,476.08**
Income tax paid (net of refund)	(24.82)	(1.37)
Net cash from (used in) operating activities (A)	**(746.72)**	**6,474.71**
Cash flows from investing activities		
Acquisition of property, plant and equipment	(564.14)	(736.75)
Proceeds from sale of property, plant and equipment	0.01	0.69
Interest received from banks	0.20	0.16

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CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH 2023

(₹ in Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Investment in fixed deposits	47.26	(26.97)
Acquisition of investments	(0.20)	(2.65)
Net cash flow from (used in) investing activities (B)	**(516.87)**	**(765.51)**
Cash flows from financing activities		
Proceeds from (Repayment of) long term borrowings	270.57	(1,493.62)
Proceeds from (Repayment of) short term borrowings	2,845.51	(2,426.06)
Interim Dividend paid	0.00	0.00
Repayment of principal portion of Lease Liability	(0.63)	(16.72)
Interest paid	(1,892.07)	(1,784.16)
Net cash flow from (used in) financing activities (C)	**1,223.38**	**(5,720.57)**
Net increase (decrease) in cash and cash equivalents (A+B+C)	(40.21)	(11.38)
Cash and cash equivalents at 1st April	52.97	64.35
Cash and cash equivalents at 31st March	**12.76**	**52.97**
Reconciliation of cash and cash equivalent as per the balance sheet	**31st March 2023**	**31st March 2022**
Cash and cash equivalent as per the cash flow statement	12.76	52.97
Cash and cash equivalent as per balance sheet	**12.76**	**52.97**

The Cash flow statement has been prepared under indirect method in accordance with Ind AS 7.
The notes 1 to 63 are an integral part of the financial statements.

For and on behalf of the Board of Directors

Sd/-
(Atul Bhatt)
Chairman-cum-Managing Director
DIN : 07639362

Sd/-
(Suresh Chandra Pandey)
Director (Finance)
DIN : 10149587

As per our report of even date
For M/s Grandhy & Co.
Chartered Accountants
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Sd/-
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Company Secretary
M. No. FCS-8581

Sd/-
(CA Sudheendra Rao S)
Partner
Membership No: 226611
UDIN : 23226611BGQAOY8340

Place : Visakhapatnam
Date : 08th August, 2023

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31st MARCH 2023

1 Company overview

Rashtriya Ispat Nigam Limited is a company domiciled in India. The Company's registered office is Administrative Building, Visakhapatnam Steel Plant (VSP), Visakhapatnam, Andhra Pradesh. These consolidated financial statements comprises of the Company and its subsidiaries (referred to collectively as the 'Group') and the Group's interest in associates and joint ventures. The Group is primarily involved in the manufacture of steel and related products.

2 Significant accounting policies

2.1 Basis of Preparation

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") and provisions of Companies Act, 2013 i.e. Section 133 of the Companies Act, 2013 as prescribed/ notified and amended from time to time under the historical cost convention on accrual basis except for certain material financial instruments which are measured at fair value.

2.2 Functional and Presentation Currency

The consolidated financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the entity operates. All financial information presented in Indian rupees has been rounded to the nearest two decimals of Crore except share and per share data.

2.3 Use of Estimates and Judgment

The preparation of consolidated financial statements require estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/materialized.

2.4 Basis of consolidation

a. Business Combination

Business combinations (other than common control business combinations) on or after 1 April 2014.

As part of its transition to Ind AS, the Group has elected to apply the relevant Ind AS, viz. Ind AS 103, Business Combinations, to only those business combinations that occurred on or after 1 April 2014. In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognized directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognized in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognized in profit or loss.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Business combinations prior 1st April 2014

In respect of such business combinations, goodwill represents the amount recognized under the Group's previous accounting framework under Indian GAAP adjusted for the reclassification of certain intangibles.

b. Subsidiaries:

RINL consolidates entities which it owns and controls. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

c. Non-controlling interest

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

d. Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in profit or loss.

e. Equity accounted investees

The Group's interest in equity accounted investees comprises interests in associates and joint ventures. Interests in associates and joint ventures are accounted for using the equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases.

f. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

2.5 Inventories

2.5.1 Inventories are valued at lower of cost and net realizable value.

2.5.2 The basis of determining cost is:

a) Finished/Semi-finished goods, Raw materials-Periodic Weighted Average cost.

b) Minor Raw materials, Stores and spares (which do not meet PPE definition), Loose tools-Dynamic Moving Weighted Average cost.

c) All Materials in- transit at cost.

2.5.3 Necessary provisions are made for obsolete /Surplus/Non-moving inventory.
(Guidelines for valuation of inventories are provided at note no. 11)

2.6 Property, Plant and Equipment (PPE)

2.6.1 (a) The Group has adopted the previous GAAP value as the 'deemed cost' in preparing its opening balance sheet as on 01 April 2015.

(b) Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

2.6.2 The cost of property, plant and equipment comprises:

(i) Its purchase price;

(ii) Any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management;

(iii) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Group incurs either at the time of acquisition of asset or as a consequence of having used the asset during a particular period for purposes other than to produce inventory during that period;

(iv) Expenditure attributable/relating to construction to the extent directly identifiable to any specific plant unit, Trial run expenditure net of revenue.

2.6.3 The cost of replacing a part of an item of PPE is recognized in the carrying amount of the item of property, plant and equipment if the recognition criteria are met. Consequently, the carrying amount of the replaced part is derecognized.

2.6.4 Expenditure attributable/relating to construction to the extent not directly identifiable to any specific Plant Unit is kept under 'Expenditure During Construction' for allocation to PPE and is grouped under 'Capital Work-in-Progress'.

2.6.5 All major spares, stand-by equipment and servicing equipment that meet the criteria of property, plant and equipment are capitalized.

2.6.6 Depreciation:

Depreciation is recognized on straight-line basis over the estimated useful life of each part of an item of property, plant and equipment. Depreciation methods, useful lives and residual values are reviewed at each reporting date and where expectations differ from previous estimates, the changes are accounted for as change in accounting estimate.

2.7 Intangible Assets

In case of Holding Co.

2.7.1 Intangible assets are estimated at cost less accumulated amortization and impairment. Intangible assets are amortized on straight line method over their estimated useful life.

2.7.2 Residual values and useful lives of all intangible assets are reviewed at each reporting date. Changes, if any, are accounted for as changes in accounting estimates.

2.7.3 Goodwill that arises on business combination is not amortised and tested for impairment annually. Subsequently measured at cost less accumulated impairment loss.

In Case of Subsidiary

2.7.4 Intangible assets acquired separately

Intangible assets acquired are reported at cost less accumulated amortisation and accumulated impairment losses. Intangible assets having finite useful life are amortised over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.7.5 Internally-generated intangible assets- research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;

- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The group has not recognised any internally-generated intangible assets.

2.7.6 Mining Rights

The costs of mining rights includes amounts paid for afforestation and wild life conservation as determined by the regulatory authorities are capitalised as “Mining rights” in the year in which they are incurred. Cost of pre-production primary development expenditure other than land, buildings, plant and equipment are capitalised as part of the cost of the mining property until the mining property is capable of commercial production. Capitalised mining properties are amortised on a unit-of-production basis over the total estimated remaining commercial reserves of mining property and are subject to impairment review.

2.7.7 Exploration and Evaluation expenditure

Exploration and evaluation expenditure incurred after the group has obtained legal rights to explore in a specific area such as exploration and production licenses, researching and analyzing historical exploration data, exploratory drilling, trenching, sampling and the costs of commercial feasibility studies.

Exploration and evaluation expenditure for each area of interest is capitalised when the expenditure is expected to be recouped from future exploitation or sale of the area of interest and it is planned to continue with active and significant operations in relation to the area, or at the reporting period end, the activity has not reached a stage which permits a reasonable assessment of the existence of commercially recoverable reserves. In all other cases such expenses is charged to profit and loss.

Purchased exploration and evaluation assets are recognised at their fair value at acquisition.

As the capitalised exploration and evaluation expenditure asset is not available for use, it is not depreciated. All capitalised exploration and evaluation expenditure is monitored for indications of impairment. Where a potential impairment is indicated, an assessment is performed for each area of interest or at the CGU level. To the extent that capitalised expenditure is not expected to be recovered it is charged to profit and loss.

Administration costs that are not directly attributable to a specific exploration area are charged to profit and loss. License costs paid in connection with a right to explore in an existing exploration area are capitalised and amortised over the term of the permit.

When commercially recoverable reserves are determined and such proposed development receives the appropriate approvals, capitalised exploration and evaluation expenditure is transferred to capital work in progress. All subsequent development expenditure of underground mines is similarly capitalised, provided commercial viability conditions continue to be satisfied. Proportionate cost of product extracted during the development phase is netted against development expenditure. Upon completion of development and commencement of production, capitalised development costs are further transferred to Mining Reserves, Resources and Rights and depreciated using the unit of production method.

2.7.8 Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised.

2.7.9 Amortisation

The estimated useful lives for the main categories of intangibles assets having finite useful life are as follows:

(a) Acquired computer software is classified as intangible assets and carries an useful life of 4 years.

(b) Mining Rights comprising of NPV and related payments made to government authorities for iron ore and manganese mines are amortised over the period of lease from the date of payment or date of renewal/ deemed renewal of mining lease whichever is earlier.

2.7.10 Deemed cost on transition to Ind AS

For transition to Ind AS, the Group has elected to continue with the carrying value of its intangible assets recognized as of 1st April, 2018 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.8 Exploration and Evaluation Assets (E&E Assets)

2.8.1 Exploration and evaluation expenditure comprises costs incurred after obtaining legal right to explore the area and before establishing technical feasibility and commercial viability of extracting a mineral resource that are directly attributable to:

- researching and analyzing existing exploration data;
- conducting geological studies, exploratory drilling and sampling;
- examining and testing extraction and treatment methods; and/or
- compiling pre-feasibility and feasibility studies.

2.8.2 Exploration and Evaluation expenditure is recognized as an expense, unless the expenditure is expected to be recouped through successful development and exploitation of the area of interest, or alternatively by its sale, in which case it is recognized as an asset.

2.8.3 Exploration and Evaluation assets are classified as tangible (as part of property, plant and equipment) or intangible according to the nature of the assets. These assets are not depreciated till they are recognized as an E&E asset. These assets continue in CWIP and are depreciated once they are recognized as E&E assets.

2.8.4 The carrying values of capitalized evaluation expenditure are reviewed for impairment once a year by management.

2.9 Investment in Subsidiaries and Joint Ventures

Investments in subsidiaries and joint ventures are measured at cost. Diminution in value, other than temporary, is provided for.

2.10 Financial Instruments (Financial Assets and Financial Liabilities):

In case of Holding Co.

All financial instruments are recognized initially at fair value. The classification of financial instruments depends on the objective of the business model for which it is held. For the purpose of subsequent measurement, financial instruments of the company are classified into (a) Non-Derivative Financial Instruments and (b) Derivative Financial Instruments.

a) Non Derivative Financial Instruments

(i) Security deposits, cash and cash equivalents, employee and other advances, trade receivables and eligible current and non-current financial assets are classified as Financial assets under this clause.

(ii) Loans and borrowings, trade and other payables including deposits collected from various parties and eligible current and non-current financial liabilities are classified as financial liabilities under this clause.

(iii) Financial instruments are subsequently carried at amortized cost wherever applicable using Effective Interest method (EIR) less impairment loss.

(iv) Transaction costs that are attributable to the financial instruments recognized at amortized cost are included in the fair value of such instruments.

(b) Derivative Financial Instruments

(i) Derivative Financial Assets and liabilities are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date.

(ii) Changes in the fair value of any derivative Asset or liability are recognized immediately in the Income Statement and are included in other income or expenses.

(iii) Cash flow hedge: Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and presented within equity in the cash flow hedging reserve to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of the related forecasted transaction.

In case of Subsidiary

All financial assets are recognised on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets which are classified as at fair value through profit or loss (FVTPL) at inception. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.

a) Classification of Financial Assets

Financial assets are classified as 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer (under IND AS 32 Financial Instruments: Presentation). All other non-derivative financial assets are 'debt instruments'.

Financial assets at amortised cost and the effective interest method

Debt instruments are measured at amortised cost if both of the following conditions are met:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at amortised cost using the effective interest method less any impairment, with interest recognised on an effective yield basis in investment income.

Financial assets at fair value through other comprehensive income (FVTOCI)

Debt instruments are measured at FVTOCI if both of the following conditions are met:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and selling assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognised in the statement of profit and loss in investment income. When the debt instrument is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified to the statement of profit and loss account as a reclassification adjustment.

At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. Where the asset is disposed of, the cumulative gain or loss previously accumulated in the investments revaluation reserve is directly reclassified to retained earnings.

For equity instruments measured at fair value through other comprehensive income no impairments are recognised in the statement of profit and loss.

Dividends on these investments in equity instruments are recognised in the statement of profit and loss in investment income when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Other Financial Assets (Contract Assets)

Accounts Receivables is the right to consideration in exchange for goods or services, transferred to the Customer. If the Company performs by transferring the goods or services to a Customer before the Customer pays consideration or payment is due, Accounts Receivables (in the nature of Contract Asset) is recognised for the Earned Consideration that is conditional.

Financial assets at FVTPL

Financial assets that do not meet the criteria of classifying as amortised cost or fair value through other comprehensive income described above, or that meet the criteria but the entity has chosen to designate as at FVTPL at initial recognition, are measured at FVTPL.

Investments in equity instruments are classified as at FVTPL, unless the Group designates an investment that is not held for trading at FVTOCI at initial recognition.

Financial assets classified at FVTPL are initially measured at fair value excluding transaction costs.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss. The net gain or loss recognised in the statement of profit and loss is included in the 'other gains and losses' line item.

Interest income on debt instruments at FVTPL is included in the net gain or loss described above.

Dividend income on investments in equity instruments at FVTPL is recognised in the statement of profit and loss in investment income when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Trade receivables, loans and other receivables are classified as subsequently measured at amortised cost. Trade and other receivables which does not contain any significant financing component are stated at their transaction value as reduced by impairment losses, if any.

Loans and other receivables are subsequently measured at amortized cost using the effective interest method, less any impairment. Interest income is recognised by applying the Effective Interest Rate (EIR) method.

Impairment of financial assets

On initial recognition of the financial assets, a loss allowance for expected credit loss is recognised for debt instruments at amortised cost and FVTOCI. For debt instruments that are measured at FVTOCI, the loss allowance is recognised in other comprehensive income in the statement of profit and loss and does not reduce the carrying amount of the financial asset in the balance sheet.

Expected credit losses of a financial instrument is measured in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

At each reporting date, the Group assess whether the credit risk on a financial instrument has increased significantly since initial recognition.

When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the statement of profit and loss.

Derecognition of financial assets

The Group derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition, of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the statement of profit and loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

b) Financial liabilities and equity instruments issued by the Group

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

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

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired or incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may also be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives and IND AS 109 Financial Instruments permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss, except for the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability which is recognised in other comprehensive income.

The net gain or loss recognised in the statement of profit and loss incorporates any interest paid on the financial liability.

Other financial liabilities

1. Other financial liabilities are initially measured at fair value, net of transaction costs.
2. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.
3. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.
4. Trade and other payables are recognised at their transaction cost, which is its fair value and subsequently measured at amortised cost.

(c) Offsetting financial instruments

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

2.11 Impairment

In Case of Holding Co.

2.11.1 Financial assets

(i) The Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost wherever applicable e.g., loans, debt securities, deposits, and bank balance.
- Trade receivables.

(ii) The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

2.11.2 Non-financial assets

The Group assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Group estimates the amount of impairment loss.

In Case of Subsidiary

Impairment of tangible & intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

2.12 Stripping Cost:

Stripping cost in the nature of expense incurred for removing overburden and waste materials is accounted for as follows:

(a) To the extent that the benefit from the stripping activity is realized in the form of inventory produced, the same is accounted for in accordance with the principles of IND AS 2, Inventories.

(b) To the extent the benefit is improved access to ore, stripping cost shall be recognized as a non-current asset.

2.13 Income Taxes:

In Case of Holding Co

Income tax expense comprises of current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

In Case of Subsidiary

Tax expense represents the sum of current tax and deferred tax.

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date and includes any adjustment to tax payable in respect of previous years. Subject to exceptions below, deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes:

- Tax payable on the future remittance of the past earnings of subsidiaries where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- Deferred tax assets are recognised only to the extent that it is more likely than not that they will be recovered

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized directly in other comprehensive income is recognised in the statement of comprehensive income and not in the statement of profit or loss.

Deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred Tax Assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which likely to give future economic benefits in the form of set off against future income tax liability. MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

The carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over Income Tax treatments under Ind AS 12. According to the Appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition – (i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting peiod presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and (ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual period beginning on or after April 1, 2019. The company will adopt the standard on April 1, 2019 without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the consolidated financial statements.

Amendment to Ind AS 12 – Income Taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The company is currently evaluating the effect of this amendment on the consolidated financial statements.

Amendments to Ind AS 19 : On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity :

- To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- To recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Group does not have any impact on account of this amendment.

2.14 Revenue Recognition

2.14.1 Revenue is recognized at fair value when significant risks and rewards of ownership and effective control on goods have been transferred to the buyer. Sales revenue is measured net of returns, discounts and rebates.

2.14.2 Claims against outside agencies are accounted for on certainty of realization.

2.14.3 Revenue arising from the rendering of service is recognized to the extent the service is provided and could be estimated reliably.

2.14.4 Interest income is recognized basing on the effective interest method.

2.14.5 Dividends are recognized at the time the right to receive is established.

2.14.6 Export Incentives are recognized on certainty of realization.

2.15 Employee Benefits

In case of Holding Co

Provisions/Liabilities towards gratuity, post-retirement medical benefits, retirement settlement benefits, Employees' Family Benefit Scheme, encashment of leave and long term service award are made based on the actuarial valuation at the reporting date.

(i) Consequential actuarial gain/loss are charged to Statement of Profit and Loss;

(ii) Actuarial gain/loss relating to Post Retirement Benefits (Defined Benefit Plan) are recognized in other comprehensive income.

In case of Subsidiary

Retirement benefit and termination benefits

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out for half pay leave at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. In countries where there is a deep market in high-quality corporate bonds, the market rate on those bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation are used. However, for retirement benefits like gratuity the provision is made on the basis of 15 days of salary (i.e. Basic + DA) for the month of September (i.e. 15/26 x (Basic + DA) for the month of September). This amount of provision is for the entire year and is recognised proportionately in every quarter whereas for superannuation fund the provision is recorded on a monthly basis, which is calculated @ 15% of Salary (i.e. Basic + DA) of each month. These are charged to statement of profit and loss at the end of each period.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in the statement of profit and loss in the line item employee benefits expense. Curtailment gains and losses are accounted for as past service costs.

When the benefit of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized in profit or loss on a straight line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expenses is recognized immediately in statement of profit and loss.

The Group provides retiring benefits in the nature of provident fund, superannuation and gratuity to its employees.

Obligations for contribution to provident fund and superannuation fund are classified as defined contribution plans whereas retiring gratuity is classified as defined benefit plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

In the case where the acceptance of requests made by employees under the scheme is at the sole discretion of the Group, the expenditure incurred on acceptance of the request is charged off to the Statement of Profit and Loss in the year in which it is incurred.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Other long-term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit retirement plans. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the period in which they arise. These obligations are valued annually by independent qualified actuaries.

2.16 Foreign Currency Transactions

2.16.1 Foreign currency monetary items are disclosed at the closing rate of the reporting period at reporting date. Exchange differences arising on settlement/conversion of foreign currency monetary items are recognized in the statement of profit and loss account.

2.16.2 Non-monetary assets and liabilities are recognized at the exchange rate prevailing at the date of transaction.

2.17 Borrowing Costs

2.17.1 Borrowing costs incurred for obtaining qualifying assets are capitalized to the respective assets wherever the costs are directly attributable to such assets and in other cases by applying weighted average cost of borrowings to the expenditure on such assets.

2.17.2 Transaction costs in respect of long-term borrowings are amortized over the tenor of respective loans using effective interest method.

2.17.3 Other borrowing costs are treated as expense for the year.

2.18 Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with IND AS 16's requirements for cost model, other than those that meet the criteria to be classified as held for sale (or are included in a disposal group that is classified as held for sale) in accordance with IND AS 105.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

2.19 Government Grants

2.19.1 Government grants are recognized when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

2.19.2 Government grants are recognized in the Statement of Profit and Loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate.

2.19.3 A Government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs, shall be recognized in profit or loss of the period in which it becomes receivable.

2.19.4 Where the Group receives grants in the form of non-monetary assets such as land or other resources, both the asset and the grant are recorded at a value assessed by the company based on the evidence available as on the date of initial recognition and released to the statement of Profit and Loss over the expected useful life of asset.

2.19.5 Where the Grant relates to an asset value, it is recognized as deferred income and amortized over the expected useful life of the asset.

2.20 Lease

In Case of Holding Co.

2.20.1 The company as Lessor:

A) Operating Lease:-

i) A contract that is identified as a Lease is classified as 'Operating Lease' when substantially all the risks and rewards incidental to ownership of an underlying asset is not transferred from the company to Lessee.

ii) Income from operating leases is recognized in the statement of profit and loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished.

iii) Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognized on a straight-line basis over the lease term.

iv) Costs including depreciation incurred in earning the lease income is recognized as expense.

v) Impairment if any of underlying asset subject to operating lease is recognized as impairment loss.

vi) The underlying assets subject to operating lease are presented in the Balance Sheet according to the nature of the underlying asset and depreciation thereon is calculated consistent with the company's normal depreciation policy for similar assets.

B) Finance Lease:-

i) A contract that is identified as a Lease is classified as 'Finance Lease' when substantially all the risks and rewards incidental to ownership of an underlying asset is transferred from the company to Lessee.

ii) Amounts due from the lessees under finance lease are recorded as 'Receivables'. Lease rental receipts are apportioned between the finance lease income and capital repayment based on the implicit rate of return. Contingent rents are recognised as revenue in the period in which they are earned.

iii) Finance lease income is allocated to accounting periods over the lease term so as to reflect a constant periodic rate of return on the net investment outstanding in respect of lease.

2.20.2 The company as Lessee:

A) Right Of Use asset (ROU):-

i) The Right Of Use asset (ROU) under the lease is recognised on the commencement date and is measured at cost less any accumulated depreciation and accumulated impairment loss and adjusted for any measurement of the lease liability to reflect any reassessment or lease modification.

ii) The cost of ROU shall comprise:

a) The amount of the initial measurement of the lease liability;

b) Any lease payments made at or before the commencement date, less any lease incentives received;

c) Any initial direct cost incurred by the lessee and

d) The estimated cost to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms of the lease unless those costs are incurred to produce inventory.

iii) The ROU is being depreciated on a straight line basis from the commencement date to the end of the useful life of the underlying asset when the ownership of the underlying asset is transferred to the company by the end of the lease term or when the company is reasonably certain to exercise the purchase option envisaged in the lease. Otherwise, ROU is depreciated on a straight line basis from the commencement date to the earlier of the end of the useful life of the ROU or the end of the lease term.

B) Lease Liability:-

i) Lease liability is measured at the commencement date by discounting the lease payments that are not paid at that date at the interest rate implicit in the lease if, that rate is determinable otherwise the company's incremental borrowing rate is used.

ii) After the commencement date, the lease liability is measured by:

a) Increasing the carrying amount to reflect interest on the lease liability;

b) Reducing the carrying amount to reflect the lease payments made; and

iii) Lease liability is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if the company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is re-measured, a corresponding adjustment is made to the carrying amount of the Right Of Use (ROU), or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

In Case of Subsidiary

2.20.3 On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 has become effective w.e.f. 1 April 2019, which eliminates the classification of leases as either finance or operating lease as required by Ind AS 17, Leases. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Group of companies would be recognising a right-of-use asset and a corresponding lease liability in its balance sheet. Apart from the balance sheet, statement of profit & loss of a company would also undergo a change as operating lease expenses will be bifurcated into depreciation on the Right Of Use asset and interest expense on the lease liability. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the lessee and the lessor. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual period beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective-Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- Modified retrospective - Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement of the date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116, the group of companies is proposing to us the 'Modified Retrospective Approach' for transitioning to Ind AS 116 and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ending or ended March 31, 2019 will not be retrospectively adjusted. The Group has elected certain available practical expedients on transition.

Applicability of Ind AS 116:

This standard applies to all leases, including leases of right-of-use assets in a sublease, except for:

(a) Leases to explore for or use minerals, oil, natural gas, and similar non-regenerative resources;

(b) Leases of biological assets within the scope of Ind AS 41, Agriculture, held by a lessee

(c) Service concession arrangements within the scope of Appendix D, Service Concession Arrangements, of Ind AS 115, Revenue from Contracts with Customer

(d) Licenses of intellectual property granted by a lessor within the scope of Ind AS 115, Revenue from Contracts with Customers

(e) Rights held by a lessee under licensing agreements within the scope of Ind AS 38, Intangible Assets, for such items as motion picture films, video recordings, plays, manuscripts, patents and copyrights

Note: A lessee may, but is not required to, apply this Standard to leases of intangible assets other than those described in above point (v)

Identifying a lease:

Below conditions need to be fulfilled if the contract is to be classified as lease:

Identified asset.

Lessee obtains substantially all of the economic benefits.

Lessee directs the use.

Thus from the above classification, the standard under IND AS 116 cannot be made applicable for the OMDC & BSLC as the main purpose of the business is exploring minerals or similar non-regenerative resources.

Intangible Assets do not cover items such as motion picture films, video recordings, plays, manuscripts, patents and copyrights and there is no such contract where asset has been identified against economic benefits.

Hence IND AS 116 could not be made applicable in FY 2019-20.

2.21 In case of Subsidiary

Critical accounting judgments and key sources of estimation uncertainty:

In the application of the Group's accounting policies, which are described in note 2, the management of the Group is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

2.21.1 Critical judgments in applying accounting policies:

The following are the critical judgments, apart from those involving estimations (see note 2.21.2 below), that the management have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements:

(i) Financial assets at amortised cost:-

The management has reviewed the Group's financial assets at amortised cost in the light of its business model and has confirmed the Group's positive intention and ability to hold these financial assets to collect contractual cash flows. Details of these assets are set out in Note 39.

(ii) Provision for Restoration and rehabilitation of mining sites:-

Provisions are recognised for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mines. The costs are estimated on the basis of mine closure plans and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalised when incurred reflecting the group's obligations at that time.

A corresponding provision is created on the liability side. The capitalised asset is recognised in the Statement of Profit or Loss over the life of the asset through depreciation over the life of the operation and the provision is increased each period through unwinding the discount on the provision. Management estimates are based on local legislation and/or other agreements. The actual costs and cash outflows may differ from estimates because of changes in laws and regulations, changes in prices, analysis of site conditions and changes in restoration technology.

(iii) Ore reserve and mineral resource estimates

Ore reserves are estimates of the ore that can be economically and legally extracted from the group's mining properties. The group estimates its ore reserves and mineral resources based on information compiled by appropriately qualified persons relating to the geological and technical data on the size, depth, shape and grade of the ore body and suitable production techniques and recovery rates. Such an analysis requires complex geological judgments to interpret the data. The estimation of recoverable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements, and production costs along with geological assumptions and judgments made in estimating the size and grade of the ore body.

The group estimates and reports ore reserves under the principles contained within the guidelines issued by the Indian Bureau of Mines (IBM)-including:

- Future production estimates-which include proved and probable reserves, resource estimates and committed expansions;

  As the economic assumptions used may change and as additional geological information is produced during the operation of a mine, estimates of reserves may change. Such changes may impact the group's reported financial position and results which include:

- The carrying value of exploration and evaluation assets, mine properties, property, plant and equipment may be affected due to changes in estimated future cash flows;
- Depreciation and amortisation charges in profit or loss may change where such charges are determined using the units of production method, or where the useful life of the related assets change;
- Capitalised stripping costs recognised in the Balance Sheet or charged to Statement of Profit or Loss may change due to changes in stripping ratios.
- Provisions for rehabilitation and environmental provisions may change- where changes to the reserve estimates affect expectations about when such activities will occur and the associated cost of these activities; and
- The recognition and carrying value of deferred income tax assets may change due to changes in the judgments regarding the existence of such assets and in estimates of the likely recovery of such assets.

(iv) Deferred stripping expenditure

The group defers stripping (waste removal) costs incurred during the production phase of its operations. This calculation requires the use of judgments and estimates relating to the expected tons of waste to be removed over the life of the mining area and the expected economically recoverable reserves to be extracted as a result. This information is used to calculate the average life of mine strip ratio (expected waste to expected mineral reserves ratio). Changes in a mine's life and design will usually result in changes to the average life of mine strip ratio. These changes are accounted for prospectively.

(v) Production start date

The group assesses the stage of each mine under construction to determine when a mine moves into the production stage. This being when the mine is substantially complete and ready for its intended use. The criteria used to assess the start date are determined based on the unique nature of each mine construction project, such as the complexity of the project and its location. The group considers various relevant criteria to assess when the production phase is considered to commence. At this point, all related amounts are reclassified from “Mines under construction” to “Producing mines” and/or “Property, plant and equipment”.

Some of the criteria used to identify the production start date will include, but are not limited to:

- Level of capital expenditure incurred compared to the original construction cost estimates;
- Completion of a reasonable period of testing of the mine plant and equipment;
- Ability to produce material in saleable form (within specifications); and
- Ability to sustain ongoing production of material

When a mine development/construction project moves into the production stage, the capitalisation of certain mine development/construction costs ceases and costs are either regarded as forming part of the cost of inventory or expensed, except for costs that qualify for capitalisation relating to mining asset additions or improvements, underground mine development or mineable reserve development. It is also at this point that depreciation/amortisation commences.

(vi) Units of production depreciation

Estimated economically recoverable reserves are used in determining the depreciation and/or amortisation of mine specific assets. This results in a depreciation/amortisation charge proportional to the depletion of the anticipated remaining life of mine production. Each item’s life, which is assessed annually, has regard to both its physical life limitations and present assessments of economically recoverable reserves of the mine property at which the asset is located. These calculations require the use of estimates and assumptions, including the amount of recoverable reserves and estimates of future capital expenditure. Numerous Units Of Production (UOP) depreciation methodologies are available to choose from.

(vii) Mine rehabilitation provision

The group assesses its mine rehabilitation provision at each reporting date. Significant estimates and assumptions are made in determining the provision for mine rehabilitation as there are numerous factors that will affect the ultimate amount payable. These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases as compared to the inflation rates and changes in discount rates. These uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision at reporting date represents management’s best estimate of the present value of the future rehabilitation costs required.

(viii) Provisions & Contingencies

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event and it is probable (“more likely than not”) that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the estimated cash flows to settle the present obligation, its carrying amount is the present value of those cash flows. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money in that jurisdiction and the risks specific to the liability.

(a) Restoration, rehabilitation and decommissioning

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing production of a mine and other manufacturing facilities. Such costs, discounted to net present value, are provided for and a corresponding amount is capitalised at the start of each project, as soon as the obligation to incur such costs arises. These costs are charged to the statement of profit or loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The cost estimates are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost estimates or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, changes to lives of operations, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as finance and other cost in the statements of profit or loss.

(b) Environmental liabilities

Environment liabilities are recognised when the group becomes obliged, legally or constructively to rectify environmental damage or perform remediation work.

(c) Litigation

Provision is recognised once it has been established that the group has a present obligation based on consideration of the information which becomes available up to the date on which the group's consolidated financial statements are finalized and may in some cases entail seeking expert advice in making the determination on whether there is a present obligation.

Contingent Liabilities

Contingent liabilities arising from past events the existence of which would be confirmed only on occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Group or contingent liabilities where there is a present obligations but it is not probable that economic benefits would be required to settle the obligations are disclosed in the consolidated financial statements unless the possibility of any outflow in settlement is remote.

Contingent Assets

Contingent assets are possible assets that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group of companies. Contingent assets are disclosed in the financial statements when inflow of economic benefit is probable on the basis of judgment of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate. Contingent assets are disclosed in the financial statements when inflow of economic benefit is probable.

2.21.2 Key sources of estimation uncertainty:

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

(i) Useful lives of property, plant and equipment:

As described in note 2.4 above, the Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

(ii) Fair value measurements and valuation processes:

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation.

3 Property, Plant and Equipment

A. Reconciliation of carrying amount

(₹ in Crores)

	Particulars	Freehold Land	Leasehold Land	Railway lines and sidings	Roads, Bridges and Culverts	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Electrical Install-ations	Water supply and Sewerage Systems	Miscellan-eous Assets	Total
Gross Block	**Cost or deemed cost (Gross Carrying Amount)**												
	Balance at 1st April 2022	**82.43**	**40.54**	**478.88**	**278.13**	**2165.01**	**27888.82**	**30.56**	**33.77**	**1250.02**	**1619.81**	**420.17**	**34288.14**
	Additions and adjustments				0.04	0.65	236.88	0.69		17.30	7.44	5.59	**268.60**
	Sales and adjustments			(5.26)	-		(9.70)	(0.22)	(0.02)	(0.05)		(1.93)	**(17.18)**
	Balance at 31st March 2023	**82.43**	**40.54**	**473.62**	**278.17**	**2165.66**	**28116.00**	**31.04**	**33.75**	**1267.27**	**1627.25**	**423.83**	**34539.55**
Accumulated Depreciation	**Accumulated depreciation**												
	Balance at 1st April 2022		5.90	244.40	210.08	937.42	11643.76	26.66	28.14	817.67	606.61	325.32	**14845.95**
	Depreciation for the year		1.59	22.25	8.87	47.29	963.57	0.75	2.30	61.34	69.14	19.03	**1196.12**
	Sales and adjustments	-		-	-	0.15	(5.56)	(0.14)		(0.05)	-	(1.29)	**(6.89)**
	Balance at 31st March 2023		**7.49**	**266.65**	**218.95**	**984.86**	**12601.77**	**27.26**	**30.44**	**878.95**	**675.75**	**343.06**	**16035.18**
Net Block	**Carrying amounts (net)**												
	Provision for Impairment					0.15							**0.15**
	At 31st March 2022	**82.43**	**34.64**	**234.49**	**68.05**	**1227.43**	**16245.06**	**3.91**	**5.63**	**432.35**	**1013.20**	**94.85**	**19442.04**
	At 31st March 2023	**82.43**	**33.05**	**206.98**	**59.22**	**1180.65**	**15514.23**	**3.77**	**3.31**	**388.32**	**951.50**	**80.77**	**18504.22**

Note : In case of Holding Co., all eligible major spares, standby equipment and service equipment whose unit value exceeding ₹10 lakhs (threshold value) are capitalized as PPE on acceptance. Spares not meeting the threshold value are charged to revenue on their usage.

B. Details of Right Of Use (ROU) Asset included in Property, Plant & Equipment

(₹ in Crores)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance at 1st April 2022	Additions and Adjustments	Sales and Adjustments	Balance at 31st March 2023	Balance at 1st April 2022	Depreciation for the period	Sales and Adjustments	Balance at 31st March 2023	At 31st March 2022	At 31st March 2023
Leasehold land	40.54	-	-	40.54	5.90	1.59	-	7.49	34.64	33.05
Building	1.34	-	-	1.34	0.60	0.01	-	0.61	0.74	0.73

Note : The details of leases are provided at Note 52

3C. Freehold land

In case of Holding Co:

- Land includes 411.86 acres (As on 31st March 2022: 410.86 acres) allotted to various agencies on lease. It includes 52.85 acres of land alloted to M/s HPCL and 1.24 acres of land alloted to M/s AMTZ on Right of way basis for which the terms of the contract are pending for finalisation.The said land allotment to M/s HPCL and M/s AMTZ is pending for approval from Ministry of Steel & Ministry of Finance.
- Land at a cost of ₹38.83 Crores (As on 31st March 2022: ₹38.83 Crores) being held in the name of Government of India. The Company is holding Power of Attorney issued by President of India (Government of India) for utilisation of land acquired for the project and related purposes incidental thereto.
- Land includes 26.80 acres whose title is under dispute. (Refer Note 54B for claims in courts in connection with land acqusition).

3D. In case of EIL:

(i) Land

The Lawrence Investments and Property Co. Ltd. had a landed property of 76.77 Acres of land at Chackasi, Bauria, Howrah, housing its Jute Mills (demolished and disposed of in 1980). The Government of West Bengal had acquired land measuring an approximate area of 27.58 Acres on 25.08.76. Company's appeal for award of compensation towards such acquisition has been upheld by District Judge, Howrah on 07.03.83.

The balance portion of the land however, is under unauthorised occupation of local inhabitants which includes construction of parmanent nature , as well. Necessary correspondences have already been made with the concerned authorities together with lodgment of complaint with the concerned police station for eviction of unauthorised occupants.

(ii) Block and Development Sonepore Property

The Assets described under the heading 'Block and Development' known as Sonepore property belonging to the Ondal Investments Co. Ltd. were the subject matter of a sub-lease between them and Sonepore Coalfields Ltd. which the company took possession of the property in 1946. The sub-lease agreement could not be completed due to implications involved under the Mineral Concession Rules in 1960. The said company served re-entry notice on the sub-lessees and on obtaining permission from the Coal Board took possession of the property and started prospecting operation for which purpose the sum of ₹0.01 Crores was spent. The Company's re-entry notice was challenged by the Sonepore Coalfields Ltd. and in January, 1966 after hearing both the parties the Calcutta High Court held that the sub-lessees were the 'owners' of the property and re-entry permission granted by the Coal Board should be quashed. The said company preferred an appeal but the same was decided against them in 1970 and the matter was forwarded by the Court to the Coal Board for fresh decision. No development has taken place since then. Amount of ₹0.03

Crores was also received from Business Development Corporation Ltd. in the year 1946 on account of sub-lease of the Moujas 'Hassadih', 'Jote Khan Khan', 'Nabagram' & 'Sonepore', pending finalization of the sale deed and the final outcome of the re-entry case, this amount has been kept under Current Liabilities'. 'Development' represents' the expenditure incurred towards the development of a property, the possession of which is under dispute.

(iii) Buildings

The Building belonging to the Sendra Investments Co. have been taken over in January, 1973, by the Coal Mines Authority in terms of Coal Mines (Nationalisation) Act, 1973. A claim for compensation for take-over has been made. No adjustment has been made pending determination of the claim.

(iv) Railway Siding

The Railway Siding known as 'Chora Mangalpore Siding' belonging to Ondal Investments Co. Ltd. stretches over approximately three miles taking off from Sonachora Station lying between Ondal and Garandih. Following the nationalization of Non-Coking Coal Collieries in 1973. All the collieries around the siding have been taken over by the Coal Mines Authority though the ownership of the Siding rests with the said company

(v) Depreciation

Depreciation on Block & Development- Ondal Property, Building - Sendra Property have neither been ascertained nor provided for.

3E. In case of BSLC,

Machinery spare-parts which can be used only in connection with an item of fixed assets and whose use, as per technical assessment, is expected to be irregular are capitalized and depreciated over the residual life of the respective assets.

The supplementary lease deed of Birmitrapur Limestone and Dolomite Mines of M/s The Bisra Stone Lime Company Limited having Mining Lease area of 793.043 Hectares was executed on 18.12.2015 and registered on 30.03.2016 for period of 01.03.2000 to 31.03.2020. Further Govt.of Odisha has extended the validity period for another 20 years with effect from 01.04.2020 to 31.03.2040 vide letter No. III(LD)SM-77/2013-3249/SM dated 30.03.2020 for the area 793.043 Hectares (Non Forest Area). The supplymentary lease was executed on 26.06.2020 and registered 30.06.2020. Out of 793.043 Hectares the surface right area for mining and allied activities area 571.121 Hectares.

3F. In case of OMDC,

Machinery spare-parts which can be used only in connection with an item of fixed assets and whose use, as per technical assessment, is expected to be irregular are capitalized and depreciated over the residual life of the respective assets.

Leasehold Properties has been reclassified as operating lease and Carrying amount is shown under 'Other Assets' in Note No. - 10

Leasehold Land classified as Free Hold land in 2020-21 has been reclassified as Leasehold Land in 2021-22 and cumulative deprecition and depreciation for this period has been taken as per earlier calculation.

Total Free Hold Land of 206.865 Acres has been included under Land out of which 3.023 Acres are in the name of OMDC, 3.910 Acres in the Name of Bird & Co., 3.393 Acres has been encroached by OMDC and 196.539 Acres in the name of BPMEL.

3G. Depreciation methods and useful lives

Depreciation is recognized on a straight-line basis over the estimated useful life as prescribed under Schedule II to the Companies Act, 2013 except in the case of certain category of assets, where useful life is determined by technical experts. For these classes of assets, based on technical evaluation carried out by technical experts, the Company believes that the useful life as given below best represent the period over which Company expects to use these assets.

The technical committee is of the opinion that there are no material changes during the current financial year that may cause changes to the estimated useful life of the assets, method of depreciation and the residual values. Keeping this in view, the committee recommended continuing with the existing assessment of useful life of assets, and existing method of depreciation of Straight line method and residual value at 5%. The estimated useful lives for the current and comparative periods are as follows:

Particulars	31st March 2023	31st March 2022
Useful life as per Sch-II		
Roads, bridges and culverts	3-30 years	3-30 years
Buildings (Refer Note no. 3G.1)	3-60 years	3-60 years
Fixtures and fittings	2-10 years	2-10 years
Vehicles	6-8 years	6-8 years
Miscellaneous assets	2-15 years	2-15 years
Useful life based on technical advice		
Railway lines and sidings	8-25 years	8-25 years
Plant and equipment	2-50 years	2-50 years
Electrical installations	5-30 years	5-30 years
Water supply and sewerage systems	15-30 years	15-30 years

3G.1 Buildings-ROU are amortised over the period of lease. (Refer Note No. 52) (₹ in Crores)

Particulars	31st March 2023	31st March 2022
Allocation of depreciation :		
Expenditure During Construction	3.04	3.15
Current year (Charged to P & L)	1,193.08	1,205.14
	1,196.12	**1,208.29**

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3H. Capital work-in-progress

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Capital work-in-progress	3,010.17	2,714.41
(including material issued to contractors) - (Refer Note no. 3H.1, 3H.2)		
Less: Impairment loss on capital work-in-progress recognised in profit and loss	(0.75)	(1.08)
Total	**3,009.41**	**2,713.33**
Less: Provision for dropped SLTM project & others		
SLTM	25.54	27.92
Axle Plant	0.63	0.73
Dry Fogging Dust Suppresser	0.59	0.59
Rebar Mill Consultancy	1.06	1.06
Sinter Machine Consultancy	0.11	0.11
11/12 MT Consultancy	0.09	0.46
ASU VI	0.78	-
Others	0.78	0.25
Total Provision for dropped projects	**29.58**	**31.12**
Total	**2,979.83**	**2,682.21**

3H.1 This includes ₹ 3.62 Crores (As on 31st March 2022: ₹ 5.38 Crores) being the capital inventory lying at different construction zones/ with contractors on the reporting date.

3H.2 This includes ₹ 83.91 Crores as on 31.03.2023 (₹ 83.91 Crores as on 31.03.2022) being the borrowing cost on generally borrowed funds attributable to the qualifying asset that was calculated using a reference interest rate that approximates actual cost of borrowing which involved exercise of judgement in terms of requirements as per Paragraph 11 of Ind AS 23 – Borrowing Costs.

4 Investment property

Reconciliation of carrying amount

(₹ in Crores)

Particulars	Investment property
Cost or deemed cost (Gross carrying amount)	
Balance at 1st April 2022	0.08
Additions and adjustments	-
Balance at 31st March 2023	**0.08**
Accumulated depreciation	
Balance at 1st April 2022	0.02
Depreciation for the year	0.00
Balance at 31st March 2023	**0.02**
Carrying amounts	
At 31st March 2022	**0.06**
At 31st March 2023	**0.06**

Investment property held by Subsidiary,The Bisra Stone Lime Company Limited have the following :-

- The Building which is in the name of the Company. The Company is not using the building for its business purpose and neither intends to sell it in near future.
- The investment property represents the carrying amount. There has not been any fair valuation of such investment property carried out during the year by any independent valuation expert. Therefore, the disclosure relating to fair value of investment property is not required.

5 Other Intangible assets

A. Reconciliation of carrying amount

(₹ in Crores)

	Particulars	Goodwill (Refer Note no. 5.1)	Other Intangible Assets			Intangible assets under development (iii)	Total [(i)+(ii)+(iii)]
			Computer software (i)	Mining rights (ii)	Total [(i)+(ii)]		
Gross Block	**Cost or deemed cost (Gross carrying amount)**						
	Balance at 1st April 2022	149.49	68.00	128.39	196.40	-	**196.40**
	Additions and adjustments	-	-	-	-	-	**-**
	Sales and adjustments	-	(0.04)	-	(0.04)	-	**(0.04)**
	Balance at 31st March 2023	**149.49**	**67.96**	**128.39**	**196.36**	**-**	**196.36**
Accumulated Amortisation	**Accumulated amortisation**						
	Balance at 1st April 2022	-	67.45	105.26	172.71	-	**172.71**
	Amortisation for the year	-	0.25	2.10	2.35	-	**2.35**
	Sales and adjustments	-	-	-	-	-	**-**
	Balance at 31st March 2023	**-**	**67.70**	**107.36**	**175.06**	**-**	**175.06**
Net Block	**Carrying amounts (net)**						
	At 31st March 2022/ 1st April 2022	**149.49**	**0.55**	**23.13**	**23.69**	**-**	**23.69**
	At 31st March 2023	**149.49**	**0.26**	**21.03**	**21.29**	**-**	**21.29**

5.1 The carrying amount of Goodwill relates to the goodwill that arose on the acquisition of Eastern Investments Limited (EIL) and the same has been tested in both periods against the recoverable amount of Eastern Investments Limited CGU by the company. This goodwill relates to expected synergies from EIL's activities with those of the Group and to assets, and not related to any separately identifiable intangible assets.

The recoverable amount of Eastern Investments Company has been determined based on the fair value less cost of disposal. EIL, being an investment company, has made various investments and one of the major investment is in M/s. The Orissa Mineral Development Company Limited (OMDC) in which EIL holds 50.01% of Equity Share. The fair value of this investment has been arrived based on its Quoted price. As the fair value of this investment itself far exceeds the carrying amount tested for impairment, the fair value of other assets is not determined.

The outcome of the Group's goodwill impairment test as at 31.03.2023 for the EIL CGU resulted in no impairment of goodwill (2021-22: NIL)

The management believes that no reasonably possible change in any of the key assumptions used in arriving fair value would cause the carrying value of the CGU to materially exceed its recoverable amount.

5.2 With respect to the carrying amount of intangible asset held by The Bisra Stone Lime Company Limited:-

- Expenditure incurred for obtaining required clearance to operate the mines subsequent to the allotment of their lease is capitalized as intangible assets & amortised over the useful life.

5.3 With respect to the carrying amount of intangible asset held by The Orissa Minerals Development Company Limited:-

- Addition of CWIP includes expenditure incurred for payment to ORSAC towards Study of Geo-coordinate for demarcation of boundary of Forest area proposed for diversion - Belkundi Mines.
- Prospecting and development expenses incurred to prepare the mines ready for commercial exploration (i.e. in the nature of preliminary and preoperative expenses) are capitalized.
- Expenditure incurred for obtaining required clearance to operate the mines subsequent to the allotment of their lease is capitalized as intangible assets under the heads mining rights on deemed extension basis. Intangible Assets has been amortised taking the validity of mining lease upto 30.09.2030 for Bhadrasahi Lease, 15.08.2026 for Belkundi Lease and upto 10.10.2041 for Bagiaburu Lease.
- Expenditure towards Stamp Duty & Registration fees for all the three mines except Bagiaburu Mines of OMDC has not been provided, since the liability for payment has not yet been crystallized for want of EC, FC and execution of supplementary lease deed and demand not raised by Govt. of Odisha as on 31.03.2022 and shown under Contingent Liability. Demand Notice in respect of Bagiaburu Mines has been raised by Govt. of Odisha and shown under addition. Necessary amortisation will be made after payment and execution of supplementary lease deed.

B. Amortisation methods and useful lives

Amortisation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of intangible assets. The estimated useful lives for the current and comparative periods are as follows:

Particulars	31st March 2023	31st March 2022
Computer Software	4 years	4 years
Mining Rights	20 years	20 years

6 Investments

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
A. Non-current investments		
Equity shares at cost - others		
2,280 (31st March 2023: 2,280; 31st March 2022: 2,280) equity shares of ₹ 1 each in Free Press House Limited (Refer Note no. 6.1)	0.00	0.00
1 (31st March 2023: 1; 31st March 2022: 1) equity share of ₹ 100 each in Anakapalli Rural Elec. Co-operative Society (Refer Note no. 6.2)	0.00	0.00
Total investment in equity instruments at cost (A)	**0.00**	**0.00**
B. Other investments		
(i) Quoted investments		
a) Investments in equity instruments (all fully paid)		
H.D.F.C. Bank (March 31, 2023 and March 31, 2022: 1,500 shares of ₹10 each)	0.48	0.44
I.T.C. Limited (Ordinary Shares of ₹ 1 each) (March 31, 2023 and March 31, 2022: 22500 shares of ₹10 each)	0.86	0.56
DPSC Ltd (Formally Dishergarh Power Supply Co. Ltd.) (March 31, 2023 and March 31, 2022: 344,770 shares of ₹10 each)	0.36	0.46
Steel Authority of India Limited (March 31, 2023 and March 31, 2022: 1000 shares of ₹10 each)	0.01	0.01
Reliance Industries Limited (March 31, 2023 and March 31, 2022: 172 shares of ₹10 each)	0.04	0.05
Bharat Earth Movers Limited (March 31, 2023 and March 31, 2022: 200 shares of ₹10 each)	0.03	0.04
The Associated Cement Company Limited. (March 31, 2023 and March 31, 2022: 400 shares of ₹10 each)	0.07	0.09
J.S.W Limited (formerly, Jindal Vijaynagar Steel) (March 31, 2023 and March 31, 2022: 30 shares of ₹10 each)	0.00	0.00
Total - quoted investments in equity instruments (a)	**1.84**	**1.65**
b) Investments in mutual funds		
Master Share - Unit Trust of India (March 31, 2023 and March 31, 2022: 2,880 units of ₹10 each)	0.01	0.01
Capital Growth Unit Scheme 1992 (Master Gain 1992) (March 31, 2023 and March 31, 2022: 3,000 unit of ₹10 each)	0.06	0.06
Total - quoted investments in mutual funds (b)	**0.07**	**0.07**
(ii) Unquoted investments		
a) Investments in equity instruments (all fully paid)		
Titagarh Wagon Limited (Formarly Titagarh Industries Limited)** (March 31, 2023 and March 31, 2022 615 shares of ₹10 each)	0.17	0.17
Ispat Profiles Limited ** (March 31, 2023 and March 31, 2022: 500 shares of ₹10 each)	0.00	0.00
The Burrakur Coal Company Limited (In Liquidation) ** (March 31, 2023 and March 31, 2022: 475,300 shares of ₹10 each)	0.41	0.41
The Kinnison Jute Mills Company Limited ** (March 31, 2023 and March 31, 2022: 25,645 shares of ₹100 each)	0.27	0.27
Union Jute Company Limited **	0.25	0.25

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
(March 31, 2023 and March 31, 2022: 18,028 shares of ₹100 each)		
Kumardhubi Fireclay & Silica Works Limited **	0.20	0.20
(March 31, 2023 and March 31, 2022: 146,764 shares of ₹10 each)		
Eastern News Paper (Formaly Chora Investment Co. Ltd.)	0.00	0.00
(March 31, 2023 and March 31, 2022: 83 shares of ₹ 10each)		
Holman Climax Manufacturing Limited **	0.10	0.10
(March 31, 2023 and March 31, 2022: 123,598 shares of ₹10 each)		
The Karanpura Development Company Limited **	0.06	0.06
(March 31, 2023 and March 31, 2022: 79,850 shares of ₹10 each)		
Birds Jute & Exports Limited **	0.05	0.05
(March 31, 2023 and March 31, 2022: 4,650 shares of ₹100 each)		
Sijua (Jherriah) Electric Supply Company Limited **	0.05	0.05
(March 31, 2023 and March 31, 2022: 73,232 shares of ₹10 each)		
Woodland Multispeciality Hospital Limited	0.00	0.00
(March 31, 2023 and March 31, 2022: 1950 shares of ₹10 each)		
Sri Aurobindra Sahayog Samity Limited **	-	-
(March 31, 2023 and March 31, 2022: 1 share of ₹100 each fully paid up)		
Kalinga Cement Limited **	0.00	0.00
(March 31, 2023 and March 31, 2022: 6000 shares of ₹ 100 each fully paid up)		
East India Minerals Limited **#	2.81	2.81
(March 31, 2023 and March 31, 2022: 2,811,010 shares of ₹10 each)		
Total un-quoted investments in equity shares (a)	**4.37**	**4.37**
b) Investments in preference shares		
7% Birds Jute & Exports Limited **	0.00	0.00
(March 31, 2023 and March 31, 2022: 263 shares of ₹ 100 each fully paid up)		
5.5% Kumardhubi Fireclay & Silica Works Limited (2nd Preference) **	0.01	0.01
(March 31, 2023 and March 31, 2022: 1,260 shares of ₹ 100 each fully paid up)		
9.5% Kumardhubi Engineering Works Limited **	0.00	0.00
(March 31, 2023 and March 31, 2022: 50 shares of ₹ 100 each fully paid up)		
Total un-quoted investments in preference shares (b)	**0.01**	**0.01**
c) Investments in debentures		
8% Kumardhubi Engineering Works Limited **	0.00	0.00
(March 31, 2023 and March 31, 2022: 58 units of ₹ 500 each)		
Total un-quoted investments in debentures (c)	**0.00**	**0.00**
Aggregate amount of quoted investments and market value thereof	1.92	1.72
Aggregate amount of unquoted investments	4.38	4.38
Aggregate amount of impairment in value of investments	(4.38)	(4.38)
Total other investments (B)	**1.92**	**1.72**
Total non-current investments [(A)+(B)]	**1.92**	**1.72**
C. Provision for diminution in value of investments	**-**	**-**
Total Investments (A+B-C)	**1.92**	**1.72**
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	NA	NA
Aggregate value of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-

Note:

6.1 Investments in Free Press House Limited amounted to ₹ 2280, hence rounded off to zero.

6.2 Investments in Anakapalli Rural Elec. Co-operative Socity amounted to ₹ 100, hence rounded off to zero.

** Represents investments which have been provided for impairment.

The Company had entered into a joint venture with M/s Usha (India) Ltd. for managing the assets of M/s East India Minerals Ltd. (EIML). The matter is under dispute and present status of the company and loss if any on account of diminution in value has been provided for. As the JV agreement expired on 04.10.2013, investment on JV has been shown as Other Investment. Investment in Woodland Multi-speciality Hospital Limited and The Sijua (Jherriah) Electric Supply Company Ltd. has also been provided for.

Subsequent to the decision of M/s Power Grid Corporation Ltd., for the closure of RPTPL, RINL Board accorded approval for closure of RPTPL subject to approval of Ministry of Steel. MoS has accorded approval for closure of RPTPL on 11.07.2022. The Company had made necessary provision towards its investment in M/s RPTPL.

During the year 2019-20 holding company's share in the losses of RPTPL exceeds its interest in RPTPL. In line with Para no. 38 of Ind AS 28, the holding co. restricted its share in the losses to the interest in the RPTPL. Accordingly, carrying amount of investment of holding co. in RPTPL has eroded. Consequently the provision created in the Standalone financials of holding co. has been reversed in the consolidated financial statements.

A. The undertakings of the following companies have been taken over by the Government:-

(a) Bird & Company Limited.

(b) Dishergarh Power Supply Company Limited (Bihar Unit).

(c) Kinnison Jute Mills Company Limited.

(d) Kumardhubi Engineering Works Limited.

(e) Sijua (Jherriah) Electric Supply Company Limited.

(f) Union Jute Company Limited.

B. Category-wise other investments - as per Ind AS 109 classification (₹ in Crores)

Particulars	31st March 2023	31st March 2022
Financial assets mandatorily carried at fair value through profit or loss (FVTPL)	1.92	1.72
Less: Impairment in the value of investment classified as FVTPL	0.00	0.00
Net financial assets mandatorily carried at fair value through profit or loss (FVTPL)	**1.92**	**1.72**
Amortised cost	4.38	4.38
Less: Impairment classified as amortised cost	(4.38)	(4.38)
Net amortised cost	**-**	**0.00**
Total	**1.92**	**1.72**

7 Loans

(Unsecured and considered good unless otherwise stated) (₹ in Crores)

Particulars	31st March 2023	31st March 2022
7A Non-current loans		
Loans to employees	1.74	4.92
Loans to others	0.07	0.07
	1.81	4.99
Loss allowance	(0.07)	(0.07)
Total Non-current loans	**1.74**	**4.92**
7B Current loans		
Loans to employees	0.20	0.25
	0.20	**0.25**
Loss allowance	-	-
Total current loans	**0.20**	**0.25**

7.1 Particulars of Loans Receivables

- secured and considered good	0.00	0.00
- unsecured and considered good	1.94	5.17
- loans which have significant increase in credit risk	0.00	0.00
- credit impaired	0.07	0.07

7.2 Loans due by Directors/officers	Nil	Nil
7.3 Loans due by private companies in which director of the Group is a director	Nil	Nil

8 Other financial assets

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
8A Non Current other financial assets		
Security deposits	6.24	3.76
Accrued interest		
Employee loans	10.22	14.95
Other advances (net of Provision: 2023: ₹ 0.01 Crs, 2022: ₹ 0.01 Crs)	0.13	0.14
Total non-current other financial assets	**16.59**	**18.85**
8B Current other financial assets		
Current maturities of long term loans:		
- Employee loans	5.41	9.12
- Loan to APIIC	-	27.46
Accrued interest		
- Term Deposits	4.21	4.91
- Employee loans	4.14	4.03
- Others	15.61	24.68
Security deposits (Refer Note no. 8B.3)	486.54	405.82
Advances to related parties		
-International Coal Ventures Private Limited (Refer Note no. 8B.2)	1.35	1.16
-Minas De Benga Limitada	15.65	-

Particulars	31st March 2023	31st March 2022
Claims recoverable (net of Provision: 2023: ₹ 82.59 Crs, 2022: ₹ 79.69 Crs) (Refer Note no. 8B.4)	88.95	70.43
Amount recoverable from Employees	-	-
Derivatives not designated as hedges	-	8.24
Other receivables (net of Provision: 2023: ₹ 0.51 Crs, 2022: ₹ 1.61 Crs)	7.42	9.64
Total current other financial assets	**629.28**	**565.49**

8B.1	**Advances due by Directors/officers**	-	-
8B.2	**Advances due by private companies in which director of the Group is a director**	1.35	1.16

In case of Holding Co.

8B.3 ₹100.90 crores paid to Chief Electrical Inspector to Govt of AP-under protest in line with Supreme Court interim order towards electricity duty charges.

8B.4 The Company has claimed an amount of ₹275.76 crores towards property damages and Business loss caused by Hudhud Cyclone. The Surveyor recommended an amount of ₹170.59 crores and the same was considered by the insurance company. This has been duly accounted till FY 2018-19. In addition to the adhoc payment of ₹140.00 crores, the insurance company has released ₹12.48 crores in October'2019 as final settlement of claim leaving balance of ₹18.11 crores receivable as per recommendation of Surveyor.

The Company has not agreed with the settlement made by the insurance company and preferred to settle the differences through conciliatory mechanism. The same was informed to the insurance company. Accordingly, Conciliatory Forum was formed and several rounds of meetings were held. In the concluding meeting held on 12th July 2021, it was determined that the conciliation process between parties failed. As per clause 28 of NIT, on failure of conciliation, the issues are to be settled through arbitration. An opinion of the legal expert was obtained, wherein it was stated that the Company has credible ground to assert its claim in arbitration.

Since both RINL & NIA are Public sector enterprises, the dispute needs to be settled through Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD) through concerned Ministries. The matter was put up to High Power Committee through Law Department for deciding on the issue of going for Arbitration (AMRCD) or not. High Power Committee in its meeting convened on 12.08.2022 recommended to initiate for resolution of dispute as per procedure laid down under AMRCD mechanism.

In furtherance of the above, an application for arbitration was referred to the Ministry of Steel for initiating arbitration process under AMRCD process. The process of arbitration under AMRCD will henceforth be taken care by Ministry of Steel under AMRCD process.

9 A. Reconciliation of effective tax rate

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Profit before tax	**(3,289.74)**	**930.87**
Tax using the Group's domestic tax rate (Current year 31.2% (Subsidiary 26%) and Previous Year 31.2%(Subsidiary 26%))	(1,021.35)	295.41
Reduction in tax rate	-	-
Tax effect of:		
Non-deductible tax expenses	2.77	5.46
Income not credited to SOPL	29.91	5.59
Scientific research deduction	-	0.00
Income exempt/Expenses deductible from income taxes	(4.69)	(8.34)
Recognition/Derecognition of Tax losses	588.41	(193.84)
Earlier years effect	0.00	0.00
Restatement for write back of PRMS liabilities	0.00	(69.59)
MAT Credit Reversal	-	0.00
Others	15.47	(4.66)
	(389.48)	**30.03**

B. Recognised deferred tax assets and liabilities

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Deferred tax liabilities		
Property, Plant and equipment and intangible assets	3,260.59	3,197.56
Others	0.39	0.35
Total deferred tax liabilities (A)	**3,260.97**	**3,197.90**
Deferred tax assets		
Provision for Gratuity and other Employee benefits	266.12	264.60
Provision for Doubtful Debts, Advances, Claims, interest, others	223.27	202.50
Deffered Income - PPE	33.85	35.78
MAT Credit Entitlement	108.38	108.38
Losses available for offsetting future Taxable income (Refer Note no.9B.1)	5,098.98	4,667.99
Tax impact on remeasurement gain/(loss) arising from defined benefit obligation	0.56	0.24
Others	15.86	23.40
Total deferred tax assets (B)	**5,747.02**	**5,302.88**
Net Deferred Tax Liability/ (Asset) (A-B)	**(2,486.05)**	**(2,104.98)**

9B.1 The losses for FY 2020-21 for which deferred tax asset has been recognised in the books shall expire on 31st March, 2029.

10 Other non-current assets

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Capital advances	113.13	97.64
Advances with public bodies	0.58	0.58
Advance to vendors	0.00	0.02
Others		
Prepaid expenses (Refer Note no. 10.3)		
Loan to APIIC	-	-
Employee loan	3.43	3.53
Others	-	-
Total	**117.15**	**101.77**
Less: Allowance for bad and doubtful non financial assets		
Capital advances	(0.48)	(0.48)
Total	**116.66**	**101.28**

10.1 Advances due by Directors/officers	-	-
10.2 Advances due by private companies in which director of the Group is a director	-	-

In case of Holding Co.

10.3 Prepaid expenses is on account of fair valuation as per IND AS 109 which will be amortised as per the amortisation schedule.

11 Inventories

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Raw materials	1,485.51	1,821.01
Add: In-transit / Under inspection	1,484.88	2,050.06
Less: Provision for shortages	720.28	686.25
	2,250.11	**3,184.82**
Semi-finished/finished goods	3,304.48	2,032.72
Add: In-transit/ Under inspection	218.19	109.91
	3,522.67	**2,142.63**
Stores and spares	841.13	764.66
Add: In-transit/ Under inspection	53.76	56.04
Less: Provision for obsolescence & Non-moving items	54.90	54.38
	839.99	**766.32**
Total	**6,612.77**	**6,093.77**

Note: Valuation of inventories

In case of Holding Co.

11.1 Quantities of closing stock of Finished/Semi-finished goods/Raw materials have been adopted as per book balances after duly adjusting for shortages/excesses identified on physical verification at anytime during the year.

11.2 Finished/Semi-finished/Coke and Other by products are valued at lower of Cost and NRV.

11.3 The basis of cost of the following By-Products is as below:

a) Production Related Steel Scraps	90% of the lower of cost or domestic NRV of Pig Iron.
b) Quality Control Steel Scrap & Scrapped Semis for Internal Consumption	At their respective cost.
c) Production Related Iron Scraps	75% of the lower of cost or domestic NRV of Pig Iron.
d) Nut Coke	90% of the production cost of the BF Coke.
e) Coke Breeze	60% of the production cost of the BF Coke.
f) Coke Dust/Sludge	40% of the production cost of the BF Coke.
g) Metallurgical waste	Average procurement cost of Iron Ore Fines with due adjustment for its Fe Content.

11.4 Coke and Other By Products:

a) Valued at Net Realisable Value where cost is not determinable.

b) Valued at cost where Net Realisable value is not available.

11.5 LD Slag is valued at Net Realisable value. However, no value is assigned to LD Slag stock accumulated up to 31.03.2022.

11.6 BF Slag:

i) BF Slag is valued at Net Realisable value.

ii) However, no value is assigned in respect of the following BF Slag:

* Non-Valued BF Granulated Slag at SSY-2
* Hardened BF Slag at SSY
* Fresh Slag in peripheral areas of SSY

(SSY refers to Slag Storage Yard)

11.7 Products which are meant for internal consumption, for further production, but not for sale are valued at cost. However, wherever, NRV is available, the same is measured at lower of cost and NRV.

11.8 No credit is taken in the accounts for the stock of run of mines ore and rejects at mines.

11.9 Capital inventory of ₹ 3.62 crores (As on 31st March 2022: ₹ 5.38 Crores) lying at different construction zones/ with contractors on the reporting date are included in CWIP (Refer Note No. 3H.1).

11.10 The stock of production related iron scrap and steel scrap has been considered in the accounts on the basis of visual survey / estimates.

11.11 The above inventories has been pledged as security against certain bank borrowings, details relating to which has been described in note 19.

11.12 The amount of write down of inventories recognised as expense during FY 2022-23 is ₹ 57.93 Crores (FY 2021-22 : ₹ 3.13 Crores)

11.13 Value of the inventories that are recognised as an expenses during the year is included in Changes in inventory of finished goods and work-in-progress.

11.14 No value has been assigned to inventory of Metallurgical waste generated upto 31.03.2022 but the inventory of net Metallurigical waste generated beginning from FY 2022-23 is valued at Average procurement cost of Iron ore Fines with due adjustment for its Fe content.

11.15 The effect on account of valuation of Metallurgical waste and LD slag generated during the FY 2022-23 is valued at ₹ 114.53 Crs.

In Case of OMDC

- OMDC was operating the BPMEL Mines upto 2010 and extracted the minerals under the Power of Attorney. OMDC is the beneficial owner of the leases. The right of the leases in the name of OMDC is continuously being contested. The case of BPMEL with OMDC is subjudice. Hence,the stock lying in the area of Kolha Roida, Thakurani and Dalki of BPMEL (which is a liquidated company) have been valued by OMDC and taken into its books of accounts.
- Valuation of Inventory has been made based on Average Sales Price published by IBM and cost price which ever is lower. IBM Price for the month of Feb, 23 has been taken except 35%-46% and 46% Mn. and above. For 35%-46% and 46% Mn. and above, the IBM Price of 35-46% for the month of Feb,2023 has been taken for valuation.

12A Trade receivables - Non Current

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Trade Receivables Credit impaired	2.16	2.16
Less: Allowance for Doubtful Debts	(2.16)	(2.16)
Total	-	-

Trade Receivables Aging Schedule as on 31.03.2023 - Non Current

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months-1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) Undisputed Trade Receivables-considered good	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables-credit impaired	-	-	-	-	-	2.16	**2.16**
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	-	-
Total	-	-	-	-	-	**2.16**	**2.16**

Trade Receivables Aging Schedule as on 31.03.2022 - Non Current (₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) Undisputed Trade Receivables-considered good	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables-credit impaired	-	-	-	-	-	**2.16**	**2.16**
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	-	-
Total	-	-	-	-	-	**2.16**	**2.16**

12B Trade Receivables - Current (₹ in Crores)

Particulars	31st March 2023	31st March 2022
Trade Receivables considered good- Secured	-	-
Trade Receivables considered good-Unsecured	783.07	915.63
Trade Receivables which have significant increase in Credit risk	-	-
Trade Receivables Credit impaired	25.51	25.54
Less: Allowance for Doubtful Debts	(25.51)	(25.54)
Total	**783.07**	**915.63**

Note:

12.1 Debts due by Directors/officers - -

12.2 Debts due by private companies in which director of the Group is a director - -

12.3 The Group's exposure to credit and currency risks and loss allowances related to trade receivables are disclosed in Note 53.

Trade Receivables Aging Schedule as on 31.03.2023 - Current (₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) Undisputed Trade Receivables-considered good	642.50	135.52	3.62	-	0.15	1.28	**783.07**
(ii) Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables-credit impaired	-	-	-	-	-	17.61	**17.61**
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	7.90	**7.90**
Total	**642.50**	**135.52**	**3.62**	**-**	**0.15**	**26.79**	**808.58**

Trade Receivables Aging Schedule as on 31.03.2022 - Current (₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) Undisputed Trade Receivables-considered good	799.15	113.37	1.64	0.03	1.40	0.03	**915.63**
(ii) Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables-credit impaired	-	-	-	-	2.86	14.34	**17.20**
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	8.34	**8.34**
Total	**799.15**	**113.37**	**1.64**	**0.03**	**4.26**	**22.72**	**941.17**

In the Case of BSLC

The Company has used a practical approach by computing the expected credit loss allowance for trade receivable on a case to case basis. The Company makes provision for allowances based on the industrial credit loss exprience and adjusted for forward loking information on a case to case basis. The amount of provision that has been recognised as allowance for doubtful trade receivables (expected credit loss allowance) represents the cases where the amount has become due over the credit period and due to the dispute with customer it has become uncertain that when the amount will be collected.

13A Cash and cash equivalents

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Cheques in hand	0.35	1.78
Cash on hand	0.03	0.03
Balance with banks :		
- Current account	9.80	45.73
- In deposit account (having maturity between 3-12 months)	2.58	5.43
Total	**12.76**	**52.97**

13B Balances with banks other than Cash and cash equivalents

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Earmarked Balances with banks :		
- Prime Minister's Trophy Award Fund	7.65	7.25
- Earmarked Balance with scheduled banks (includes deposits of unpaid dividend) (Refer Note no. 13B.1)	73.32	119.47
Balance with banks :		
- Deposits	17.90	10.98
- Balance with banks against guarantees and other commitments	0.31	8.73
Total	**99.18**	**146.44**

In Case of OMDC

13B.1 Earmarked balance with Scheduled Bank other than cash and cash equivalent of The Orissa Minerals Development Company Limited represents amount deposited in scheduled banks towards unpaid dividends.

14 Other tax assets (net)

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
14A Other tax assets		
Advance income tax	49.94	58.49
Total	**49.94**	**58.49**
14B Other tax liabilities		
Income tax payable	1.83	12.63
Total	**1.83**	**12.63**

15 Other current assets

(₹ in Crores)

Particulars	31st March 2023		31st March 2022	
Advances other than capital advances				
- Government departments	651.40		441.74	
Less: Provision for doubtful advances	62.74	588.66	57.38	384.36
- Contractors	2.74		3.05	
Less: Provision for doubtful advances	0.40	2.34	0.40	2.65
- Suppliers	124.45		106.32	
Less: Provision for doubtful advances	5.62	118.83	4.94	101.38
- Employees	39.07		30.10	
Less: Provision for doubtful advances	0.01	39.06	0.01	30.09
- Others (Refer Note no. 15.4)	88.34		77.83	
Less: Provision for doubtful advances	7.28	81.07	7.49	70.34
Others				
- Prepaid expenses				
Employee loan (Refer Note no. 15.3 &15.5)		0.53		3.43
Loan to APIIC (Refer Note no. 15.3)		-		5.83
Lease payments		-		0.00
Others		37.65		28.52
- Export benefits receivable	31.87		15.77	
Less :- Provision against Export benefits receivable	0.30	31.57	-	15.77
Others		16.13		13.15
Total		**915.82**		**655.53**

15.1 Advances due by Directors/ officers - -

15.2 Advances due by private companies in which director of the Group is a director - -

15.3 Prepaid expenses is on account of fair valuation as per IND AS 109 which will be amortised as per the amortisation schedule. (In case of Holding Co.)

In Case of OMDC:

15.4 Other Advances of ₹ 33.47 Crores includes Royalty Advance of ₹ 4.67 Crores, Input Tax Credit of GST (Credit Balance) of ₹ 0.83 Crores, payment of advance with protest amounting ₹ 27.15 Crores to DDM, Joda against compensation of excess mining for BPMEL Leases as per the Order of Supreme Court dated 02.08.2017. OMDC was operating the BPMEL Mines upto 2010 and extracted the minerals under the Power of Attorney. OMDC is the beneficial owner of the leases. The right of the leases in the name of OMDC is continuously being contested. The issue of BPMEL Leases is subjudice. Pending finality of the case in the Court of Law of BPMEL Mines (which is a liquidated company), in the Court of Law, the payment made under protest on behalf of BPMEL Mines of ₹ 27.15 Crores is shown under advance.

15.5 Prepaid expenses towards employee loans represents difference amount between actual interest charge from employee and notional interest at a Standard Rate of 9.25% for Motor Vehicle Loan and 8.55% for House Building Advances. The said amount would be ammortised over the period of loan amount.

16 Assets classified held for sale (In case of BSLC)

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Property, plant and equipment		
Carrying amount	0.11	0.11
Less: Provision for impairment for assets held for sale	0.11	0.11
Net assets held for sale	-	-

The Bisra Stone Lime Company Limited intends to dispose off the property, plant and equipment no longer to be utilised in the next 12 months. The Company does not expect any value on sale, hence the provision has been made for the carrying amount of the asset.

17 Share capital

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Authorised		
4,890,000,000 (31st March 2022: 4,890,000,000) equity shares of ₹ 10 each	4,890.00	4,890.00
3,110,000,000 (31st March 2022: 3,110,000,000) 7% non-cumulative redeemable preference shares of ₹ 10 each	3,110.00	3,110.00
	8,000.00	**8,000.00**
Issued, subscribed and paid-up capital		
4,889,846,200 (31st March 2022: 4,889,846,200) Equity Shares of ₹ 10 each.	4,889.85	4,889.85
Total	**4,889.85**	**4,889.85**

(i) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period:

Particulars	31st March 2023		31st March 2022	
	No. of shares	Amount (₹ in crore)	No. of shares	Amount (₹ in crore)
Shares outstanding at the commencement of the year	4,88,98,46,200	4,889.85	4,88,98,46,200	4,889.85
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**4,88,98,46,200**	**4,889.85**	**4,88,98,46,200**	**4,889.85**

Terms and rights attached to equity shares

The Holding Company has only one class of shares referred to as equity shares having a par value of ₹ 10 each. Each holder of the equity share, as reflected in the records of the Holding Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting. The Holding Company declares and pays dividends in Indian rupees. The Holding Company may declare dividend in the Annual General Meeting as recommended by the Board of Directors.

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

(ii) Particulars of shareholders holding more than 5% of total number of equity shares

Particulars	31st March 2023		31st March 2022	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of ₹ 10 each, fully paid up held President of India*	4,88,98,46,200	100%	4,88,98,46,200	100%

* includes 800 shares held by CMD and Directors appointed by the Govt. of India

(iii) Particulars of shares held by Promoters

Promoter Name	31st March 2023			31st March 2022		
	No. of shares	% of Total Shares	% change during FY 2022-23	No. of Shares	% of Total Shares	% change during FY 2021-22
President of India	4,88,98,46,200	100	NIL	4,88,98,46,200	100	NIL

(iv) Holding Company does not have any holding company as at 31st March 2023/31st March 2022

(v) For the period of five years immediately preceeding the reporting date -

- The Holding Company has not allotted any shares for consideration other than for cash.
- The Holding Company has neither issued bonus shares nor has bought back any shares.

18 Other Equity

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
(A) Reserves and surplus		
Retained earnings		
Balance at the commencement of the year	(4,794.93)	(5,720.65)
Add: Surplus as per Statement of Profit and Loss	(2,894.86)	905.74
Add: Other comprehensive income (net of tax)	75.01	19.98
Balance at the end of the year	**(7,614.78)**	**(4,794.93)**
Other reserves		
Capital Redemption Reserve		
Balance at the commencement of the year	2,937.47	2,937.47
Movement during the period	-	-
Balance at the end of the year	**2,937.47**	**2,937.47**
Capital reserve		
Balance at the commencement of the year	(0.46)	(0.46)
Addition during the year	-	-
Balance at the end of the year	**(0.46)**	**(0.46)**
Investment reserve		
Balance at the commencement of the year	-	-
Addition during the year	-	-
Balance at the end of the year	**-**	**-**
Reserve fund as per RBI Act (Special reserve)		
Balance at the commencement of the year	0.75	0.75
Addition during the year	-	-
Appropriation to reserves	-	-
Balance at the end of the year	**0.75**	**0.75**
Securities Premium		
Balance at the commencement of the year	0.00	0.00

Particulars	31st March 2023	31st March 2022
Addition during the year	-	-
Balance at the end of the year	**0.00**	**0.00**
General reserve		
Balance at the commencement of the year	3.84	3.84
Addition during the year	-	-
Balance at the end of the year	**3.84**	**3.84**
Total reserves and surplus (A)	**(4,673.17)**	**(1,853.33)**
(B) Other comprehensive income		
Share of other comphrehensive income of equiy accounted investees		
Balance at the commencement of the year	128.08	98.67
Addition during the period	75.89	29.41
Balance at the end of the year	**203.97**	**128.08**
Total other comprehensive income (B)	**203.97**	**128.08**
Total other equity (A+B)	**(4,469.20)**	**(1,725.25)**

19 Borrowings

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
19A Non-current borrowings		
Term loan from banks		
-Secured bank loans	9,171.02	8,897.98
-Unsecured bank loans	-	2.47
Current maturities of term loans	1,641.43	1,368.37
	10,812.45	10,268.82
Less: Amount included in Current Borrowings	1,641.43	1,368.37
Total non-current borrowings	**9,171.02**	**8,900.45**
19B Current borrowings		
Loans from Banks		
- Secured working capital borrowings (Charge against Current assets)	3,467.01	1,762.69
- Secured foreign currency facilities (Charge against Current assets)	1,890.63	472.62
- Loan from Union Bank against payment to Government of Odisha towards Compensation	173.60	205.42
- Unsecured working capital borrowings	4,253.85	4,478.49
- Unsecured foreign currency facilities	-	293.42
Current maturities of long term loans	1,641.43	1,368.37
Total current borrowings	**11,426.52**	**8,581.01**

Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in Note 53.

19C Terms of Repayment and Nature of Security of Non-Current Borrowings (Holding Co.)
In case of Holding Company
Secured Term Loans

(₹ in Crores)

Security	Terms of Repayment	Bank	31st March 2023		31st March 2022	
			Non-Current	Current	Non-Current	Current
Primary security - Pari passu 1st charge on current assets of the Company along with other secured WC lenders by way of hypothecation charge. Collateral security – Pari passu 1st charge on Company's fixed assets with FACR 1.33	Consecutive quarterly installments, the first of which is to be paid in the quarter ending 31st Dec, 2023 and the last instalment is payable in quarter ending 30th Sep, 2028.	State Bank of India	1,350.33	150.00	-	-
Primary security as pari passu first charge on current assets of the company and collateral security as pari passu first charge on fixed assets of the company.	Consecutive quarterly instalments started from first quarter of FY 2017-18 and the last instalment is due on 31st March 2022. Principal and Interest Moratorium will be paid in extended tenor of two quarters.	State Bank of India	-	-	-	100.53
Primary security as pari passu first charge on current assets of the company and collateral security as pari passu first charge on fixed assets of the company.	Consecutive quarterly instalments started from first quarter of FY 2019-20 and the last instalment is due on 31st March 2023.Principal and Interest Moratorium will be paid in extended tenor of two quarters.	State Bank of India	-	-	42.61	84.38
Pari passu first charge on current assets of the company	Consecutive monthly instalments the first of which shall be payable in the month ending Feb, 2021 and the last instalment is payable in month ending July, 2022.	Union Bank of India	-	-	-	11.11
Pari passu 1st charge on entire fixed assets including CWIP with an FACR of 1.33	Consecutive quarterly installments, the first of which is paid in the quarter ending 31st March, 2017 and the last installment in the quarter payable in quarter ending 31st March, 2031. Principal and Interest Moratorium will be paid in extended tenor of two quarters.	State Bank of India	2,706.49	375.00	3,081.49	375.00
Pari passu first charge on entire fixed assets including CWIP with an FACR of 1.33	Consecutive quarterly installments, the first of which shall be payable in quarter ending 30th June, 2018 and the last installment in the quarter ending 31st March, 2031. Principal and Interest Moratorium will be paid in extended tenor of two quarters.	State Bank of India	1,077.66	225.00	1,226.54	225.00
Hypothecation of movable fixed assets incuding plant & machinery created out of proceeds of the term loan.	Consecutive quarterly Installments, the first of which shall be payable in the quarter ending 28th September, 2022 and the last installment in quarter ending 28th June,	Canara Bank	672.88	207.04	879.92	155.28

(₹ in Crores)

Security	Terms of Repayment	Bank	31st March 2023		31st March 2022	
			Non-Current	Current	Non-Current	Current
	2027. Interest Moratorium will be paid in 20 equal quarterly instalments along with principal instalments.					
First pari-passu Charge by way of hypothecation on fixed assets with FACR of 1.25:1 to be maintained at any point of time during the entire currency of term loan.	Consecutive quarterly Installments, the first of which shall be payable in the quarter ending 30th June, 2022 and the last installment in quarter ending 31st March, 2027. Interest Moratorium will be paid in extended tenor of two quarters.	Bank of Baroda	128.70	40.00	168.70	40.00
Primary: First pari passu charge on all the moveable fixed assets of the Forged Wheel Plant project loacted at Lalganj, Uttar Pradesh, both present and future. Collateral: First, pari passu charge on Plant & Machinery of company's Visakhapatnam plant to the extent of loan amount.	Consecutive quarterly Installments, the first of which shall be payable in the quarter ending 28th March, 2022 and the last installment in quarter ending 28th December, 2029. Interest Moratorium will be paid along with last principle instalment.	IDBI Bank	382.49	62.50	444.99	62.50
Pari Passu first charge on the movable fixed assets of the company both present and future, including the plant and machinery purchased out of the term loan.	Consecutive quarterly Installments, the first of which shall be payable in the quarter ending 21st December, 2023 and the last installment in quarter ending 21st September, 2028. Interest Moratorium will be paid in 20 equal quarterly instalments along with principal instalments.	Canara Bank	1,384.77	153.86	1,538.63	-
Hypothecation by way of first pari passu charge on all existing/ future machinery/ plant/vehicle/ capital goods/assets/ craft and all those assets/ movable properties and/or capable of passing by delivery, whether installed or not and whether now lying loose or in cases and now being or at any time brought into or upon or at any time in course of transit to the premises/factory of the borrower at visakhapatnam steel plant, visakhapatnam-530031 and their other plants/ branches.	Consecutive quarterly installments, the first of which is paid in the quarter ending 31st December, 2020 and the last installment in quarter ending 30th September, 2025. Interest Moratorium will be paid along with last principle instalment.	Union Bank of India	171.42	100.00	271.42	100.00
First paripassu Charge by way of hypothecation on fixed assets of 1.25:1 to be maintained at any point of time during the entire	Consecutive quarterly installments, the first of which shall be payable in the quarter ending 31st May, 2023 and the last instalment in quarter	Bank of Baroda	239.93	100.00	339.93	-

(₹ in Crores)

Security	Terms of Repayment	Bank	31st March 2023		31st March 2022	
			Non-Current	Current	Non-Current	Current
currency of term loan.	ending 28th Feb, 2028. Interest Moratorium will be paid in extended tenor of two quarters.	Bank of Baroda				
Primary: First pari passu charge over entire movable, immovable and intangible assets both present & future, excluding project land of Forged Wheel Plant project, located at Lalganj, Rae Bareli, Uttar Pradesh Collateral: First, pari passu charge over entire movable, immovable and intangible assets both present & future of Company's Visakhapatnam plant to the extent of 133% of outstanding loan amount at all times.	Consecutive quarterly Installments, the first of which shall be payable in the quarter ending 30th June 2022 and the last instalment in quarter ending 31st March, 2030. Interest Moratorium will be paid in extended tenor of two quarters.	State Bank of India	367.89	77.75	444.42	58.31
First pari-passu charge on the fixed assets including Plant & Machinery of the Company both present and future situated at the premises/factory at Visakhapatnam Steel Plant, Visakhapatnam-530031 on as is where is basis to all the Capex lenders with FACR not less than 1.33 times for the term loan of Indian Bank	Consecutive quarterly Installments, the first of which shall be payable in the month ending 31st December, 2022 and the last installment in month ending 30th September, 2034. Interest Moratorium will be paid in 48 equal quarterly installments along with principal repayments.	Indian Bank	306.43	50.28	91.79	25.14
Pari passu first charge on the fixed assets including Plant & Machinery of the Company both present and future situated at the premises/ factory at Visakahapatnam steel plant, Visakhapatnam - 530031 with FACR not less than 1.33 times for the term loan of Indian"Bank (e-AB).	Consecutive quarterly Installments, the first of which shall be payable in the month ending January, 2025 and the last installment in month ending October, 2029. Interest Moratorium will be paid in 20 equal quarterly instalments along with principal repayments.	Indian Bank	336.88	-	94.44	-
Hypothecation by way of first pari passu charge on all existing/ future machinery/ plant/vehicle/capital goods/ assets/ craft and all those assets/ movable properties capable of passing by delivery, whether installed or not and whether now lying loose or in cases and now being or at any time hereafter brought into or upon or at any time in course of transit to the premises/factory of the borrower at visakhapatnam steel plant, visakhapatnam-530031 and their other plants/ branches.	Consecutive quarterly Installments, the first of which shall be payable in the month ending May, 2022 and the last installment in month ending February, 2027. Interest Moratorium will be paid along with last principle instalment.	Union Bank of India	45.16	100.00	145.16	100.00
TOTAL (A)			**9,171.02**	**1,641.43**	**8,770.04**	**1,337.25**

Unsecured Term Loans (₹ in Crores)

Terms of Repayment	Bank	31st March 2023		31st March 2022	
		Non- Current	Current	Non- Current	Current
Consecutive monthly instalments the first of which is paid in the month ending Dec, 2020 and the last payable in the month ending May, 2023.	Indian Bank	-	-	2.47	16.08
Consecutive monthly instalments the first of which shall be payable in the month ending Jan, 2021 and the last payable in the month ending June, 2022.	Punjab National Bank	-	-	-	15.04
Total (B)		**-**	**-**	**2.47**	**31.12**
Total (A+B)		**9,171.02**	**1,641.43**	**8,772.51**	**1,368.37**

19D Loans guaranteed by Directors and others Nil Nil

19E Default in repayment of loans and interest Nil Nil

19F Reconciliation of liabilities arising from financing activities (₹ in Crores)

Particulars	31st March 2022	Cash Flows : Inflow/ (outflow)	Non-Cash Changes		31st March 2023
			Foreign Exchange Movement	Fair Value Change	
Long-Term Borrowings (including Current Maturities)	10268.82	543.30	0.33	-	10812.45
Short Term Borrowings	7212.64	2,570.00	2.45	-	9785.09

19G The Company has used the Borrowings from the Banks and Financial Institutions for the specific purpose for which it was obtained. (In case of Holding Co.)

In case of OMDC

As per Sanctioned Loan Terms & Conditions, following are kept by Union Bank (Andhra Bank) as Security:-

(I) Primary Security:

(a) First Charge on all immovable properties (Including mortgage of Leasehold rights in case of mining land and mining licence) and assets of The OMDC Ltd.

(b) First Charge on all movable assets including but not limited to Plant & Machinery, machinery spares, tools & accessories of The OMDC Ltd.

(c) First Charge on all Project related documents, contracts, rights, interests, insurance policies, accounts and all benefits incidental to the Unit.

(II) Collateral Security, Cash Collateral - Lien on Fixed Deposit for an amount of ₹49.50 Crores

As per the communication of sanction of One Time Restructuring (OTR) vide letter no. 1023/STL/OMDC/RES/29/2021 dated 17.06.2021, Bank has approved Restructuring of Existing Short Term Loan with Principal outstanding by deferment of remaining installments from June, 2022 along with Funded Interest Term Loan (FITL) for deferred interest. Accordingly, the existing outstanding loan is shown under Non-Current Liability.

20 Lease Liabilities

(₹ in Crores)

	Particulars	31st March 2023	31st March 2022
20A	**Non-current**		
	Lease Liabilities	37.54	35.15
	Total Non-current Lease Liabilities	**37.54**	**35.15**
20B	**Current**		
	Lease Liabilities	0.69	3.71
	Total Current Lease Liabilities	**0.69**	**3.71**

Note : The details of leases are provided at Note 52

21 Other financial liabilities

(₹ in Crores)

	Particulars	31st March 2023	31st March 2022
21A	**Non-current other financial liabilities**		
	Security deposits (Refer Note no. 21A.1)	177.22	132.23
	Total non-current other financial liabilities	**177.22**	**132.23**
21B	**Current other financial liabilities**		
	Interest accrued but not due on borrowings	26.86	9.78
	Interest accrued and due on borrowings	-	-
	Earnest money, security & other deposits (Refer Note no. 21B.1)	509.04	543.75
	Capital creditors	846.40	984.93
	Employee related payables and recoveries	23.27	26.74
	Royalty payable	0.94	0.94
	Unpaid dividends (Refer Note no. 21B.3 & 21B.4)	0.59	0.60
	Unclaimed amount on redemption of preference shares	0.02	0.02
	Creditors for other liabilities	-	-
	Amount payable to related party	1.10	-
	Other financial liabilities (Refer Note no. 21B.2)	3,291.44	2,683.29
	Total current other financial liabilities	**4,699.66**	**4,250.05**

In Case of Holding Co.

21A.1 This includes performace retention deposits of ₹ 132.68 Crores (As on 31st March 2022: ₹ 129.91 Crores) from the contractors which is repayable upon successful performance as per the terms of the contract.

21B.1 This includes deposit of ₹ 289.14 Crores (As on 31st March 2022: ₹ 295.14 Crores) towards Employee Family Benefit Scheme. The company has obtained exemption from Ministry of Finance, Government of India for collecting the said deposits and for operation of the scheme. Under this scheme, the nominee of the deceased/ permanantly disabled employee will receive a fixed amount of pension from the company as envisaged in the scheme.

21B.2 This includes net liability of ₹ 433.55 Crs (CPLY ₹ 464.84 Crs) towards provision on account of -

1. Pension effective from 01.01.2007 in respect of Onrolls Executive employees and w.e.f. 01.01.2012 in respect of Onrolls Non-executive employees, upto 31.03.2019
2. Differential pension provision due to profit year for FY 2021-22
3. Non-executive employees Wage Revision Provision (Relating to 2012 Revision)

4. Arrears of disputed amount of Executive PRP pending for final settlement (Relating to FY 2007-08 to FY 2014-15), and
5. Executive PRP pending for settlement (Relating to FY 2021-22)

The Group's exposure to currency and liquidity risks related to financial liabilities is disclosed in Note 53.

In Case of EIL

21B.3 Unpaid Dividend relates to Dividends unpaid for F.Y 2011-12 (₹ 0.02 Crores), 2012-13 (₹ 0.02 Crores), 2013-14 (₹ 0.0014 Crores), 2015-16 (₹ 0.03 Crores) and 2016-17 (₹ 0.02 Crores), 2017-18 (₹ 0.01 Crores). As per F.No:01/34/2013 CL-V-Part-III of General Circular No.04/2021 Dated 28.01.2021 of Ministry of Corporate Affairs, no additional fees levied upto 15.02.21 in respect of filing AOC-4 excepting normal fees.

In Case of OMDC

21B.4 Unpaid dividend includes ₹ 0.32 Crores for disputed dividend as on March 31, 2021. The Unpaid Dividend pertains to F. Y. 11-12 - ₹ 0.01 Crores, 12-13 - ₹ 0.03 Crores, 13-14 - ₹ 0.01 Crores, 14-15 - ₹ 0.06 Crores, 15-16 - ₹ 0.03 Crores & 16-17 - ₹ 0.03 Crores.

22 Provisions

(₹ in Crores)

	Particulars	31st March 2023	31st March 2022
22A	**Non-current provisions**		
	Provision for employee benefits		
	Liability for Gratuity	8.95	15.00
	Liability for Compensated Absences	343.82	342.59
	Liability for Retirement Benefits	509.99	529.74
	Liability for Employee Family Benefit Scheme	137.61	158.57
	Liability for Service Awards	47.16	37.19
	Liability for Leave Travel Concession	27.76	32.58
	Liability for Super annuation Fund	0.13	0.12
	Total provisions for employee benefits (A)	**1,075.41**	**1,115.79**
	Other provision		
	Provision for rates and taxes	1.02	0.49
	Provision for mines closure obligation	7.06	6.95
	Total other provision (B)	**8.08**	**7.44**
	Total non-current provisions (A+B)	**1,083.49**	**1,123.23**
22B	**Current provisions**		
	Provision for employee benefits		
	Liability for gratuity	256.01	302.73
	Liability for compensated absences	115.50	57.65
	Liability for retirement benefits	19.62	19.87
	Liability for employee family benefit scheme	53.55	54.76
	Liability for service awards	5.88	6.85
	Liability for leave travel concession	15.80	8.79
	Liability for Pay Revision	42.00	40.03
	Total provisions for employee benefits (A)	**508.36**	**490.68**
	Other provisions		
	Provision for Site Reclamation	18.53	7.04
	Provision for wildlife conservation plan	5.50	5.50
	Provision for other legal obligations	10.79	8.77
	Other Provisions	16.07	23.09
	Total other provisions (B)	**50.90**	**44.41**
	Total current provisions (A+B)	**559.26**	**535.09**

In case of EIL :

22.1. Rent and cess on land revenue

1. The company paid Rent and Cess on Land Revenue on Lawrence Property at Bauria @ ₹ 2,012 per year till 31.03.2001 with the office of the Revenue Inspector.
2. The company had not accepted the substantial increase in such charges from 2001-02, therefore continued to provide liability on the basis of claims received. In absence of any formal claim by the concerned department, amount of such claim, (if any), has neither been ascertained nor considered in the accounts from the financial year 2008–09 onwards.
3. A letter reference no: EIL / Lawrence property / 01 dt. 14.03.2018 has been issued to Block Land & Land Reform office with a copy to District Land & Land Reform office and Director of Land Record and Service. It has been requested in the letter to provide the land tax dues by BL&LRO for payment by EIL and also requested to consider the compensation for the land acquired by the Govt. of W.B. which is yet to be received in accordance with the judgment passed by Additional Distict Judge. Subsequently, letter dated 5.4.2018. issued to Additional District Magistrate, LR & DLLRO, Govt. of W.B with a copy to Principal secretary and Land Reform Commissioner, Govt. of W.B to expedite the matter.
4. Information through RTI Act has been sought on 11.06.2018, by which it has been asked the due land tax for 49.19 Acres and whether any notice for the same has been issued by the department. A reply was received on 28.06.2018 on the RTI application which states

Quote.

The matter of realistion of land revenue in case of subject land does not arise and as such there is no question of raising demand of land revenue in respect of said land

Unquote.

In case of BSLC :

22.2 Provision for :

a) Gratuity: Gratuity Payable on separation @ 15 days' pay for each completed year of service to eligible employees who has render continuous service of 5 years or more. Maximum amount in the case of separation is ₹ 20.00 Lac for each Employee. The gratuity is being covered under "Group Gratuity-cum-Life Insurance Scheme" with LIC of India and the provision on account of gratuity is being made as per the actuarial valuation.

b) Leave Encashment payable on separation to eligible employees who have accumulated earned and half pay leave totaling up to 300 days. Encashment of accumulated earned leave for executives is allowed up to 30 days once in a financial year.

In case of OMDC :

22.3. Pay Revision of employees

The provision is recognised with respect to the pay revision of the employees of Central Public Sector Enterprises, the same is provided for in the books of accounts with effect from 1st April, 2010 on basis of the difference in Basic Pay and Industrial Dearness Allowance between 1997 and 2007 Pay Scale. Calculation is made on basis of the present basic pay and IDA component of the existing employees.

22.4. Provision for site reclamation & Restoration

Provision for site reclamation is made with respect to the restoration of the mines and are made against the demand raised by the various mining related departments of Governrment for site reclamation and restoration as required under the Mining laws. Balance amount for site reclamation based on revised calculation is provided in contingent liability.

22.5. Provision available for legal obligation was ₹10.79 Crores (FY 2021-22 ₹ 8.77 Crores)

In case of Holding Co.

Movement in the provision for Mine closure obligation/Site Reclamation (₹ in Crores)

Particulars	Mine closure obligation/Site Reclamation
Balance at 1st April 2022	6.95
Provisions made during the year	0.11
Balance at 31st March 2023	**7.06**

Mine closure obligation

A provision for mine closure obligation is recognised considering the future obligation on the Group for the restoration of mines.

Name of the Mine	Lease expiry
Jaggayyapeta	7-Aug-2030
Madharam	13-Jul-2040
Garbham (Refer Note 22 A.1)	7-Oct-2022

22 A.1. Garbham Manganese Mining Lease is eligible for deemed extension for a further period of 10 years i.e., 07.10.2032 as per section 8A of MMDR Amendment Act, 2015 subject to approval of Government of Andhra Pradesh. Approval of AP Govt. is awaited.

23A Other non current liabilities (₹ in Crores)

Particulars	31st March 2023	31st March 2022
Others		
Deferred income-Grants		
Trophy Fund	7.65	7.25
Total	**7.65**	**7.25**

A. Deferred income (Holding Co.)

The grant relating to Trophy fund represents the unspent amount received on account of Prime Minister Trophy, Steel Minister Trophy and Steel Minister Development fund including interest earned. The same has to be spent for specific purposes and will be amortised over the period in which the cost incurred shall be recognised. Wherever the Trophy Fund deposit is utilised for construction of any asset, the transfer from the Trophy Fund is effected only on capitalisation of said assets.

PM Trophy Fund and PM Trophy Fund Deposit changes during FY 2022-23 (In case of Holding Co.)

(₹ in Crores)

Particulars	Note:13B Deposit	Note:23A Trophy Fund
Opening balance	7.25	7.25
Add:Interest during the year	0.40	0.40
Less:Utilisation	-	-
Closing Balance	7.65	7.65

23B Government Grants Deferred - PPE (₹ in Crores)

Particulars	31st March 2023	31st March 2022
Deferred income-Government Grants		
Non Current	102.32	108.50
Current	6.18	6.18
Total Government Grants - PPE	**108.50**	**114.68**

Holding Co.

The grants relating to PPE represents unamortised Subsidy received from Government towards establishment of 5 MW Solar Power Plant, Government Grant received towards the value of Plant & Machinery supplied free of cost by NEDO, Nodal Agency of Japan Government, under the MOU entered between Government of India and NEDO and unamortised value of PPE aquired out of Trophy Fund. This amount will be amortised over the useful life of the relevant asset. This amount will be amortised over the useful life of the relevant asset as per Accounting policy no. 2.19.

There are no unfulfilled conditions or contingencies attached to these grants.

Breakup of Value of grants relating to PPE

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
5 MW Solar Power Plant	3.83	4.03
PM Trophy Fund- Air Conditioners in CWC-II, Welness center for employees, etc.	2.08	2.35
NEDO Grant	102.59	108.30
Total	**108.50**	**114.68**

24 Trade and Other payables

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Trade payables		
- Total outstanding dues of Micro Enterprises and Small Enterprises	75.96	70.14
- Total outstanding dues Other than Micro Enterprises and Small Enterprises	4,819.75	5,048.27
Total	**4,895.71**	**5,118.41**

All trade payables are 'current'.

The Group's exposure to currency and liquidity risks related to trade payables is disclosed in Note 53.

In case of Holding Co.

Note : Information relating to 'Supplier' under the provisions of Micro, Small and Medium Enterprises Development Act, 2006

Particulars	31st March 2023	31st March 2022
(i) The amounts due thereon remaining unpaid to any supplier as at the end of the year		
- Principal	Nil	Nil
- Interest	Nil	Nil
(ii) Payments made beyond the appointed day and interest thereon during the year	Nil	Nil
(iii) The amount of interest due and payable for the period of delay in making payments but without adding the interest specified in the act.	Nil	Nil
(iv) The amount of interest accrued and remaining unpaid at the end of the year	Nil	Nil
(v) The amount of further interest remaining due and payable in the succeeding year until the date such interest is actually paid	Nil	Nil

Trade Payables Aging Schedule as on 31st March 2023

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) MSME	13.65	62.31	-	-	-	-	75.96
(ii) Others	1,051.00	1,921.34	1,617.04	223.02	1.08	6.28	4,819.75
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-
Total	**1,064.65**	**1,983.65**	**1,617.04**	**223.02**	**1.08**	**6.28**	**4,895.71**

Trade Payables Aging Schedule as on 31st March 2022

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) MSME	-	70.14	-	-	-	-	70.14
(ii) Others	1,620.83	2,346.14	1,031.38	43.07	1.29	5.51	5,048.22
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	0.05	-	-	-	-	0.05
Total	**1,620.83**	**2,416.33**	**1,031.38**	**43.07**	**1.29**	**5.51**	**5,118.41**

25 Derivatives not designated as hedge - Liabilities

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Foreign exchange contracts	10.76	-
Total	**10.76**	**-**

26 Other current liabilities

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Income Received in advance	1.14	1.27
Advances from customers	781.49	1,147.98
Statutory Liabilities	726.97	570.93
Other advances / liabilities (Refer Note no. 26.1)	1.59	0.07
Total	**1,511.20**	**1,720.25**

In the Case of EIL

26.1 Other advances/liabilities includes ₹ 0.03 Crores compensation received from property under disputes 1946.

27A Capital Work in Progress Aging schedule as on 31st March 2023

In case of Holding Co. (₹ in Crores)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	455.63	346.59	349.69	1,750.24	**2,902.15**
Projects temporarily suspended	2.41	5.08	7.57	59.23	**74.29**
Total	**458.04**	**351.67**	**357.26**	**1,809.47**	**2,976.44**

In case of OMDC (₹ in Crores)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	2.05	0.92	0.44	**3.40**
Projects temporarily suspended	-	-	-	-	**-**
Total	**-**	**2.05**	**0.92**	**0.44**	3.40

Capital Work in Progress Aging schedule as on 31st March 2022

In case of Holding Co. (₹ in Crores)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	448.91	351.96	752.29	1,121.17	**2,674.33**
Projects temporarily suspended	0.35	0.29	0.92	2.92	**4.48**
Total	**449.26**	**352.25**	**753.21**	**1,124.09**	**2,678.81**

In case of OMDC (₹ in Crores)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.09	1.96	0.92	0.44	3.40
Projects temporarily suspended	-	-	-	-	**-**
Total	**0.09**	**1.96**	**0.92**	**0.44**	**3.40**

27B Capital Work in Progress for time overrun/cost overrun projects as on 31st March 2023

In case of Holding Co. (₹ in Crores)

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
6.3 TPA Expansion project	81.06	-	-	-
7.3 MTPA	58.05	-	-	-
AMR Projects	55.11	17.93	-	-
Coke Oven Battery - V	659.10	-	-	-
FORGED RAIL WHEEL PLANT	1,831.98	-	-	-
AT LALGANJ				
Others	30.80	84.40	-	-
Total	**2,716.10**	**102.33**	**-**	**-**

In case of OMDC (₹ in Crores)

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1	-	-	-	3.40
Total	**-**	**-**	**-**	**3.40**

Capital Work in Progress for time overrun/cost overrun projects as on 31st March 2022

In case of Holding Co. (₹ in Crores)

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
6.3 TPA Expansion project	88.44	-	-	-
7.3 MTPA	84.52	-	-	-
AMR Projects	51.14	16.97	-	-
Coke Oven Battery - V	-	626.17	-	-
FORGED RAIL WHEEL PLANT	1,595.84	-	-	-
AT LALGANJ				
Others	24.62	81.64	-	-
Total	**1,844.57**	**724.78**	**-**	**-**

In case of OMDC (₹ in Crores)

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1	-	-	-	3.40
Total	**-**	**-**	**-**	**3.40**

28 Title deeds of Immovable Property not held in name of the Company as on 31st March 2023

In case of Holding Co. (₹ in Crores)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
PPE	Freehold Land	38.83	Government of India	Yes. Promoter	1983 onwards	The Company is holding Power of Attorney in its favour as executed by President of India on behalf of Government of India.
PPE	Building	24.23	M/s NBCC LTD	No	2008	Office building at New Delhi: Lease between NBCC LTD and Delhi Development Authority is yet to be completed.
PPE	Building	0.18	M/s NBCC LTD	No	1995	Office building at Ahmedabad: Litigation is going on between AMC against this builder (NBCC Ltd). Due to this AMC is unable to give Building utilisation permission,without Building permission the sale deed cannot be registered with the Registrar.
PPE	Building	0.95	Debi Prasad Chatterjee	No	1996	Residential Building at Kolkata: Due to non-compliance of the Terms & conditions of Purchase, on roof rights & garage space by developer dispute cropped up, which is pending in the court of 7th Civil judge at Alipore, Kolkata.

In case of EIL

Relevant line item in the Balance sheet	Descri-ption of item of property	Gross Carrying value (₹ in Crores)	Title deeds held in the name of Company	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
PPE	Freehold land	0.02	No	No	1984	The Company had a land of 76.77 Acres in the name of previous Company. Out of this, the Govt. of West Bengal had acquired 27.58 acres on 25.08.1976 under the provisions of section 6(3) of West Bengal Estates Acquisition Act, 1953.

In case of OMDC

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in Crores)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company **
PPE	Freehold Land	0.00	BPMEL	196.539 Acre - No	1991	
PPE	Freehold Land		Bird & Co.	3.910 Acre - No	1991	
PPE	Freehold Land		Encroachment	3.393 Acre - No	1991	
PPE	Freehold Land		OMDC	3.023 Acre	1991	

**Total Free Hold Land of 206.865 Acres has been included under Land out of which 3.023 Acres are in the name of OMDC, 3.910 Acres in the Name of Bird & Co., 3.393 Acres has been encroached by OMDC and 196.539 Acres in the name of BPMEL.

Title deeds of Immovable Property not held in name of the Company as on 31st March 2022

In case of Holding Co. (₹ in Crores)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
PPE	Freehold Land	38.83	Government of India	Yes. Promoter	1983 onwards	The Company is holding Power of Attorney in its favour as executed by President of India on behalf of Government of India.

Title deeds of Immovable Property not held in name of the Company as on 31st March 2022
In case of Holding Co.

(₹ in Crores)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
PPE	Building	24.23	M/s NBCC LTD	No	2008	Office building at New Delhi: Lease between NBCC LTD and Delhi Development Authority is yet to be completed.
PPE	Building	0.18	M/s NBCC LTD	No	1995	Office building at Ahmedabad: Litigation is going on between AMC against this builder (NBCC Ltd). Due to this AMC is unable to give Building utilisation permission,without Building permission the sale deed cannot be registered with the Registrar.
PPE	Building	0.95	Debi Prasad Chatterjee	No	1996	Residential Building at Kolkata: Due to non-compliance of the Terms & conditions of Purchase, on roof rights & garage space by developer dispute cro-pped up, which is pending in the court of 7th Civil judge at Alipore, Kolkata.
PPE	Freehold Land	1.30	Telangana State Industrial Infrastructure Corporation	No	2011	Site for Office at Hyderabad: Application for registration in the name of RINL is made and is pending with Govt of Telangana.
PPE	Building	5.83	Govt of Telangana Undertaking	No	2020	Office Building at Hyderabad: Application for registration in the name of RINL is made and is pending with Govt of Telangana.

In case of EIL

Relevant line item in the Balance sheet	Descri-ption of item of property	Gross Carrying value (₹ in Crores)	Title deeds held in the name of Company	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
PPE	Freehold land	0.02	No	No	NA	The Company had a land of 76.77 Acres in the name of previous Company. Out of this, the Govt. of West Bengal had acquired 27.58 acres on 25.08.1976 under the provisions of section 6(3) of West Bengal Estates Acquisition Act, 1953.

In case of OMDC

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in Crores)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company **
PPE	Freehold Land	0.00	BPMEL	196.539 Acre - No	1991	
PPE	Freehold Land		Bird & Co.	3.910 Acre - No	1991	
PPE	Freehold Land		Encroachment	3.393 Acre - No	1991	
PPE	Freehold Land		OMDC	3.023 Acre	1991	

**Total Free Hold Land of 206.865 Acres has been included under Land out of which 3.023 Acres are in the name of OMDC, 3.910 Acres in the Name of Bird & Co., 3.393 Acres has been encroached by OMDC and 196.539 Acres in the name of BPMEL.

29 The Holding Company has not given any Loans or Advances in the nature of loans which are repayable on demand/without specifying any terms or period of repayment to Promoters, directors, KMPs and the related parties during FY 2022-23 and FY 2021-22.

30 The Holding Company has not advanced/loaned/invested funds (borrowed funds/share premium/any other source or kind of funds) to any other person or an entity including foreign entity (intermediaries) with the understanding that the said intermediary shall

a. directly or indirectly lend or invest in other person or entity identified by the company.

b. provide guarantee or security on behalf of the company.

The Holding Company has not received any fund from any person or entity including foreign entity (funding party) with the understanding that the Company shall

a. directly or indirectly lend or invest in other person or entity identified by the funding party.

b. provide guarantee or security on behalf of the funding party.

31 Statements of Current Assets filed with Banks and Financial Institutions (In case of Holding Co.)

(₹ in Crores)

Quarter	Name of the Bank	Particulars (Accounting Head)	Amount as per books of Accounts	Amount as reported in quarterly return/ statement	Amount of Difference	Reason for Difference
Jun-22	SBI, UBI, Canara Bank, PNB, IDBI Bank, BoB and Indian Bank	Current Assets	10613.04	10613.04	NIL	NA
Sep-22			9045.85	9045.85	NIL	NA
Dec-22			9458.10	9458.10	NIL	NA
Mar-23			8979.43	8979.43	NIL	NA

32 All charges and satisfaction of charges are registered with ROC within the statutory period. (Holding Co.)

33A In case of Holding Co.

The Company did not enter into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during FY 2022-23 and FY 2021-22.

33B In case of EIL

Transactions with companies struck off or under liquidation (Already provided for in the books of accounts)

(₹ in Crores)

Name of struck-off company or company under liquidation	Nature of transactions with struck-off company	Balance outstanding as on 31.03.2023	Balance outstanding as on 31.03.2022
The Kinnison Jute Mills Co.Ltd.	Investments in securities	0.27	0.27
Kumardhubi Fireclay & Silica Works Ltd.	Investments in securities	0.20	0.20
Kumardhubi Engg. Works Ltd	Investments in securities	0.00	0.00
Kumardhubi Fireclay & Silica Works Ltd.	Investments in securities	0.01	0.01
Kumardhubi Engg. Works Ltd.	Investments in securities	0.00	0.00
Union Jute Co. Ltd.	Investments in securities	0.25	0.25
The Burrakur Coal Co. Ltd.	Investments in securities	0.41	0.41
Holman Climax Manufacturing Ltd.	Investments in securities	0.10	0.10
The Karanpura Development Co. Ltd.	Investments in securities	0.06	0.06
Sijua (Jherriah) Electric Supply Company Ltd.	Investments in securities	0.05	0.05

33C In case of OMDC and BSLC

The Company did not enter into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during FY 2022-23 and FY 2021-22.

34 The Holding company has not been declared as wilful defaulter by the Bank/ any Financial Institution during FY 2022-23 and FY 2021-22.

35 No proceeding has been initiated or pending against the Holding Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder during FY 2022-23 and FY 2021-22.

36 Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Current Ratio	Current Assets: ₹ 9103.01 Crs (Prev Period : ₹ 8488.57 Crs)	Current Liabilities : ₹23111.8 Crs (Prev Period : ₹20227.32 Crs)	0.39	0.42	-6%	
Debt - equity ratio	Total Debt: ₹ 20597.54 Crs (Prev Period : ₹ 17481.46 Crs)	Shareholder's Equity : ₹420.65 Crs (Prev Period : ₹3164.6 Crs)	48.97	5.52	-786%	Increase in borrowings and reduction in shareholders equity as compared to previous period due to the net loss for the period.
Debt service coverage ratio	Earnings available for Debt Service: ₹ 62.14 Crs (Prev Period : ₹ 3701.4 Crs)	Debt Service : ₹3312.38 Crs (Prev Period : ₹2954.83 Crs)	0.02	1.25	-99%	Negative earnings resulted in unfavourable Debt Service Coverage Ratio.
Return on equity ratio	Profit After Tax: ₹-2900.45 Crs (Prev Period : ₹ 900.85 Crs)	Average Shareholder's Equity : ₹1792.62 Crs (Prev Period : 2687.04 Crs)	(1.62)	0.34	-583%	Net loss for the period when compared to the net profit in the Prev. period.
Inventory turnover ratio	Sales: ₹ 22827.07 Crs (Prev Period : ₹ 28350.14 Crs)	Average Inventory : ₹6353.27 Crs (Prev Period : ₹5540.42 Crs)	3.59	5.12	-30%	Reduction in sales when compared to Prev. period resulted unfavourable Inventory Turnover ratio.
Trade receivables turnover ratio	Net Credit Sales : ₹ 6967.35 Crs (Prev Period : ₹ 8452.15 Crs)	Average Accounts Receivable : ₹849.35 Crs (Prev Period : ₹896.92 Crs)	8.20	9.42	-13%	Reduction in sales when compared to Prev. period resulted unfavourable Trade receivables Turnover ratio.
Trade payables turnover ratio	Net Credit Purchases : ₹ 17140.09 Crs (Prev Period : ₹ 24519.98 Crs)	Average Trade Payables : ₹5007.05955 Crs (Prev Period : ₹3651.6182 Crs)	3.42	6.71	-49%	
Net capital turnover ratio	Net Sales: ₹ 22827.07 Crs (Prev Period : ₹ 28350.14 Crs)	Working Capital : ₹-14008.79 Crs (Prev Period :₹ -11738.75 Crs)	(1.63)	(2.42)	-33%	Reduction in Working capital and reduction in sales
Net profit ratio	Net Profit: ₹ -2900.45 Crs (Prev Period : ₹ 900.85 Crs)	Net Sales : ₹22827.07 Crs (Prev Period : ₹28350.14 Crs)	(0.13)	0.03	-500%	Net loss for the period when compared to net profit for the corressponding period.
Return on capital employed	Earning before interest and taxes : ₹ -1533.27 Crs (Prev Period : ₹ 2502.88 Crs)	Capital Employed : ₹20925.71 Crs (Prev Period : ₹20558 Crs)	(0.07)	0.12	-160%	Negative Profit after tax during the period when compared to profit in the corressponding period
Return on investment	Profit After Tax: ₹ -2900.45 Crs (Prev Period : ₹ 900.85 Crs)	Shareholder's Equity : ₹420.65 Crs (Prev Period : ₹3164.6 Crs)	(6.90)	0.28	-2522%	Negative Profit after tax during the period when compared to profit in the corressponding period

37 Revenue from operations

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
A. Sale of products		
Domestic sales (Refer Note no. 37.1 & 37.2)	21,975.71	22,743.91
Less: Sale of trial run production (transferred to CWIP)	48.94	7.46
	21,926.77	**22,736.45**
Export sales	900.30	5,613.69
Less: Sale of trial run production (transferred to CWIP)	-	-
	900.30	**5,613.69**
Total Sale of Products (A)	**22,827.07**	**28,350.14**
B. Other operating revenues		
Internal consumption	7.90	7.17
Export benefits	41.36	105.91
Dividend Income (Refer Note no. 37.3)	0.04	0.03
Interest Income	4.60	5.28
Others	31.19	38.97
Total other operating revenues (B)	**85.08**	**157.36**
Total revenue from operations (A+B)	**22,912.16**	**28,507.50**

37.1 Excluding inter Co.transactions

37.2 This includes sale of Coal amounting to ₹103.07 Crores made during FY 2022-23 (in case of Holding Co)

In Case of EIL

37.3 Dividend Received from Other Investments: Dividend received includes ₹0.01 Crores from HDFC Bank, ₹0.0003 Crores from BEML, ₹0.0005 Crores from SAIL, ₹0.03 Crores from ITC, ₹0.0001 Crores from Reliance and ₹0.0017 Crores from India Power Corporation.

De- segregation of Revenue

Nature of Goods and Services

The Company is engaged in the manufacturing of Iron and Steel Products and generates revenue primarily from Iron & Steel products which is the only reportable segment of the Company

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
(1) Primary Geographical Markets		
Within India	21,926.77	22,736.45
Outside India	900.30	5,613.69
Total	**22,827.07**	**28,350.14**
(2) Major Products		
Iron & Steel	21,750.18	27,077.90
Other Secondary and by-products	1,076.89	1,272.24
Total	**22,827.07**	**28,350.14**

38 Other income

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Interest income :		
Banks	0.20	0.16
Loans to employees	2.19	4.14
Others	28.35	35.00
Rent recoveries	45.10	43.31
Liquidated damages	42.46	48.01
Net gain on sale of property, plant and equipment	0.01	0.69
Write back of provisions no longer required	4.69	6.83
Sundry receipts	101.93	148.31
Total	**224.93**	**286.44**

39 Cost of material consumed

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Raw materials		
Coal (Refer note 39.1)	11,409.86	9,051.13
Iron ore	4,119.17	7,213.17
Limestone (Refer note 39.2)	224.82	228.23
Dolomite	156.20	195.91
Silico manganese	655.30	726.98
Ferro silicon	137.41	142.07
Aluminium	185.05	208.29
Manganese ore	3.48	4.32
Petroleum coke	67.82	45.65
Sea Water magnesite	4.74	5.35
Others	129.13	55.56
Total	**17,092.98**	**17,876.67**
Add: Output from trial run production	-	-
Less: Material Consumed for trial run production	46.24	19.69
Less: Inter account adjustments - raw material mining cost	73.03	75.69
Total	**16,973.71**	**17,781.29**

39.1 This includes 27998 MT of Coal amounting to ₹ 99.22 Crores sold during the FY 2022-23 (in case of holding co.).

39.2 Excluding inter-company transactions

40 Changes in inventory of finished goods and work-in-progress

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Opening stock	2,142.63	2,387.66
Less: Closing stock	3,522.67	2,142.63
Total	**(1,380.04)**	**245.03**

Note : (i) Write down of inventories charged as expense (In case of Holding Co) (₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Cost of inventories valued at net realisable value	1,021.16	84.21
Inventories valued at net realisable value	963.23	81.08
Write down of inventories charged as expense	**57.93**	**3.13**

41 Employee benefit expenses

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Salaries and wages	2,269.60	2,233.62
Contribution to provident fund and other funds	311.99	426.81
Staff welfare expenses	173.38	197.47
Total	**2,754.98**	**2,857.90**

Note:

(i) In the case of Holding Co, Expenditure on Employee benefits not included above and charged to :

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Capital Work in Progress/Expenditure During Construction		
Salaries and wages	0.79	0.67
Company's contribution - provident fund & other funds	0.12	0.10
Staff Welfare expenses	0.05	0.02
Total	**0.96**	**0.79**

42 Finance costs

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Interest expense on financial liabilities :		
Foreign currency facilities	133.18	49.30
Bank loans	1,478.07	1,452.36
Others	104.06	39.20
Other borrowing costs	41.16	31.15
Total	**1,756.47**	**1,572.01**

Note:

(i) In the case of Holding Co, Expenditure on finance cost not included above and charged to: (₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Capital Work in Progress/Expenditure During Construction		
Interest - Banks	149.12	182.92
Interest on Lease Liability	3.56	3.02
Total	**152.68**	**185.94**

(ii) In case of general capex borrowings, the capitalisation rate of borrowing cost for FY 2022-23 is 9.07% (Previous Year : 9.25%)

In the Case of OMDC

Finance Cost includes B. G. Commission & STL Review Service Charges of ₹ 0.07 Crores.

43 Depreciation and amortisation expense

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Depreciation of property, plant and equipment	1,193.08	1,205.14
Amortisation of intangible assets	2.35	15.15
Total	**1,195.44**	**1,220.29**

In Case of OMDC

Expenditure incurred for obtaining required clearances to operate the mines subsequent to the allotment of their lease is capitalised as Intangible Assets. Amortization effect is given considering revalidation of Mining Lease upto 30-09-2030 for Bhadrasai Lease, 15-08-2026 for Belkundi Lease and 10-10-2041 for Bagiaburu Lease.

44 Other expenses

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Consumption of stores and spare parts	931.94	896.47
Power and fuel (Refer note 44.5.1)	1,906.31	1,295.11
Repairs and maintenance (Refer note 44.5.2)	584.53	572.33
Remuneration to auditors (Refer note 44.5.3)	0.35	0.34
Rent	2.16	2.34
Rates and taxes	7.72	11.34
Insurance	49.97	46.79
Handling and scrap recovery	264.38	347.60
Freight outward	517.64	498.09
Research and development expense	0.97	0.33
Provisions		
Shortage/damaged material/obsolescence/non-moving items of stores	0.63	0.40
Doubtful advances and claims	4.23	0.71
Doubtful Debts	-	0.11
Provision for Unsuccessful Projects	1.70	2.56
Write-offs		
Property, plant and equipment written off	4.12	4.46
Shortage /damaged material /obsolescence /non-moving items of stores	0.03	0.07
Doubtful advances and claims	-	-
Unsuccessful Projects Expenditure Written off	-	6.61
Sundries (Refer note 44.4)	115.12	126.78
Net (Gain) /Loss arising on Financial instruments designated as FVTPL	(59.30)	19.86
Donation	0.37	1.49
Miscellaneous expenses (Refer note 44.5.4)	831.61	569.96
Total	**5,164.47**	**4,403.76**

Note:-

In case of Holding Co:

44.1 Development expenditure is capitalized only if it can be measured reliably and the related asset and process are identifiable and controlled by the Company.

44.2 Expenditure towards research and other development is accounted under the primary heads of account and is expensed as and when incurred.

44.3 Capital Expenditure on Research and Development is included in the Intangible assets.

In case of OMDC :

44.4 Compensation against Excess Mining:-Pursuant to the Judgement of Hon'ble Supreme Court dated 02.08.2017, Dy. Director of Mines, Odisha had issued different demand notices dated 02.09.2017, 23.10.2017 & 13.12.2017 to OMDC for OMDC Leases and to BPMEL for BPMEL Leases towards compensation. The amount of Demand for OMDC Leases is ₹ 702.18 Crores and for BPMEL Leases is ₹ 861.57 Crores, totalling ₹ 1563.76 Crores towards EC, FC and MP/CTO. OMDC had been operating BPMEL Leases backed by Power of Attorney to sign and execute all mining leases and other mineral concessions from time to time. OMDC has paid the compensation of OMDC Leases of ₹ 876.22 Crores towards OMDC Leases (₹ 14.80 Crores on 29.12.2017, ₹ 130.93 Crores on 16.11.2018, ₹ 6.93 Crores on 30.01.2019, ₹ 400.00 Crores on 01.03.2019, ₹ 1 Crores on 20.09.2019 and ₹ 322.55 Crores on 03.10.2019) in 2017-18, 2018-19 and 2019-20 out of its own fund of ₹ 566.22 Crores and borrowed fund from Bank ₹ 310.00 Crores. OMDC has paid a sum of ₹ 27.15 Crores (₹ 25.15 Crores on 29.12.2017 and ₹ 2.00 Crores on 16.11.2018) towards BPMEL Leases as advance. The remaining amount of compensation including interest upto 31.03.2023 against BPMEL Leases amounting ₹ 1860.62 Crores are shown under Contingent Liability.

44.5.1 Power and fuel (₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Purchased power	1,037.59	511.24
Coal	865.18	781.45
Furnace oil/ LSHS/ LDO	3.53	2.42
Total	**1,906.31**	**1,295.11**

Cost of Power and fuel does not include the cost of generation of power and production of certain fuel elements in the plant of Holding Co. which are internally consumed. The related expenses have been included under the primary heads of account.

44.5.2 Repairs and maintenance (₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Plant and Equipment	398.83	394.09
Buildings	33.25	35.81
Others	152.45	142.43
Total	**584.53**	**572.33**

44.5.3 Remuneration to Auditors

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
As auditor - statutory audit	0.28	0.30
In other capacity		
Taxation matters	0.04	0.04
Other services	-	-
Reimbursement of expenses	-	-
Total	**0.32**	**0.34**

44.5.4 Miscellaneous expenses

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Technical services	7.22	9.62
Travelling expenses	62.61	59.51
Printing and stationery	2.86	3.28
Postage and telephone	1.65	1.90
Water Charges	95.16	112.20
Legal expenses	9.56	6.59
Bank charges	13.14	13.74
Community development welfare	0.07	10.05
Security expenses	121.92	110.53
Entertainment expenses	2.91	1.28
Advertisement	3.94	2.58
Demurrages and wharfages	198.63	101.00
ISO Audit Expenses	0.18	0.07
Selling expenses	18.25	19.19
Exchange differences (Net)	293.51	118.42
Total	**831.61**	**569.96**

44.5.5 Details of Corporate Social Responsibility expenditure

(₹ in Crores)

Particulars	Holding Co		OMDC	
	For the year ended		For the year ended	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
(a) Amount required to be spent by the Company during the year	Nil	Nil	0.13	0.13
(b) Amount spent during the year				
- Construction/acquisition of any asset	0.00	0.00	0.00	0.00
- On purpose other than above	0.33	11.42	0.09	0.10
Total	**0.33**	**11.42**	**0.09**	**0.10**

44.6.6 In the case of Holding Co., Expenditure on Other expenses not included above and charged to :

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Capital Work in Progress/Expenditure During Construction		
Power and fuel	0.21	0.25
Travelling expenses	0.02	0.01
Total	**0.23**	**0.26**

44A Exceptional items (In case of Holding Co.)

(₹ in Crores)

Particulars	For the year ended	
	31st March 2023	31st March 2022
Recovery of Overloading and Underloading Charges (Refer note 44A.1)	(71.88)	-
Write back of Post-Retirement Medical Benefit Scheme liabilities	-	(223.06)
Total	**(71.88)**	**(223.06)**

In case of Holding Co.:

44A.1 An amount of ₹ 186.92 crores incurred by RINL during the period April'14 to March'21 towards under loading and over loading charges has been with held from NMDC. The Committee representing RINL and NMDC recommended to the respective Managements to share ₹ 143.75 crores by both the parties equally. Considering the long-standing business relation between the PSUs, Competent Authority of RINL agreed to the proposal of the committee. Accordingly, necessary treatment is carried out in the books of accounts. Considering the materiality of the amount involved the said amount was shown under Exceptional Item.

45 Details of Corporate Social Responsibility

(₹ in Crores)

Particulars	Holding Co		OMDC	
	For the year ended		For the year ended	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Amount required to be Spent during the year	NIL	NIL	0.13	0.13
Amount of Expenditure Incurred	0.33	11.42	0.09	0.10
Shortfall at the end of the year	NIL	NIL	0.04	0.03
Total of Previous year Short fall	NIL	NIL	0.03	0.03
Reasons for Shortfall	NA	NA	-	-
Nature of CSR Activities				
Skill Development for unemployed /needy youth				
Women empowerment for female artisans				
Senior citizen care through helping hands initiative				
Health and Education				
Details of related party transactions-Contribution to CSR Foundation	0.25	1.39	-	-

46 There are no transactions that have been surrendered or disclosed as income during FY 2022-23 and FY 2021-22 in the tax assessments under the Income Tax Act, 1961. Also the Company has not traded/ invested in Crypto currency or Virtual currency during FY 2022-23 and FY 2021-22.

47 **(a) Statement of Compliance**

These are the Group's consolidated financial statements prepared in accordance with IND AS.

The financial statements were authorized for issue by the Board of Directors on 08th August, 2023.

	Name of the Company	Ownership in % either directly or through Subsidiaries@ 2022-23	Ownership in % either directly or through Subsidiaries@ 2021-22	Country of Incorporation
	A. Subsidiaries:			
	Eastern Investments Limited (EIL)	51.00	51.00	India
	Subsidiaries of EIL:			
1	The Orissa Minerals Development Company Limited (OMDC)	50.01	50.01	India
2	The Bisra Stone Lime Company Limited (BSLC)	50.22	50.22	India

The accounts of The Borrea Coal Company Ltd,another subsidiary and two associate companies namely The Burrakur Coal Co.Ltd and The Karanpura Development Co.Ltd of EIL have gone into liquidation and official liquidators have taken possession of all the Books and as a result, no account of the above said companies have been prepared and considered in group consolidated financial statements.

B. Joint ventures			
RINL POWERGRID TLT Pvt Ltd*	50.00	50.00	India
C. Associate			
International Coal Ventures Pvt Ltd (ICVL)	25.94	25.94	India

*The Board of Joint Venture Company RPTPL has directed to form a Joint Working Committee to expedite the process for short closing of all contracts. Further the company has not prepared Financial Statements on the assumption of Going Concern and the company will not be able to do further any activity in near future. During the year 2019-20 holding company's share in the losses of RPTPL exceeds its interest in RPTPL. In line with Para no. 38 of Ind AS 28, the holding co. restricted its share in the losses to the interest in the RPTPL.

48 **Use of estimates and judgement**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 9 - utilization of tax losses

Note 49 - measurement of defined benefit obligations

Notes 22 and 54 - provisions and contingencies

49 **Employee benefits**

A **In case of Holding Co.**

(i) a) Contribution to Superannuation Benefit Scheme

An amount of ₹42.07 Crores (31st March 2022: ₹124.05 Crores) recognised in the Statement of

Profit and Loss and ₹ 0.06 Crore (31st March 2022 : ₹ 0.02 Crores) in Capital Work in Progress towards Superannuation Benefit Scheme (Post Employment Benefit - Defined Contribution Plan).

b) Pension

The cumulative provision/liability towards pension benefit (Post Employment Benefit - Defined Contribution Plan) for executive & non-executive employees, amounting to ₹ 393.65 Crores (CPLY: ₹ 418.73 Crores.)

(ii) Other Long-term employee benefits

Liability towards other long-term employee benefits:- leave encashment and long service award etc., are determined on actuarial valuation by qualified actuary by using Projected Unit Credit Method.

The current service cost of other long term employee benefits, recognized in the statement of Profit and Loss as part of employee benefit expenses, reflects the increase in the obligation resulting from employee service in the current year, benefit changes, curtailments and settlements.

(iii) General description of the post employment benefits

a) Provident fund

The Company pays fixed contribution to Provident Fund, at predetermined rates, to a separate Trust, which invests the funds in permitted securities. On the contributions, the trust is required to pay a minimum rate of interest, to the members, as specified by Government of India. The obligation of the Company is limited to the shortfall in the rate of interest on the Contribution based on its return on investments as compared to the declared rate.

The defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

b) Gratuity

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. The Gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service at the time of retirement/ exit for service upto 30 Years and to receive one month salary for each year of completed service for service above 30 years. The defined benefit plan for gratiuity is administered by a single gratuiy trust that is legally separate from the company.

Gratuity is fully funded by the Company. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. Employees do not contribute to the plan.

c) Retirement settlement benefits

The retired employees, their dependents, as also the dependents of the employees expired while in service are entitled for travel and transport expenses to their place of permanent residence. Provisions / Liabilities are made based on the Actuarial valuaiton at each reporting date. Actuarial gain / loss relating to this scheme are recognized in Other Comprehensive Income.

d) Retirement medical benefits

(i) Medical benefits are available to all retired Non Execcutive employees and for Executive employees seperated before 01.01.2007 at the Company's hospital and under the health insurance policy under Group Medical Insurance Coverage Scheme (GMICS). Provisions / Liabilities are made based on the Actuarial valuaiton at each reporting date. Actuarial gain / loss relating to this scheme are recognized in Other Comprehensive Income.

(ii) For Executive employees retired on or after 01.01.2007, the company is operating Post Retirement

Medical Scheme under Defined Contribution Plan. The defined contribution plan for PRMS is administered by a single PRMS trust that is legally separate from the company.

e) Farewell scheme

Employees superannuating from the service of the Company shall be given 10 Gms of gold each.The scheme shall cover all regular employees of the Company. Provisions/Liabilities are made based on the Actuarial valuation at each reporting date. Actuarial gain/loss relating to this scheme are recognized in Other Comprehensive Income.

B In case of EIL

(i) Defined contribution plan

a) Provident fund: Company pays fixed contribution to Provident Fund at the rate of 12 % on Basic and dearness allowance.

(ii) Defined benefit plans

a) Gratuity: Payable on separation @ 15 days pay for each completed year of service to eligible employees who render continuous service of 5 years or more and maximum payable amount is calculated as per Gratuity Act. The gratuity amount is not covered and the provision on account of gratuity is being made as per the actuarial valuation.

These plans typically expose the group to actuarial risks such as actuarial risk, investment risk, interest risk, longetivity risk and salary risk.

i. **Actuarial risk:** It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected.The impact of this will depend on whether the benefits are vested as at the signation date.

ii. **Investment risk:** For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

iii. **Interest risk:** A decrease in interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan assets.

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

v. **Salary risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees.

(iv) Other disclosures*, as required under IND AS 19 on "Employee Benefits", in respect of defined benefit obligations are :-

a) Reconciliation of Present Value of Defined Benefit Obligation

(₹ in Crore)

S. No	Particulars	Gratuity #	Leave Encashment	Post Retirement Medical Benefits	Long Service Award	Farewell	Post Retirement Settlement Benefit	Employee Family Benefit Scheme	LTC/ LTA
i)	Present Value of defined benefit obligations as at the beginning of the year	1614.68 (1627.80)	919.81 (945.80)	505.75 (674.93)	1.41 (2.62)	42.63 (54.08)	43.87 (45.50)	213.33 (200.54)	41.37 (11.94)
ii)	Service cost	38.83 (42.86)	63.42 (61.07)	15.95 (21.86)	0.07 (0.12)	1.31 (1.54)	2.09 (1.51)	- -	15.43 (33.14)
iii)	Actuarial loss/ (gain) on obligation	-29.57 (-3.34)	66.85 (-5.85)	-45.45 (13.02)	1.14 (-1.49)	8.84 (-12.87)	-14.11 (-4.71)	25.51 (59.13)	-7.16 (-3.52)
iv)	Interest cost	103.77 (105.44)	62.02 (62.26)	35.53 (30.14)	0.10 (0.16)	2.80 (3.57)	2.88 (2.97)	13.02 (12.19)	3.13 (0.78)
v)	Benefits paid	170.03 (158.09)	96.92 (143.47)	13.49 (11.14)	0.57 -	4.70 (3.69)	3.42 (1.40)	45.81 (58.53)	9.21 (0.97)
vi)	Past service cost	- -	- -	- -	- -	- -	- -	- -	- -
vii)	Losses/(Gains) on curtailments/settlements	- -	- -	- (-223.06)	- -	- -	- -	- -	- -
viii)	Present value of defined benefit obligations as at end of the year (i+ii+iii+iv-v+vi+vii)	1557.68 (1614.68)	1015.17 (919.81)	498.29 (505.75)	2.16 (1.41)	50.88 (42.63)	31.31 (43.87)	206.04 (213.33)	43.56 (41.37)

b) Reconciliation of Fair Value of Plan Assets

(₹ in Crore)

S. No	Particulars	Gratuity #	Leave Encashment
i)	Fair Value of plan assets at the beginning of the year	1300.28 (957.18)	525.54 (488.26)
ii)	Expected return on plan assets	90.92 (61.21)	36.79 (46.66)
iii)	Actual company contribution	65.92 (420.89)	- -
iv)	Actuarial gain/ (loss) on plan assets	4.38 (18.49)	3.85 (9.38)

S. No	Particulars	Gratuity #	Leave Encashment
v)	Benefits paid	168.76	-
		(157.49)	-
vi)	Fair value of plan assets at the end of the year (i+ii+iii+iv-v)	1292.74	566.18
		(1300.28)	(525.54)
vii)	Present Value of Defined Benefit Obligation	1557.68	1015.17
		(1614.68)	(919.81)
viii)	Net Liability recognised in the Balance Sheet (vi-vii)	264.94	448.99
		(314.40)	(394.26)

c) Expenses recognised in the Statement of Profit and Loss for the Year

S. No	Particulars	Gratuity #	Leave Encashment	Post Retirement Medical Benefits	Long Service Award	Farewell	Post Retirement Settlement Benefit	Employee Family Benefit Scheme	LTC/ LTA
i)	Service cost	38.83	63.42	15.95	0.07	1.31	2.09	-	15.43
		(42.86)	(61.07)	(21.86)	(0.12)	(1.54)	(1.51)	-	(33.14)
ii)	Interest cost	103.77	62.02	35.53	0.10	2.80	2.88	13.02	3.13
		(105.44)	(62.26)	(30.14)	(0.16)	(3.57)	(2.97)	(12.19)	(0.78)
iii)	Actuarial losses/ (gains)	-33.96	62.99	-45.45	1.14	8.84	-14.11	25.51	-7.16
		(-21.83)	(3.52)	(13.02)	(-1.49)	(-12.87)	(-4.71)	(59.13)	(-3.52)
iv)	Past service cost	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
v)	Losses/(Gains) on	-	-	-	-	-	-	-	-
	curtailments/settlements	-	-	(-223.06)	-	-	-	-	-
vi)	Expected return on plan assets	90.92	36.79	-	-	-	-	-	-
		(61.21)	(46.66)	-	-	-	-	-	-
vii)	Total (i+ii+iii+iv+v-vi)	17.73	151.64	6.03	1.31	12.95	-9.14	38.52	11.40
		(65.26)	(80.19)	(158.04)	(-1.20)	(-7.76)	(-0.23)	(71.32)	(30.40)
viii)	Employee Benefit Expenses :								
	a) Charged to Statement of	51.67	151.62	51.47	1.31	4.10	4.97	38.51	11.40
	Profit & Loss	(87.07)	(80.16)	(-171.08)	(-1.20)	(5.12)	(-4.48)	(71.32)	(30.40)
	b) Charged to Expenditure	0.02	0.02	0.01	-	0.01	-	0.01	-
	during construction	(0.02)	(0.03)	(0.01)	-	-	-	(0.01)	-
	c) Charged to OCI	-33.96	-	-45.45	-	8.84	-14.11	-	-
		(-21.83)	-	(13.02)	-	(-12.87)	(-4.71)	-	-

** figures in brackets represents previous year figures # including that of EIL Group*

d) Actuarial assumptions

In Case of Holding Co

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	31st March 2023	31st March 2022
Discount rate	7.30%	7.00%
Rate of increase in compensation levels	7.00%	7.00%
Expected return on plan assets	7.30%	7.00%
Medical Inflation Rate	5.00%	5.00%

In Case of EIL

Particulars	31st March 2023	31st March 2022
Discount rate		
- Eastern Investments Limited	7.40%	6.90%
- The Bisra Stone Lime Company Limited	7.30%	6.10%
- The Orissa Minerals Development Company Limited	7.30%	6.60%
Expected rate (s) of salary increase		
- Eastern Investments Limited	5.00%	5.00%
- The Bisra Stone Lime Company Limited	5.00%	5.00%
- The Orissa Minerals Development Company Limited	5.00%	5.00%
Withdrawal Rate		
- Eastern Investments Limited	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages
- The Bisra Stone Lime Company Limited	0.3% at younger ages reducing to 0.2% at older ages	0.3% at younger ages reducing to 0.2% at older ages
- The Orissa Minerals Development Company Limited	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages

e) Sensitivity analysis (In case of Holding Co.)

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation and current service cost by the amounts shown below:

- **Gratuity** (₹ in Crores)

Particulars	31st March 2023		31st March 2022	
	Increase	Decrease	Increase	Decrease
1. Effect of 0.5% Change in the assumed discount rate				
- Defined benefit obligation	(30.44)	31.92	(40.91)	43.28
- Current service cost	-	-	-	-
2. Effect of 0.5% Change in the assumed salary escalation rate				
- Defined benefit obligation	4.92	(5.15)	11.08	(11.96)
- Current service cost	-	-	-	-

- **Retirement medical benefits** (₹ in Crores)

Particulars	31st March 2023		31st March 2022	
	Increase	Decrease	Increase	Decrease
1. Effect of 0.5% Change in the assumed discount rate				
- Defined benefit obligation	(37.27)	41.70	(38.97)	44.18
- Current service cost	-	-	-	-
2. Effect of 0.5% Change in the assumed medical inflation rate				
- Defined benefit obligation	37.49	(34.95)	44.85	(39.85)
- Current service cost	-	-	-	-

- **Retirement settlement benefits** (₹ in Crores)

Particulars	31st March 2023		31st March 2022	
	Increase	Decrease	Increase	Decrease
Effect of 0.5% Change in the assumed discount rate				
- Defined benefit obligation	(0.69)	0.73	(0.94)	0.99
- Current service cost	-	-	-	-

- **Farewell scheme** (₹ in Crores)

Particulars	31st March 2023		31st March 2022	
	Increase	Decrease	Increase	Decrease
Effect of 0.5% Change in the assumed discount rate				
- Defined benefit obligation	(1.24)	1.31	(1.01)	1.07
- Current service cost	-	-	-	-

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(v) Provident fund :

The Company's contribution paid/ payable during the year to Provident Funds are recognised in the Statement of Profit & Loss. The company's Provident Fund Trusts are exempted under section 17 of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The conditions for grant of exemption stipulated that the employer shall make good, deficiency if any, in the interest rate declared by the Trusts vis-a-vis statutory rate. The Company does not anticipate any further obligations in the near forseeable future having regard to the assets of the funds and return on investment. This Note is to be read with Note No 49 A(iii) (a).

50 Capital management

The Group aims to maintain a strong capital base so as to maintain the confidence of investor, creditor and market and to sustain future development of the business.

The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity other than amounts accumulated in the effective portion of cash flow hedges and cost of hedging, if any.

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Group's adjusted net debt to equity ratio at the reporting dates were as follows:

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Total net debt	20,635.77	17,520.32
Less: cash and cash equivalents	12.76	52.97
Adjusted net debt	**20,623.01**	**17,467.35**
Total equity	349.46	3,100.23
Less: Cost of hedging	-	-
Adjusted equity	**349.46**	**3,100.23**
Adjusted net debt to adjusted equity ratio	**59.01**	**5.63**

51 Earnings per share (not annualised)

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year:

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share calculation are as follows:

Particulars	31st March 2023	31st March 2022
i. Profit/(loss) attributable to equity shareholders (₹ in Crores)	(2,894.86)	905.74
ii. Weighted average number of Equity Shares outstanding during the year	4,88,98,46,200	4,88,98,46,200
iii. Face value per share (₹)	10	10
Basic and Diluted EPS (₹)	**(5.92)**	**1.85**

The Holding Company does not have any potentially dilutive equity shares outstanding during the year.

52 Leases

In case of Holding Co.

Company as a Lessee

Other Informations:

1. Nature of Lease: The Company has entered into Long term lease which are as follows:
   - a) Land measuring 1.00 acre at Mumbai taken on Lease from CIDCO towards operation of stockyard for storing and selling steel materials for a period of 60 years.
   - b) Land measuring 37 acres at Raebareli from Indian Railways towards establishment of Forged Wheel Plant for a period of 22 years.
   - c) Area Measuring 350.396 square meter in Multistorey Building taken on lease from M/s NBCC (India) Limited for a period of 99 years.
2. Interest Expenses on Lease Liabilities for FY 2022-23 is ₹ 3.56 Crores (Prev.Year: ₹ 3.02 Crores)
3. Total Cash outflow for leases for FY 2022-23 is ₹ 4.19 Crores (Prev.Year: ₹ 8.39 Crores)
4. Restrictions or covenants imposed by leases,
   - a) Forged Wheel Plant Lease

     - The lessee shall not create any lien or charge or encumbrance on the site except as permitted in this Land lease Agreement.

     - After the expiry or termination of the Land Lease Agreement, the site should be handed over to the Lessor.
   - b) Mumbai stockyard Lease - NIL
5. Sale and Lease back transactions.- NIL.
6. Future cash outflows that are not reflected in the measurement of lease liability - NIL
7. Lease liability outstanding as on 31st March 2023 is ₹ 38.23 Crores (As on 31st March 2022 is ₹ 38.86 Crores). Current maturities of lease liability as on 31st March 2023 is ₹ 0.69 Crores (As on 31st March 2022: ₹ 3.71 Crores).
8. **Maturity analysis of lease liability from 01.04.2023 (undiscounted)** (₹ in Crores)

Particulars	< 12 Months	01-05 Years	Over 5 Years	Total Cash Flow	Carrying Amount
Lease Liability	4.19	16.77	62.89	83.85	38.23

Company as a Lessor

1. Nature of Lease:- The Company has given land on Operating lease basis to various agencies. The details of major leases are as follows:
   - a) 149.25 acres of land allotted to Power Grid Corporation of India Ltd for installation of Grid & Staff Quarters for a period of 33 years which is due for renewal
   - b) 49.50 acres of land allotted to NTPC Ltd. (Simhadri) for Rail Road Corridor for a period of 99 years
   - c) 5.00 acres of land allotted to APIIC for Laying Water Pipeline for Pump House for a period of 33 years
   - d) 3.33 acres of land allotted to Gangavaram Port Ltd. for laying Railway Track for a period of 33 years
   - e) 9.27 acres of land allotted to M/s Air Liquide India Holding Pvt Ltd. for Construction of Air Separation Plant (BOO basis) for a period of 18.5 years.
2. Lease Income during FY 2022-23 is ₹ 0.07 Crores (Prev.Year: ₹ 0.07 Crores)
3. Income relating to variable lease receipts (not depending on index or rate) during FY 2022-23 is ₹ NIL (Prev.Year: ₹ NIL)
4. Risk Management strategy i.e., Buy back agreements, Guaranteed residual value, variable lease receipts- NIL
5. **Undiscounted lease Receipts** (₹ in Crores)

Particulars	< 12 Months	01-05 Years	Over 5 Years	Total Cash Flow
Lease Receipts	0.07	0.28	1.04	1.39

53 Financial instruments - Fair values and risk management

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

31st March 2023 (₹ in Crores)

Particulars	Carrying Amount					Fair Value			
	Fair Value Hedging Instruments	Mandatorily at FVTPL others	Other Financial Assets - Amortised Cost	Other Financial Liabilities - Amortised Cost	Total Carrying Amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value									
Forward Contracts*		-			-		-		-
Investments*		1.92			1.92	1.92			1.92
Employee loans			7.34		7.34		7.34		7.34
	-	**1.92**	**7.34**	-	**9.26**	**1.92**	**7.34**	-	**9.26**
Financial assets not measured at fair value									
Security deposits*			492.78		492.78				-
Loans and advances			1.48		1.48				-
Trade receivables*			783.07		783.07				-
Accrued interest*			34.18		34.18				-
Cash and cash equivalents*			12.76		12.76				-
Other receivables*			96.37		96.37	-	-	-	-
	-	-	**1,420.64**	-	**1,420.64**	-	-	-	-
Financial liabilities measured at fair value									
Interest rate swaps		-			-	-	-	-	-
Forward exchange contracts		10.76			10.76	-	10.76	-	10.76
	-	**10.76**	-	-	**10.76**	-	**10.76**	-	**10.76**
Financial liabilities not measured at fair value*									
Secured bank loans				16,343.69	16,343.69		-		-
Unsecured bank loans				4,253.85	4,253.85				-
Lease Liability				38.23	38.23				
Commercial papers				-	-				-
Accrued interest				26.86	26.86				-
Accrued income				-	-				-
Trade payables				4,895.71	4,895.71				-
Security deposits received				177.22	177.22				-
Earnest money deposits				509.04	509.04				-
Claims payable				-	-				-
Capital creditors				846.40	846.40				-
Other liabilities				3,317.36	3,317.36	-		-	-
	-	-	-	**30,408.36**	**30,408.36**	-	-	-	-

* The carrying amounts of these financial instruments recognized in the financial statements are a reasonable approximation of their fair values.

(₹ in Crores)

Particulars	Carrying Amount					Fair Value			
	Fair Value Hedging Instruments	Mandatorily at FVTPL others	Other Financial Assets - Amortised Cost	Other Financial Liabilities - Amortised Cost	Total Carrying Amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value									
Forward Contracts*		8.24			8.24		8.24		8.24
Investments*		1.72			1.72	1.72			1.72
Employee loans			14.29		14.29		14.29		14.29
	-	**9.96**	**14.29**	**-**	**24.25**	**1.72**	**22.53**	**-**	**24.25**
Financial assets not measured at fair value									
Security deposits*			409.59		409.59				
Loans and advances			28.76		28.76	-	-	-	-
Trade receivables*			915.63		915.63				
Accrued interest*			48.57		48.57				
Cash and cash equivalents*			52.97		52.97	-	-	-	-
Other receivables*			80.07		80.07				
	-	**-**	**1,535.58**	**-**	**1,535.58**	**-**	**-**	**-**	**-**
Financial liabilities measured at fair value									
Interest rate swaps		-			-	-	-	-	-
Forward exchange contracts		-			-		-		-
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Financial liabilities not measured at fair value*									
Secured bank loans				12,675.96	12,675.96	-	-	-	-
Unsecured bank loans				4,805.50	4,805.50				
Lease Liability				38.86	38.86				
Commercial papers				-	-	-	-	-	-
Accrued interest				9.78	9.78				
Accrued income				-	-				
Trade payables				5,118.41	5,118.41				
Security deposits received				132.23	132.23				
Earnest money deposits				543.75	543.75				
Claims payable				-	-				
Capital creditors				984.93	984.93				
Other liabilities				2,711.59	2,711.59				
	-	**-**	**-**	**27,021.01**	**27,021.01**	**-**	**-**	**-**	**-**

* The carrying amounts of these financial instruments recognized in the financial statements are a reasonable approximation of their fair values.

B. Measurement of fair values

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable input	Inter-relationship between significant unobservable inputs and fair value measurement
Forward exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date.	Not applicable	Not applicable
Interest rate swaps	Swap models: The fair value is determined using quoted swap rates at the reporting date.	Not applicable	Not applicable
Financial liabilities	Discounted cash flows: The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate.	Not applicable	Not applicable

C. Financial risk management

Risk management framework

The Group is exposed to various risks in relation to financial instruments. The Group's financial assets and liabilities by category are summarised in note 53A. The main types of risks are market risk, credit risk and liquidity risk. The Group’s risk management is coordinated at its headquarters, in close cooperation with the board of directors, and focuses on actively securing the Group’s short to medium-term cash flows by minimising the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed are described below.

The Group has exposure to the following risks arising from financial instruments:

- **i)** credit risk
- **ii)** liquidity risk
- **iii)** market risk

i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and loans.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade receivables and loans

The Group’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry in which customers operate.

Loss rates are calculated using a ‘roll rate’ method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the common credit risk characteristics.

Movements in the allowance for impairment in respect of trade receivables and loans

The movement in the allowance for impairment in respect of trade receivables and loans is as follows:

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Balance at 1st April	27.70	28.15
Net measurement of loss allowance	(0.03)	(0.45)
Balance at 31st March	27.67	27.70

Cash and cash equivalents

The Group holds cash and cash equivalents of ₹ 12.76 Crs at 31st March 2023 (31st March 2022: ₹ 52.97 crore). The cash and cash equivalents are only held with highly rated banks.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties

Derivatives

The derivatives are only entered into with highly rated scheduled banks.

ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities (other than trade payables). The Group also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities.

Exposure to liquidity risk

The following are the remaining contractual maturities of long term financial liabilities at the reporting date. The amounts reflect the principal amounts that are gross and undiscounted and exclude the impact of netting agreements

In case of Holding Co.

31st March 2023 (₹ in Crores)

Particulars	Contractual Cash Flows					
	Carrying Amount	Total	12 months or less	1-2 Years	2-5 Years	More than 5 years
Non-derivative financial liabilities						
Secured bank loans	9,171.02	9,171.02	-	1,935.54	6,333.66	901.82
Unsecured bank loan	-	-	-	-	-	-
	9,171.02	**9,171.02**	**-**	**1,935.54**	**6,333.66**	**901.82**
Derivative financial liabilities						
Interest rate swaps	-	-	-	-	-	-
Other forward exchange contracts	-	-	-	-	-	-
	-	-	-	-	-	-

31st March 2022 (₹ in Crores)

Particulars	Contractual Cash Flows					
	Carrying Amount	Total	12 months or less	1-2 Years	2-5 Years	More than 5 years
Non-derivative financial liabilities						
Secured bank loans	8,770.04	8,770.04	-	1,534.13	5,138.20	2,097.71
Unsecured bank loan	2.47	2.47	-	2.47	-	-
	8,772.51	**8,772.51**	**-**	**1,536.60**	**5,138.20**	**2,097.71**
Derivative financial liabilities						
Interest rate swaps	-	-	-	-	-	-
Other forward exchange contracts	-	-	-	-	-	-
	-	-	-	-	-	-

Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

iii) Market risk

Market risk is the risk that results from changes in market prices-such as foreign exchange rates, interest rates and equity prices-will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group uses derivatives to manage market risks.

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated. The currencies in which these transactions are primarily denominated is Indian Rupee (₹), which is also the company's functional and presentation currency.

The Group uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

Currency risks related to the principal amounts of the US dollar bank loan, which have been fully hedged using forward contracts that mature on the same dates as the loans are due for repayment. These contracts are designated as derivative contracts.

Interest rate risk

The Group aims to minimise its interest rate risk exposure by maintaining a balance of fixed/floating rate of interest.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to management is as follows:

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Fixed rate instruments		
Financial assets	1.74	4.92
Financial liabilities	9,582.36	7,194.39
	9,584.10	7,199.31
Variable rate instruments		
Financial assets	-	-
Financial liabilities	11,015.18	10,287.07
	11,015.18	10,287.07

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/ (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ in Crores)

Particulars	Profit or (loss)		Equity, pre-tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31st March 2023 Variable-rate instruments	(110.15)	110.15	NIL	NIL
31st March 2022 Variable-rate instruments	(102.87)	102.87	NIL	NIL

In the case of EIL

Financial risk management objectives

The Company's principal financial instruments comprise financial liabilities and financial assets. The Company's principal financial liabilities comprises trade payable and other financial liabilities. The main purpose of these financial instruments is to manage short-term cash flow and raise finance for the Company's capital expenditure program. The Company has various financial assets such as trade receivable and cash and short-term deposits, which arise directly from its operations.

Risk exposures and responses

The Company manages its exposure to key financial risks in accordance with the Company's financial risk management policy. The objective of the policy is to support the delivery of the Company's financial targets while protecting future financial security. The main risks that could adversely affect the Company's financial assets, liabilities or future cash flows are market risks, comprising commodity price risk, cash flow interest rate risk and foreign currency risk and liquidity risk and credit risk. Management reviews and agrees policies for managing each of these risks which are summarised below.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's financial instrument Market prices comprise three types of risks: currency risk, interest rate risk and other price risk which include equity price risk and commodity price risk. Financial instruments affected by market risk include loans, trade receivables, other financial assets, trade payables and other financial liabilities.

The sensitivity analyses have not been prepared as there is no amount outstanding as debt, having either fixed or floating interest rates, no derivatives financial instruments and no financial instruments in foreign currencies.

Foreign currency risk management

The Company does not undertake any transaction in foreign currency, consequently, exposures to exchange rate fluctuation does not arise. The Company has entered all the transaction in currency which is the functional currency and accordingly the foreign currency risk has been minimised to a very low level.

Foreign currency sensitivity analysis has not been performed considering the fact that there will not be any impact on the profit or loss of the Company, as there are no foreign currency monetary items.

Interest rate risk management

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. As the Company does not have any borrowings there is not a significant exposure to the interest rate risk but only to the extent of recognition interest portion of financial instrument classfied at amortised cost. The Company manages it interest risk exposure relating to the financial instrument classified at amortised cost by using the market interest rate as the effective interest rate and the changes in the assets/ liabilities is accounted for as interest income/expenses with respect to financial assets/financial liabilities respectively.

However, as there is no primary exposure to the interest rate risk the sensitivity analysis has not been performed by the Company.

Other price risks

The Company is exposed to other price risks which include equity price risk and commodity price risks. The Company holds investment for strategic rather than trading purposes. The senstivity analysis on the profit due to changes in equity prices has been performed below:-

Equity price sensitivity analysis

The Company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk by placing limits on individual and total equity instruments which is made subject to the approval of Board of Directors. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions. At the reporting date, the exposure to unlisted equity securities was ₹ 4.20 Crores including investment in joint ventures at cost amounting to ₹ 2.81 Crores.

Credit risk management

The Company trades only with recognised, creditworthy third parties and only on advance payment basis. It is the Company's policy that all customers who wish to trade are required to pay the entire amount in advance. The Company does not perceive any risk of default as there is no instance of credit sale. In addition, receivable balances are monitored on an ongoing basis, with the result that the Company's exposure to bad debts is not significant.

With respect to credit risk arising from the other financial assets of the Company, which comprise cash, bank balances, short-term investments and other receivables, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Refer to Note 12 for analysis of trade receivables ageing.

Liquidity risk management

The Company has huge investment in term deposits with banks and has sufficient owned funds to finance its existing and continuing commitments. New investments and advances are likely to be funded similarly. Major capital investments, if any, would be funded by through the terms deposits and further requirement if any will be addressed through the use of bank overdrafts and bank loans. The Company has deposited signficant amount in term deposits and have sufficient funds required to meet the liquidity requirements of the Company and accordingly the Company has not applied for any short-term financing facilities.

54 Contingent liabilities and commitments

Contingent liabilities

A. Claims against Group not acknowledged as debts

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Contractors/suppliers/customers		
CPSE	95.00	95.00
Other than CPSE	1,646.42	1,683.29
Local Authorities - state govt.	2,968.58	2,653.25
Sales tax matters (Refer Note no. 54A.2)	1,025.80	1,031.05
Income tax	2.22	2.20
Customs/excise duty	120.08	128.15
Others		
CPSE	-	-
Other than CPSE	827.23	756.07
Bank Guarantees	221.03	266.94
Total	**6,906.35**	**6,615.95**

54A.1 In case of Holding Company, Contingent Liabilities as on 31.03.2023 are after considering a reduction of ₹ 341.16 Crores from the balance as on 31.03.2022

54A.2 This includes an amount of ₹ 988.89 Crs for which the Company has received demand notice from Sales tax authorities deeming the stock transfer as interstate sales. However, the company expects no liability to arise as the movement of goods were on stock transfer basis and sales tax was also paid on eventual sales.

^ In case of Holding Company, differential price as claimed by Central Coalfields Limited (CCL) for the indigenous coking coal supplied during 13.01.2017 to 31.03.2017 amounting to ₹ 59.03 Crore being the amount billed over and above MOU 2016-17 agreed prices has not been accounted for. Pending settlement of dispute, the above liability has been treated as contingent liability.

B. Claims in Courts in connection with Land Acquisition:

1) 130 Sq. Yards in Sy. No. 9 of Sanivada village:

The encroachment was noticed in the last week of sep'18. Notices were issued on 03.10.2018 and 04.12.2018. Attempts were made to remove unauthorized constructions from RINL land departmentally. Unauthorized occupant approached High Court in WP No. 17798 of 2019. Vide order dated 13.11.2019 and 20.12.2019, High court of AP has granted stay on proceedings of Estate Court.

2) 12.5 Acres in Sy. No. 12/2 of Kaniti village and 2.0 Acres in Sy. No. 138(p) of Kurmannapalem village:

Land was acquired and handed-over to RINL by state Govt. Immediately after the decree by District court on 02.08.2010 in favour of the erstwhile owners, they tried to take physical possession of the land which was stopped by RINL. RINL filed appeal with A. S. no. 598 of 2010 wherein High Court directed to maintain the Status Quo.

3) 5.03 Acres in Sy. No. 227 of Aganampudi village:

Land was acquired and handed-over to RINL by state Govt. Lands were under the possession of RINL. Compound wall has also been constructed in majority of the area. Two erstwhile owners of land have filed W. P. no. 15135 and 20722 of 2019 in the High Court of AP which has granted order for maintaining Status quo. Case is pending in High Court of AP.

4) 1.40 Acres in Sy. No. 30(p) & 1.59 Acres in Sy. No. 31/2 of Vadlapudi village:

Land was acquired and handed-over to RINL by state Govt. Lands were under the possession of RINL. Compound wall has also been constructed and lands are within the Boundary wall of RINL.The erstwhile owners of land have filed W. P. no. 12034 of 2020 in the High Court of AP which has granted order for maintaining Status quo. Case is pending in High Court of AP.

5) 4.25 acres of land in Sy. No. 143 of Pedamadaka village:

The Karnavanipalem village, Hamlet of of Sanivada in Sy. No. 143 of Pedamadaka was acquired by Govt. of AP for Visakhapatnam Steel Plant in 1991. However, the land has not been handed over to RINL-VSP by Govt. of AP. The villagers are still occupying the land measuring approx. 4.25 acres as Govt. is not able to shift them to Rehabilitation Colonies. The matter is being followed up with Govt. of AP regularly.

C. Show cause notices issued by various Government Authorities are not considered as contingent liabilities.

D. In the case of Eastern Investments Limited:-

a) Rent & Cess on Land Revenue:

Lawrence Jute Mill Co. Ltd was a company under the erstwhile BIRD & CO. LTD. This company had 76.77 Acres of land at Chackasi, mouza- Bauria, JL No:4 in the P.S Bauria, Dist: Howrah, W.B. The company acquired 27.58 Acres of land in the year 1976 under the provision of Sec 6(3) of WB State Acquisition Act 1953. The name of the Jute Mill was subsequently changed to Lawrance Investment & Property company Ltd w.e.f 09.12.1970. In 1984 Lawrance Investment & Property company Ltd alongwith five other companies were dissolved and amalgamated with EIL, which is a company under erstwhile BIRD Group, by virtue of order of the Company Law Board under the provision of Sec 396 of the Companies Act vide No: SO/688E dated 04.09.1984. By virtue of this order all properties and asset including rights and interest as well as liabilities of Lawrance Investment & Property company Ltd were vested in EIL. The change of name of the owner of the property from Lawrance Investment & Property company Ltd to EIL on the basis of the order of amalgamation is yet to be effected, i.e the property is not yet mutated in the name of EIL.

The company had paid Rent and Cess on Land Revenue on Lawrence Property at Bauria @ ₹ 2,012 per year till 31.03.2001 with the office of the Revenue Inspector. The company had not accepted the substantial increase in charges from 2001-02, therefore continued to provide liability on the basis of claims received of the Financial Year 2008-09. From the FY 2009-10 onwards, the liability has been started booking in the contingent liability, which amounts to ₹ 1.03 Crores as on 31.03.2023.

Further letter ref No EIL/Lawrence Property/01 dated 14-03-2018 has been issued to Block Land & Land Reform Office with a copy to District Land & Land Reform Office and Director of Land Records & Service. It has been requested in the letter to provide the Land Tax dues by BL&LRO for payment by EIL and also requested to consider the compensation for the land acquired by the Govt of WB which is yet to be received in accordance with the judgement passed by Additional District Judge. Subsequently another letter dated 05-04-2018 issued to Additional District Magistrate (LR) & DLLRO, Govt. of West Bengal with a copy to Principal Secretary and Land Reforms Commissioner, Govt. of West Bengal requesting to expedite the matter.

Subsequently, information through RTI Act has been sought on 11-Jun-18, wherein it has been asked the due Land Tax for 49.19 acres and whether any notice for the same has been issued by the department. A reply was received on 28.06.2018 on the RTI Application which states the following

Quote

"The matter of realisation of land revenue in case of subject land does not arise and as such there is no question of raising demand of land revenue in respect of said land."

Unquote.

(b) Stamp Duty on Share Transfer :

There is demand from Additional Commissioner of Stamp Revenue Govt of West Bengal for ₹ 0.58 Crores as regards transfer of shares from President of India in The Orissa Minerals Development Company Ltd (OMDC) and The Bisra Stone Lime Company Ltd (BSLC) to Eastern Investments Ltd(EIL) to make BSLC and OMDC subsidaries of EIL.The transaction is exempted from Stamp duty and the same is communicated to Additional Inspector General of Registration and Additional Commissioner of Stamp Revenue West Bengal vide Letter No EIL/AS/STAMP DUTY/10-2012/01 dated 17th Oct 2012 by the authorised signatory of EIL. As there is no response to the letter of the Company till date, the amount of ₹ 0.58 Crores is shown as contingent liability. Further correspondence was made with the Dy. Secretary, Finance (Revenue) Dept., Govt. of W.B. on 23.02.2018 with a reminder on 11.04.2018. Subsequently two letters were issued on 10.07.2018 and on 14.05.2019, 16.08.2021, 28.02.2022 and 28.02.2023 but no response has been received till finalisation of this Balance Sheet.

(c) Income Tax :

Income tax demand in respect of A.Y. 2009-10 and A.Y. 2010-11 amounting to ₹ 0.54 Crores has not been deposited as the cases are pending with Appellate Authority of the Income Tax Department.

(d) For not complying with section 177 regarding formation of Audit committee :

Minimum ₹ 0.01 Crore and maximum ₹ 0.05 Crores penalty may be imposed on EIL. Provision for ₹ 0.01 Crore has been provided in the books of accounts and balance ₹ 0.04 Crores is being included in the Contingent Liability head.

(e) Mutation Cost of 49.19 acres of Land at Chackasi, Bauria, Howrah as per the Govt. of West Bengal Notification is ₹ 0.07 Crores.

(f) As per section 203(3) of Companies Act, 2013, a whole time Key Managerial Personnel shall not hold office in more than one company in its subsidiary company at the same time. Here CS & CFO of subsidiary company (OMDC) had been holding additional charge in the Holding company, which is contradiction of provision. As per provision, minimum ₹ 0.01 Crores and maximum ₹ 0.05 Crores penalty may be imposed on EIL. ₹ 0.01 Crores has been provided in the books and balance ₹ 0.04 Crores have been considered as Contingent liability.

E. In the case of The Bisra Stone Lime Company Limited:-

(a) Sales tax related :

Demand of ₹ 0.93 Crores (PY ₹ 0.93 Crores) in respect of Odisha Sales Tax and Odisha Entry Tax, challenged in appeal against which a sum of ₹ 0.60 Crores (PY ₹ 0.60 Crores) is deposited with the Sales Tax Authority, balance ₹ 0.33 Crores (PY ₹ 0.33 Crores) remaining unpaid.

(b) Claims in Courts in connection with Land Acquisition: Amount not ascertainable.

(c) Stamp Duty related :
Demand towards stamp duty amounting to ₹ 99.42 Crores have been received from Sub-Divisional Magistrate, Sundargarh, as per provision of Indian Stamp (Odisha Amendment) Act 2013, however all the demands raised under the said Act has been stayed by The Hon'ble Orissa High Court vide its order dated 12th July 2013. In the F.Y. 2015-16 Sub-District Magistrate, Sundargarh, has raised a demand as per Indian Stamp (Odisha Amendment) Act 2012 for the mine lease period up to 31/03/2020, which has been duly paid by the Company. Since the matter is sub-judice and subsequently new demand was raised by the same authority, provision of original stamp duty have not been made.

(d) Provident Fund related : Provident Fund Claim of ₹ 1.03 Crores which is as per letter dated 21.08.2014.

(e) The Company has received a show cause notice for ₹ 40.90 Crores form Deputy Director of Mines, Rourkela for illegal and excess mining during the period 2000-01 to 2010-11. ₹ 8.08 Crores have been provided in the books and balance of ₹ 32.82 Crores have been kept in the Contingent Liabilty.

(f) Non-Provisioning of Interest amounting to ₹ 0.71 Crores (P.Y. ₹ 0.71 Crores) towards award decided by various courts against creditors of the Company.

(g) As informed to us, the Company has taken measures to ensure legal compliances and filing the annual legal compliance report. The annual legal compliance report is placed before the Board for review. Further, reports on the progress of Arbitration cases are put up for information. Moreover, an internal reporting system has been introduced to indicate the progress of cases in various Courts along with their status from time to time. The age-wise analysis of pending cases is given below.

High Court		Other Courts		2nd Civil Judge. Sr. Division, Barasat, Kolkata	
Year	No.	Year	No.	Year	No.
1996	1	2003	1	2016	1
2000	1	2007	1	2017	2
2001	1	2008	6	2019	1
2003	2	2009	1	2020	2
2009	2	2016	1		
2013	2	2017	3		
2014	1	2018	20		
2015	1	2019	20		
2017	2	2020	4		
2018	1	2022	8		
2022	1	2023	23		
Regional Labour Commissioner, Rourkela		Revision Authority Ministry of Mines, Delhi		CGIT, Cum Labour Court, Bhubaneswar	
2014	1	Year	No.	Year	No.
2015	1	2015	1	2009	1
Supreme Court of India					
2018	1				

* There is no Foreign legal case

(h) IB valley was awarded job of transporting and loading of Limestone and Dolomite from BSLC mines to Railway Siding in the year 2005 for one year, but the agency left the job after six months and raised the bill of ₹1.61 Crs. ₹0.67 Crores was paid to the agency. Arbitration is pending with District Court Barasat, West Bengal. District court awarded decree for payment of principal along with interest @ 15 %, which come to ₹10.06 Crores as per CAG Audit of 2020-21. BSLC filed a miscellaneous case against the decree. The matter is under sub judice. Amount kept as contingent liabililty till such time the final order will come from the court.

(i) M/s PPSL was issued work order on 24.10.2010 to provide security services round the clock at the different places of mines. After termination of work order, the agency submitted the final bills of ₹0.90 Crores. ₹0.21 Crores was paid to the agency leaving a pending amount of ₹0.69 Crores. M/s PPSL filed a civil suit at Rourkrla. Provision of ₹0.25 Crores have been provided in the books apart from Security deposit of ₹0.13 Crores. As per the civil suit filed by PPSL, 7 % interest was claimed p.a. till realisation. CAG calculate the principal and interest, which comes to ₹0.63 Crores. As the case is not yet over , the amount has been parked in the contingent liability account.

(j) M/s. Parishram Industrial Co-Operative Society Limited (PICS) was engaged in the business of manufacturing and supply of cone crushers etc. (vide WO No. BSLC/PICS/322 dated 25.4.2013) for a total value of ₹0.97 Crores. As per the work order, M/s PICS completed the work and management has issued work completion certificate. Since the amount was not paid by management, PICS filed a Case No. MS 312 of 2016 in the Court of the Civil Judge (Sr. Div.), Barasat for recovery of the amount of ₹89.64 lakh with10 per cent interest per annum w.e.f. 24.08.2016, till realization of the entire amount. The court awarded a decree against the management for recovery of money. BSLC went to court against that decree and filed a suit on 04.09.2019.Considering the interest w.e.f. 24.08.2016, the amount payable by BSLC comes to ₹ 1.40 Crores (₹ 0.89 Crores + 10 per cent interest w.e.f. 24.08.2016 to 31.03.2022). BSLC has already made a provision of ₹ 0.73 Crores in the accounts. Since the matter is still sub-judice in the Court, the balance amount of ₹ 0.66 Crores (₹ 1.40 Crores - ₹ 0.73 Crores) have been disclosed as Contingent Liabilities as on 31.03.2022. Current Year liabilities have gone by interest amount of ₹ 0.09 Crores totalling the Net liablity of ₹ 0.75 Crores.

F. In the case of The Orissa Minerals Development Company Limited:-

(a) Legal Cases constitute ₹ 23.86 Crores from Claims of contractors for supply of materials/services are pending with arbitration/courts which have arisen in the ordinary course of business. It is expected that the ultimate outcome of these proceedings will be in favour of the Company and will not have any material adverse effect on the Company's financial position and results of operation. The amount shown above are approximate and not crystallized on the date of reporting of accounts.

(b Out of the Total Claim of Odisha Govt. demand for BPMEL Leases with interest amounting ₹ 1860.62 crores (PY ₹ 1495.64 crores) have been shown in contingent liability as the cases are pending in different courts of law.

(c) Bank Guarantee is given to Indian Bureau of Mines, OSPCB & Baitarani Irrigation Division ₹ 73.06 Crores

(d) For Demand from various statutory authorities towards income tax, sales tax, excise duty, custom duty, service tax, entry tax and other government levies for ₹ 2.37 Crores and ₹ 0.26 Crores respectively. The Company is contesting the demand with appellate authorities. It is expected that the ultimate outcome of these proceedings will be in favour of the Company and will not have any material adverse effect on the Company's financial position and results of operation. Site reclaimation charges of ₹ 14.80 Crores is shown in contingent liability

(e) Pursuant to the amendments of the Orissa Land Reforms Act, the Sub-Collector, Champua had served a Notice against the Company for alleged unauthorized possession of 10.79 acres of leasehold land on the ground that the said land belongs to Adivasis and based on that, the Revenue Inspector asked OMDC to vacate the land. The Company filed an appeal before the Addl. District Magistrate but the appeal was not allowed. During April, 1999 the Company filed a writ application and obtained Stay Order from the Hon'ble High Court of Orissa to maintain the status quo about the possession of the land until further order. No specific liability could be ascertained.

(f) Stamp Duty, Registration Charges, NPV & other Statutory Payment will be made at the time of executing supplementary Lease Deed after having all statutory clearances of around ₹ 209.61 Crores for all three OMDC Leases.

(g) Notice for Demand of non-compliance with Corporate Governance Requirements e.g. composition of Board and Committees received by the Company from National Stock Exchange vide letter No. NSE/LIST-SOP/CG/FINES/0468 dated 02-07-2020 of ₹ 0.10 Crores which has been informed to Board in its 59th Meeting on 11-09-2020. Company has submitted request letter dated 09-07-2020 to National Stock Exchange to waive off the penalty for no inaction on the part of the Company. Simultaneously, the Company has taken up with The Ministry of Steel vide letter dated 31-07-2020 and onwards for fulfilling the complainces.

(h) OMDC has challenged the two orders of NCLT dated 10.3.20 before NCLAT, New Delhi in the matter of M/s Jai Balaji Industries Ltd against petition filed u/s 9 of IBC, 2016. The judgement is in OMDC Favour and the case is in force in Kolkata High Court.

(i) Additional Royalty @ 150% on actual Royalty Paid on sale of Iron Ore and 100% of actual royalty paid on Manganese Sale. (Royalty paid ₹ 13.01 Crores for Iron Sale and ₹ 0.32 Crores for Manganese Sale and 150% on Net Dr and Credit Note amounting ₹ 2.09 Crores) as per Gazette Notification dated 28th March, 2021.

G. Commitments (In case of Holding Co.)

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided	565.55	985.68
Total	**565.55**	**985.68**

H. Others -

1. In case of Holding Co.

Rashtriya Ispat Nigam Limited (“RINL") and Air Liquide India Holding Private Limited ("ALIH") entered into a Contract dated 26 November 2010 for supply of Oxygen and Nitrogen gases and liquids for captive consumption of RINL on a Build, Own and Operate basis ("BOO") with an option to transfer. The production facility envisaged to be installed and commissioned by ALIH consisted of two air separation units (Plant-1 & Plant-2), each of 850 TPD capacity. The contractual time for completion of the entire scope of work was 28 months for the first ASU along with common facility and 30 months for second ASU from the date of the receipt of the letter of acceptance i.e. 6 July 2010. Vide letter dated 16 December 2014, ALIH terminated the contract and proposed to transfer the ownership of ASU plant to RINL subject to payment of around ₹455 Crores. Thereafter, RINL vide its letter dated 6 January 2015, rejected the termination of the Contract by ALIH and called upon ALIH to perform its obligations under the BOO Contract. However, since ALIH did not withdraw the termination notice, RINL was compelled to agree for in principle takeover of ASP from ALIH subject to inter alia, technical audit of the ASP.

Post the termination of the BOO Contract, several meetings and exchange of correspondences between RINL and ALIH took place in relation to the modalities for the takeover of the ASP by RINL. However, the parties could not agree on the final terms of the takeover. Because of the failure of the negotiations primarily due to unreasonable conduct of ALIH, RINL was compelled to invoke arbitration under Clause No. 32 of the Contract dated 26 November 2010.

The Arbitral Tribunal, which was constituted, issued the First Partial Award (Liability) on 12 June 2020. The Arbitral Tribunal has ruled that the ASP BOO Contract was validly terminated by ALIH’s Termination Notice dated 16 December 2014. The ASP BOO will be transferred by ALIH to RINL at a price (“the Takeover Price”) and on terms to be determined by the Arbitral Tribunal in a further Award. The Arbitral Tribunal by its Second Partial Final Award (Costs of First Partial Award) dated 12 October 2020 has awarded a cost of ₹160,099,066 in favour of ALIH. RINL has challenged the findings of the Arbitral Tribunal in the First Partial Liability Award dated 12 June 2020 (except the findings and order with regard to the takeover of the ASP BOO Plant by RINL), and the Second Partial Liability Award dated 12 October 2020 before the Commercial Court at Visakhapatnam and such challenge petitions are presently pending.

The Arbitral Tribunal by its Third Partial Final (Valuation Issue) Award dated 02 April 2021, has decided that the takeover price shall be determined in two phases and directed that the commissioning of the Plant shall commence no later than 1 May 2021. The First Phase of the calculation of the Takeover Price shall comprise the ascertainment of the value of the physical assets as on the Termination Date (“the Book Value”), Phase 2 shall comprise ascertainment of any necessary adjustments to the Book Value following the commissioning of the Plant.

Subsequently, pursuant to various orders passed by the Arbitral Tribunal (AT), ALIH is executing the works in relation to the commissioning of the two units of the ASP BOO, since May 2021, and from 16 December 2021, such works are being executed under the overall supervision of Mr. Zaffer Khan, expert appointed by the AT with the consent of ALIH and RINL.

RINL has made a payment of ₹ 45 crores to ALIH pursuant to the directions of the AT.

Additionally, as per the AT's orders, a sum of ₹ 40 crores has been deposited by RINL in an escrow account, opened jointly in the name of ALIH and RINL. The amount lying in the Escrow Account shall be released to ALIH upon completion of the milestones with regard to commissioning of the ASP BOO, which have been defined by the AT. Out of the ₹ 40 Crores , ₹ 35 Crores have been released upon reaching of 6 (six) milestones as per AT's orders.

The amounts of ₹ 45 Crores together with the amounts which shall be released from the Escrow Account shall be adjusted in the final Takeover Price which shall be decided by the AT.

Simultaneously, a valuation expert appointed by the AT with the consent of RINL and ALIH, is assessing the book value of the two units of the ASP BOO as on 16 December 2014, i.e, the Termination date.

Out of the two plants integrated trial runs of Plant-2 was started on 15.12.2022 and commissioning is under progress.

2. In case of The Bisra Stone Lime Company Limited:-

(a) The Company owned freehold land of 104.925 Hectres and leasehold land of 466.196 Hectres (Govt. Land) in Block-XI at birmitrapur as surface right area which is 571.121 Hectres and balance land of lease is 221.568 Hectres (Private tenanted land, public road, NH, Temple etc) in Block -XI at birmitrapur. Company has purchased 0.354 Hectres of land outside lease hold area. Hence total Mining Lease area is 793.043 Hectres of Land (105.279+466.196+221.568) in Block-XI at Birmitrapur. It has already mined & allied activities 303.537 hectare of land till March 2023. As per the Mineral Conservation and Development Rules 2017, the Company has given financial assurance in form of bank Guarantee of ₹ 8.13 Crores in regard to Progressive Mine Closure Plan and final closure plan. The Company had provided for Mine Closure Plan for ₹ 8.43 Crores till March 2025 & paid the same in the form of Bank Guarantee. The differential additional amount of ₹ 5.61 Crore is yet to be submit.

(b) Regional Provident Fund Commissioner has raised a demand of ₹ 1.03 Crores towards differential Provident Fund contribution, being the difference between 12% & 10% for the period from September, 2009 to October, 2010 u/s 7A & 7Q of Employees Provident Fund & Miscellaneous Provisions Act, 1952 on the ground that contribution rate of 12% is applicable instead of 10%, since the Company had reported profit in the year 2009-10. The Company had declared surplus in the year 2009-10, as a result of waiver of accumulated interest on Government Loan in terms of approved Capital Restructuring Scheme. The profit being notional and not supported by any cash inflow, the demand has been contested before the Honourable High Court of Orissa. Subsequently, as per the directives of The Employees Provident Fund Appellate Tribunal, New Delhi vide its Order reference ATA No.286 (10) 2014 dated 03-04-2014 a Bank Guarantee was issued on for ₹ 0.31 Crores favoring Regional Provident Fund Commissioner, Rourkela and not yet paid.

(c) The Company is yet to receive balance confirmations in respect of certain trade payables, other payables, trade receivables, other receivables and advances. The Management does not expect any material difference affecting the current year's financial statements due to the same.

(d) Provision for Royalty amounting to ₹ 0.94 Crores is lying for more than 15 years which was created in the year 2005-06 against shortage of Stock which was found on Physical Verification. In absence of any details/ confirmation genuineness of this liability is doubtful in nature.

(e) The Company has not received intimation from vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the end of the year together with interest payable under this Act could not be given.

(f) As per Tripartite Memorandum of Settlement dated 30th March 2009 with Recognised Workmen's Union and Regional Labour Commissioner, the wage revision is due from 1st January 2012. However, in view of Office Memorandum of Department of Public Enterprise Nos.2(11)/96-DPE(WC)-GL-1 dated 11th February 2004 and 2(70)/08-DPE(WC) dated 26th November 2008 the Company is barred to carry out wage revision due to recurring losses, negative worth and inability to pay incremental wages out of its own sources. In view of the above, no provision on account of pay revision has been made in the accounts. The possibility of wage revision being remote, the same is not considered even as Contingent Liability.

(g) The Company has substantial carried forward losses and unabsorbed depreciation under the Income Tax Act, 1961 and accordingly Deferred Tax Asset of ₹ 16.74 Crores (previous year ₹ 16.69 Crores) has arisen as on 31st March 2023 and it does not include the effect of Grauity and Leave encashment. However, as per IND AS-12 and in consideration of prudence, the Deferred Tax Asset has not been recognised in the financial statements owing to uncertainty of the availability of sufficient taxable income in future against which such Deferred Tax Assets can be realised. Deferred Tax Assets on Depreciation for the year ended 31st March 2023 is hereunder: Depreciation as per Income Tax Act ₹ 0.12 Crores and Depreciation as per Company's Act ₹ 0.38 Crores, Timing Difference being ₹ 0.26 Crores and Tax Impact on the same ₹ 0.05 Crores. Net Deferred Tax Assets as on 31.03.2023 ₹ 16.74 Crores.

(h) The Company is not regular in repaying principal amount of term loan and interest thereon to its holding company Eastern Investments Ltd (EIL). The Company was accommodated with the loan to tide over financial crisis due to closure of the mines for some period during 2011-12. As per the terms, principal is repayable after one year from the resumption of mining operations in 120 equal monthly installments. Simple interest on the loan is payable on monthly basis at RBI interest rate prevailing on the date of disbursement for the year of disbursement and thereafter for subsequent years at the prevailing RBI interest rate. The loan was disbursed during 2012-13 on different dates aggregating to ₹ 13.75 Crores and also in April 2013 for ₹ 1.25 Crores. Effectively principal repayment falls due from April 2013 in respect disbursements during 2012-13 and from May 2013 for the disbursement in April 2013.

(i) The Company is not in a position to pay any monthly installment towards repayment of principal due to financial crisis. Aggregate amount of principal falling due for payment but remaining unpaid as at the year-end is ₹ 15.00 Crores (P.Y ₹ 13.49 Crores). The Company could not repay interest since June 2013. The holding company EIL a Non Banking Financial Company declared the entire loan as Non Performing Asset as on 30th Sep 2014 and stopped recognizing interest income thereon from October 2014. The Company has requested EIL to waive the loan amount as well as interest thereon in view of poor financial status of the company. The amount in default towards repayment of interest as at the year-end is ₹ 9.56 Crores (₹ 8.72 Crores). The above balances of loan & interest from EIL are subject to confirmation.

(j) The Company pursuant to approval of Environmental Clearance from competent authority for enhancement of its annual production capacity from 0.96 MTPA to 5.26 MTPA, has received a total outlay plan of ₹ 5.50 Crores towards cost of implementation of site specific wild life conservation. The Company, as a matter of prudence has made necessary provision in the books of account accordingly.

3. In case of The Orissa Minerals Development Co. Ltd :-

(a) Due to non-renewal of mining leases in the name of the Company, there are no operations carried out by the Company relating to mining activities.

LEASE STATUS

OMDC LEASES :

1. Bagiaburu Iron Ore Mines (21.52 Ha.)

Requirement	Status
Reserve (in Million Tonne)	**Iron-4.08**
Capacity (EC Applied)	**Iron - 0.36 Million Tonnes per Annum**
Renewal of Mining Lease	Govt. of Odisha vide order dated 07.12.2021 extended the mining lease validity period from 11.10.2021 to 10.10.2041.The supplementary lease deed executed on 06.07.2022 for the period from 11.10.2021 to 10.10.2041. OMDC requested Joint Director of Mines, Joda vide letter dated 07.12.2021 for execution of supplementary lease deed for the period from 11.10.2021 to 10.10.2041.DDM, Joda by letter dated 10.05.2022 issued demand notice to OMDC for payment of ₹ 6.10 Crore for stamp duty & registration fees towards execution of supplementary lease deed for the period from 11.10.2021 to 10.10.2041.
Forestry Clearance(FC)	Stage-II Forest Clearance issued by MoEF&CC, integrated Regional office, Bhubaneswar on 17.09.2021 for total forest area of 21.52 hects.
Environment Clearance(EC)	- Public Hearing (PH) conducted successfully on 21.07.2022. - EAC (Non Coal Mining), MoEF & CC, New Delhi has recommended for grant of EC during meeting on 1st March, 2023
Mining Plan	Mining Plan approved by IBM on 22.07.2021 and valid up to 31.03.2026.
Consent to Establish	Consent to Establish (CTE) granted by SPCB, Odisha on 15.12.2020 for the period upto 14.12.2025.

2. Bhadrasahi Iron & Manganese Ore Mines (998.70 Ha.)

Requirement	Status
Reserve (in Million Tonne)	Iron-70.38, Manganese-10.49
Capacity(EC Applied)	Iron-1.8 Million Tonnes per Annum, Mn-0.12 Million Tonnes per Annum
Mining Lease extension	Govt. of Odisha vide order dated 06.02.2020 extended the mining lease validity period from 01.10.2010 to 30.09.2030.
Forestry Clearance(FC)	OMDC had requested MoEF & CC, New Delhi for co-terminus extension of Forest Clearance with extended mining lease period on 04.12.2020. Forest Clearance Co-terminus extension is pending for payment of NPV ~ ₹ 51.25 Crs.
Environment Clearance(EC)	ToR was issued on 23.11.2020 by MoEF& CC. OMDC submitted ToR along with EIA & EMP report to the State Pollution Control Board (SPCB), Odisha on 01.03.2021. Letter has been sent on 19.03.2021 from SPCB, Odisha to Collector, Keonjhar for fixation of date and venue for conducting Public Hearing (PH). OMDC is in continuous touch with collector, Keonjhar for conducting Public Hearing (PH) at the earliest. Date and venue for conducting Public Hearing (PH) is awaited from Collector, Keonjhar.
Mining Plan	Mining Plan approved by IBM on 17.03.2020 and valid up to 31.03.2025.
Consent to Establish	Application for CTE will be submitted after receiving letter from SPCB, Odisha.
Sale of Undisposed Stock	Sale of undisposed Stock in Bhadrasai Mines is in process. During the Financial Year 2022-23 1,49,943.56 MT of undisposed stock of Iron Ore of different grades has been disposed off.

3. Belkundi Iron & Manganese Ore Mines (1276.79 Ha.)

Requirement	Status
Reserve (in Million Tonne)	Iron-25.93, Manganese-11.73
Capacity (EC Applied)	Iron-1.8 Million Tonnes per Annum, Mn-0.30 Million Tonnes per Annum

Requirement	Status
Mining Lease extension	Govt. of Odisha vide order dated 03.02.2020 extended the mining lease validity period from 16.08.2006 to 15.08.2026.
Forestry Clearance(FC)	Forest Clearance co-terminus extension of Belkundi mines has been granted by MoEF& CC New Delhi on 14.09.2022.
Environment Clearance(EC)	• Public Hearing is scheduled to be held on 16.06.2023. • After successfully completion of PH, process for obtaining EC will be initiated
Mining Plan	Mining Plan approved by IBM on 29.01.2021 and valid up to 31.03.2026.
Consent to Establish	Presentation made before SPCB, Odisha on 25.02.2021 for obtaining CTE.

4. Status of Brahmani Coal Block, Dist: Dhenkanal, State-Odisha.

a) Brahmani Coal Block has been surrendered to MoC on 25.07.2022. The original BG amounting ₹ 93,05,000/- (Rupees Ninety Three Lakh and Five thousand only) returned by MoC to OMDC.

BPMEL LEASES : OMDC HAD BEEN OPERATING BPMEL LEASES BY VIRTUE OF POWER OF ATTORNEY. MINING RIGHTS OF BPMEL LEASES ARE SUBJUDICE.

THE STATUS OF BPMEL LEASES ARE AS FOLLOWS :-

1. Kolha-Roida Iron & Manganese Ore Mines (254.952 Ha.)

Requirement	Status
Renewal of Mining Lease	Period of 1st RML from 15.08.1956 to 14.08.1976 Period of 2nd RML from 15.08.1976 to 14.08.1996 Period of 3rd RML from 15.08.1996 to 14.08.2016 The 3rd RML application (15.08.1996 to 14.08.2016) was rejected by Govt. of Odisha on 16.11.2006.
Forestry Clearance(FC)	Applied on 13.12.2013 for forest area 207.096 Ha. Proposal is pending at DFO, Keonjhar
Environment Clearance(EC)	Obtained on 23.07.2012 for 3 MTPA Iron ore & 0.24 MTPA Manganese ore.

2. Dalki Manganese Ore Mines (266.77 Ha.)

Requirement	Status
Renewal of Mining Lease	Period of 1st RML from 01.10.1954 to 30.09.1974 Period of 2nd RML from 01.10.1974 to 30.09.1994 Period of 3rd RML from 01.10.1994 to 30.09.2014 The 3rd RML application (01.10.1994 to 30.09.2014) was rejected by Govt. of Odisha on 24.08.2006.
Forestry Clearance(FC)	Applied on 17.09.2012 for forest area 232.936 Ha. Proposal is pending at DFO, Keonjhar.
Environment Clearance(EC)	Obtained on 11.09.2013 for 0.24 MTPA Manganese ore.

3. Thakurani Iron & Manganese Ore Mines (778.762 Ha.)

Requirement	Status
Renewal of Mining Lease	Period of 1st RML from 01.10.1954 to 30.09.1984 Period of 2nd RML from 01.10.1984 to 30.09.2004 Period of 3rd RML from 01.10.2004 to 30.09.2024 3rd RML pending. 3rd RML is awaited for approval from Department of Steel & Mines, Govt. of Odisha.
Forestry Clearance(FC)	Applied on 10.11.2003 for forest area 402.899 Ha Proposal is pending at DFO, Keonjhar
Environment Clearance(EC)	Expert Appraisal Committee (EAC) has recommended EC on 24.05.2012 for production of 3 MTPA Iron ore and 0.06 MTPA Manganese ore subject to submission of Stage-1 Forestry Clearance and Site Specific Wild Life Management Plan. Stage 1 Forestry Clearance was not submitted in due time. Applied on 07.09.2017 as per MoEF guideline dated 14.03.2017. The next date of appraisal before EAC shall be intimated by MoEF& CC.

55 Equity accounted investees

(₹ in Crores)

Particulars	Note	31st March 2023	31st March 2022
Interest in joint venture	See (A) below	-	-
Interest in associates	See (B) below	659.64	616.56

A. Joint Venture

i) RINL Powergrid TLT Private Limited (RPTPL) is a joint arrangement in which the Group has joint control and a 50% ownership interest. RPTPL has been incorporated in the financial year 2015-16. It has been established for setting up a transmission line tower manufacturing unit (including Research & Development). RPTPL shall manufacture transmission line towers for supplying to various customers in India and abroad.The company has not commenced commercial operations.

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Percentage ownership interest	50%	50%
Non-current assets	-	-
Curent assets (including cash and cash equivalents – 31st March 2023: ₹ 0.1059 crore & 31st March 2022: ₹ 0.1106 crore)	0.11	0.11
Current liabilities (including other current financial liabilities – 31st March 2023: ₹ 1.49 crore & 31st March 2022: ₹ 1.49 crore)	(1.49)	(1.49)
Net assets	**(1.38)**	**(1.38)**
Group's share of net assets (50%)	(0.69)	(0.69)
Carrying amount of interest in the Joint Venture	-	-
RINL Share in RPTPL Losses restricted to its investments *	**-**	**-**
Carrying amount of interest in the Joint Venture as on 31st March	**-**	**-**

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Revenue	-	-
Depreciation and amortisation expense	-	-
Interest income	-	-
Interest expense	-	-
Other Expenses	0.00	0.01
Income tax expense	-	-
Profit/(loss)	(0.00)	(0.01)
Other comprehensive income	-	-
Total comprehensive income	**(0.00)**	**(0.01)**
Group's share of profit (50%)	(0.00)	(0.00)
Group's share of OCI (50%)	-	-
Group's share of total comprehensive income restricted to its investment (50%)*	**-**	**-**

*** Note:** The Board of Joint Venture Company RPTPL has directed to form a Joint Working Committee to expedite the process for short closing of all contracts. Further the company has not prepared Financial Statements on the assumption of Going Concern and the compay will not be able to do further any activity in near future. During the year 2019-20 holding company's share in the losses of RPTPL exceeds its interest in RPTPL. In line with Para no. 38 of Ind AS 28, the holding co. restricted its share in the losses to the interest in the RPTPL. Accordingly, carrying amount of investment of holding co. in RPTPL has eroded. Consequently the provision created in the Standalone financials of holding co. has been reversed in the consolidated financial statements.

B. Associates

International Coal Ventures Private Limited (ICVL) was set up as a special purpose vehicle for acquistion of coal mines/ blocks overseas for securing coal supplies. The following table summarises the financial information of ICVL and the carrying amount of the Group's interest in the entity.

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Percentage ownership interest	**25.94%**	**25.94%**
Non-current assets	2,623.72	2,655.26
Curent assets (including cash and cash equivalents – 31st March 2023: ₹ 4.85 crore 31st March 2022: ₹ 34.84 crore)	62.59	61.89
Non-current liabilities	(18.50)	(17.25)
Current liabilities (current financial liabilities – 31st March 2023: ₹ 125.07 crore 31st March 2022: ₹ 323.27 crore)	(125.23)	(323.38)
Net assets	**2,542.58**	**2,376.52**
Group's share of net assets	659.64	616.56
Carrying amount of interest in associate	**659.64**	**616.56**

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Revenue	-	-
Depreciation and amortisation expense	0.00	0.01
Other income	(11.86)	(17.80)
Interest expense	122.49	16.42
Other Expenses incl Exceptional items	15.83	23.92
Income tax expense	-	-
Profit/(loss)	(126.46)	(22.54)
Other comprehensive income	292.52	113.35
Total comprehensive income	**166.06**	**90.80**
Group's share of profit/(loss)	(32.81)	(5.85)
Group's share of OCI	75.89	29.41
Group's share of total comprehensive income	**43.08**	**23.56**

56 Non-controlling interests

The following table summarises the information relating to Group's subsidiary that has material NCI, before any intra-group eliminations

Eastern Investments Limited (₹ in Crores)

Particulars	31st March 2023	31st March 2022
NCI percentage	**49%**	**49%**
Non-current assets	293.85	278.17
Current assets	174.27	257.80
Non-current liabilities	(21.75)	(149.84)
Current liabilities	(557.39)	(486.60)
Net assets	**(78.10)**	**(70.79)**
NCI in subsidaries books	(32.91)	(29.69)
Net assets attributable to NCI	**(71.19)**	**(64.37)**
Revenue	126.36	173.07
Profit	(8.90)	(6.49)
OCI	(1.64)	(0.72)
Total comprehensive income	**(10.54)**	**(7.21)**
Profit allocated to NCI	(2.40)	(3.34)
OCI allocated to NCI	(0.82)	(0.36)
Total comprehensive income allocated to NCI	**(3.22)**	**(3.70)**
Cash-flow from (used in) operating activities	69.69	51.35
Cash-flow from (used in) investing activities	2.60	(22.82)
Cash-flow from (used in) financing activities	(90.25)	(15.01)
Net increase (decrease) in cash & cash equivalents	**(17.96)**	**13.51**

57 Related parties

A. List of related parties and nature of relationship

Name of the related party	Nature of relationship	Country
RINL Powergrid TLT Pvt. Ltd	Joint ventures	India
International Coal Ventures Pvt. Ltd (ICVL)	Associate	India
MINAS DE BENGA LIMITADA	Joint Venture of ICVL	Mozambique

B-I. Key Managerial Personnel as on 31st March 2023

Name of the related party	Nature of relationship
Shri Atul Bhatt	Chairman-cum-Managing Director
Shri V V Venugopal Rao	Director (Finance) & CFO
Shri Deb Kalyan Mohanty	Director (Commercial)
Shri Kanak Kumar Ghosh (upto 30.09.2022)	Director (Projects)
Shri Arun Kanti Bagchi (w.e.f. 26.12.2022)	Director (Projects)
Shri Ajit Kumar Saxena (upto 28.12.2022)	Director (Opeations)
Shri M Jagadeeshwara Rao	Company Secretary
Shri V Santa Kumar (from 29.08.2022 to 08.01.2023)	CFO

B-II. Independent Directors as on 31st March 2023

Name of the related party	Nature of relationship
Shri Sunil Kumar Hirani	Independent Director
Dr. Sita Sinha (upto 16.01.2023)	Independent Director
Shri Ghanshyam Singh	Independent Director

B-III. Government Directors as on 31st March 2023

Name of the related party	Nature of relationship
Ms. Ruchika Chaudhry Govil	Government Director
Ms. Sukriti Likhi	Government Director

C. Post employment plans of RINL

Name of the related party	Country
RINL Employees' Group Gratuity Fund Trust	India
Visakhapatnam Steel Project Employees' Provident Fund Trust	India
RINL Employees' Superannuation Benefit Fund Trust	India
RINL PRMS Trust	India

D. Other Related Parties

Name of the related party	Country
RINL-CSR Foundation	India

E. Transactions with related parties during the year ended

(₹ in Crores)

Name of the Related Party	Nature of Relationship	Nature of Transactions	31st March 2023	31st March 2022
International Coal Ventures Pvt Ltd (ICVL)	Associate	Subscription of Equity Shares	-	2.50
International Coal Ventures Pvt Ltd (ICVL)	Associate	Salaries Recoverable	0.64	0.60
International Coal Ventures Pvt Ltd (ICVL)	Associate	Receipt of Claims	0.45	1.43
MINAS DE BENGA LIMITADA	ICVL's Joint Venture	Purchases	1,083.53	600.82
MINAS DE BENGA LIMITADA	ICVL's Joint Venture	Demurrages/Despatches	14.93	2.76
RINL Employees' Group Gratuity Fund Trust	Post Employment Benefit Plan	Employee Benefit Expenses	13.15	61.94
RINL Employees' Group Gratuity Fund Trust	Post Employment Benefit Plan	Amount Remitted to Trust	65.00	420.00
Visakhapatnam Steel Project Employees' Provident Fund Trust	Post Employment Benefit Plan	Employee Benefit Expenses	185.02	179.52
Visakhapatnam Steel Project Employees' Provident Fund Trust	Post Employment Benefit Plan	Amount Remitted to Trust	184.74	164.13

(₹ in Crores)

Name of the Related Party	Nature of Relationship	Nature of Transactions	31st March 2023	31st March 2022
RINL Employees' Superannuation Benefit Fund Trust	Post Employment Benefit Plan	Employee Benefit Expenses	42.21	124.14
RINL Employees' Superannuation Benefit Fund Trust	Post Employment Benefit Plan	Amount Remitted to Trust	42.19	95.46
RINL PRMS Trust	Post Employment Benefit Plan	Employee Benefit Expenses	8.21	8.05
RINL PRMS Trust	Post Employment Benefit Plan	Amount Remitted to Trust	8.66	8.05
RINL - CSR Foundation	CSR Trust	Donations	0.25	1.39

F. Balances outstanding (unsecured & considered good)

(₹ in Crores)

Name of the Related Party	Nature of Relationship	Details	31st March 2023	31st March 2022
International Coal Ventures Pvt Ltd (ICVL)	Associate	Investment in Associate	378.86	378.86
International Coal Ventures Pvt Ltd (ICVL)	Associate	Other financial assets	1.35	1.16
MINAS DE BENGA LIMITADA	ICVL's Joint Venture	Other financial assets	15.65	-
MINAS DE BENGA LIMITADA	ICVL's Joint Venture	Amounts payable	415.27	27.50
RINL Employees' Group Gratuity Fund Trust	Post Employment Benefit Plan	Other financial liability/(asset)	237.38	289.23
Visakhapatnam Steel Project Employees' Provident Fund Trust	Post Employment Benefit Plan	Other financial liability	15.67	15.39
RINL Employees' Superannuation Benefit Fund Trust	Post Employment Benefit Plan	Other financial liability	397.20	422.26
RINL PRMS Trust	Post Employment Benefit Plan	Other financial assets	0.69	2.76

Note:

In addition to the above, the company has invested an amount of ₹ 4.00 Crores in M/s RPTPL for which necessary provision has been made in the books of accounts. (Refer Note No. 6)

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Provision for doubtful debts related to the amount of outstanding balances	NIL	NIL

G. Key Managerial Personnel compensation & Sitting Fee paid

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
Short-term employee benefits	2.42	1.91
Post-employment benefits	1.13	0.56
Other long-term benefits	1.74	0.59
Sitting fee paid to Independent Directors	0.25	0.10
	5.54	**3.16**

H. Transactions with Government Related Entities

During the year, significant amount of purchase of indigenous raw materials i.e., Iron ore of about ₹ 3499.14 Crs (Prev. Year : ₹ 6890.08 Crs) were procured from National Mineral Development Corporation (NMDC), a central PSU. Also the company has made sale of coal amounting to ₹ 103.07 Crs (CPLY: ₹ 183.88 Crs) to NMDC. The Company has also entered into other transactions such as service contracts, fuel purchase etc. with other various government related entities. These transactions are insignificant individually and collectively and hence not disclosed.

58 Operating segments

A Basis for segmentation

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components and for which discrete financial information is available. All operating segments results are reviewed regularly by the holding Company's Chief Executive Officer (CEO) to make decisions about resources to be allocated to the segments and assess their performance.

The Group has two reportable segments, as described below, which are the Group's strategic business units. These business units offer different services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the holding Company's CEO reviews internal management reports on at least a quarterly basis.

The following summary describes the operations in each of the Group's reportable segments:

Reportable segments	Operations
Steel products	Manufacturing of steel products
Others	Mining and investment activities

B. Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Group's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Year ended 31st March 2023 (₹ in Crores)

Particulars	Steel products	Others	Total
Segment revenue:			
- External revenue	22,809.40	126.36	22,935.76
- Inter-segment revenue	-	(23.60)	(23.60)
Total segment revenue	**22,809.40**	**102.76**	**22,912.16**
Segment profit (loss) before income tax	(3,236.46)	(53.28)	(3,289.74)
Segment profit (loss) before income tax includes:			
Interest revenue	30.74	-	30.74
Interest expense	1,738.23	18.24	1,756.47
Depreciation and amortisation	1,192.83	2.61	1,195.44
Share of profit (loss) of equity accounted investees		(32.81)	(32.81)
Other material non-cash items:			
- Impairment losses on non-financial assets	-	-	-
- Reversal of impairment losses on non financial assets	-	-	-
Segment assets	**32,769.43**	**1,271.07**	**34,040.50**
Segment assets include:			
Investments accounted for using equity method		659.64	659.64
Capital expenditure during the year (Cash Outflow)	563.88	0.26	564.14
Segment liabilities	**29,793.06**	**3,897.98**	**33,691.04**

Year ended 31st March 2022 (₹ in Crores)

Particulars	Steel products	Others	Total
Segment revenue:			
- External revenue	28,359.35	173.07	28,532.42
- Inter-segment revenue		(24.92)	(24.92)
Total segment revenue	**28,359.35**	**148.15**	**28,507.50**
Segment profit (loss) before income tax	941.58	(10.71)	930.87
Segment profit (loss) before income tax includes:			
Interest revenue	39.29	0.01	39.30
Interest expense	1,545.56	26.45	1,572.01
Depreciation and amortisation	1,204.63	15.66	1,220.29
Share of profit (loss) of equity accounted investees	-	(5.85)	(5.85)
Other material non-cash items:			-
- Impairment losses on non-financial assets	-	-	-
- Reversal of impairment losses on non financial assets	-	-	-
Segment assets	**32,333.24**	**1,301.12**	**33,634.36**
Segment assets include:			
Investments accounted for using equity method		616.56	616.56
Capital expenditure during the year (Cash Outflow)	714.87	21.88	736.75
Segment liabilities	**30,321.50**	**212.63**	**30,534.13**

C Reconciliations of information on reportable segments to Ind AS measures

(₹ in Crores)

Particulars	31st March 2023	31st March 2022
i. Revenues		
Total revenue for reportable segments	22,912.16	28,507.50
Revenue for other segments	-	-
Elimination of inter-segment revenue	23.60	24.92
Consolidated revenue	**22,935.76**	**28,532.42**
ii. Profit before tax		
Total profit before tax for reportable segments	(3,289.74)	930.87
Profit before tax for other segments	-	-
Elimination of inter-segment profits	-	-
Unallocated amounts:		
- Corporate expenses	-	-
Consolidated profit from continuing operations before tax	**(3,289.74)**	**930.87**
iii. Assets		
Total assets for reportable segments	34,040.50	33,634.36
Assets for other segments	-	-
Unallocated amounts	-	-
Consolidated total assets	**34,040.50**	**33,634.36**
iv. Liabilities		
Total liabilities for reportable segments	33,691.04	30,534.13
Liabilities for other segments	-	-
Unallocated amounts	-	-
Consolidated total liabilities	**33,691.04**	**30,534.13**

v. Other material items

31st March 2023 (₹ in Crores)

Particulars	Reportable segments total	Adjustments	Consolidated totals
Interest revenue	36.93	6.19	30.74
Interest expense	1,762.66	6.19	1,756.47
Capital expenditure during the year (Cash Outflow)	564.14	-	564.14
Depreciation and amortisation expense	1,195.44	-	1,195.44
Impairment losses on non-financial assets	-	-	-
Reversal of impairment losses on non-financial assets	-	-	-

31st March 2022 (₹ in Crores)

Particulars	Reportable segments total	Adjustments	Consolidated totals
Interest revenue	42.85	3.55	39.30
Interest expense	1,575.56	3.55	1,572.01
Capital expenditure during the year (Cash Outflow)	736.75	-	736.75
Depreciation and amortisation expense	1,220.29	-	1,220.29
Impairment losses on non-financial assets	-	-	-
Reversal of impairment losses on non-financial assets	-	-	-

D Major customer

Revenue from any customer of the Group's steel products and other segments does not exceed 10% of the total revenue reported and hence, the management believes there are no major customers to be disclosed.

59 Current and Non-current Classification (In case of Holding Co.)

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

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

60A Going Concern Assessment (In case of Holding Co.)

1. The management of the company has carried out an assessment on the Company's ability to continue as a Going Concern considering a wide range of factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing etc.,
2. As a part of the assessment of its ability to continue as a going concern, the management of RINL has taken into consideration the following factors from the financial year under report as well as the financial year ahead.

   a. Its track record of Debt servicing without default.

   b. Its successful and strategic deployment of its resources and capacities and market opportunities to optimise its costs and maximize its revenues during the year despite adverse conditions owing to volatile pricing and availability issues of Coking coal and thermal coal during the earlier part of the previous financial year.

   c. Assured supply of and support from vendors of major materials pursuant to settlements and long term agreements/MOUs made with them during the year.

   d. Active engagement with lenders from time to time for their continued support in terms of financing of its working capital needs.

e. There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future during the year.

3. Based on its performance during the year under report, the management of the company has also made the following estimates for its next financial year in the following manner:

i. Gross Sales Turnover of ₹35,857 Crores for the FY 2023-24 as against the actual turnover of ₹22,778 Crores achieved during 2022-23 due to higher capacity utilisation envisaged.

ii. Gross sales volume of 5.79 million tonnes of saleable steel for the FY 2023-24 as against 3.74 million tonnes achieved in 2022-23.

iii. The production for the year 2023-24 at 5.80 Million tonnes of saleable steel as compared to 3.96 million tonnes achieved during 2022-23.

iv. Generation of positive cashflows from operations during FY 2023-24.

In view of the above, the management of the company believes that the Company has the ability to continue as a going concern due to the steps taken by the company to continue its operations in the FY 2022-23 and the action plan for the FY 2023-24.

60B Going Concern Assessment (In case of BSLC)

The Company has made a profit of ₹12.07 Crores before tax for the year ended 31st March'2023 and accumulated loss as on 31st March'2023 is ₹218.50 Crores which is in excess of the entire Net Worth of the Company. Further the company believes that they will be able to recover such loss once there will be a substantial improvement in market scenario considering the above improvements in the market scenario the company expects that there will be a favourable impact on the Company's operations and financials in future. Hence, the Company has prepared the financial results on the basis of "Going Concern" assumption.

61 Disinvestment of Rashtriya Ispat Nigam Limited:

The Cabinet Committee on Economic Affairs (CCEA), in its meeting held on 27.01.2021, had given "in principle" approval for 100% disinvestment of GOI shareholding in RINL along with RINL's stake in its Subsidiaries/JVs through strategic disinvestment by way of privatization. An Inter-Ministerial Group has been constituted by Ministry of Finance vide office order dtd. 12.02.2021, for driving the process of strategic disinvestment of RINL. Transaction Advisor (TA), Legal Advisor (LA) and Asset Valuer (AV) have been appointed by GoI to take forward the process of 100% disinvestment of RINL. Information / data / agreements / reports / clarifications (queries related to Corporate structure, Financials, Operations, Land, JV and Subsidiaries, Employees, Litigations, Status of contracts, etc.) as sought by the LA & TA from time to time is being furnished by RINL. To facilitate sharing of voluminous data/information/reports required for the process of disinvestment, as advised by the TA, a Virtual Data Room (VDR) Service provider has been appointed by RINL and the VDR is in place from 30-Mar-2022.

62 a) For a substantial portion of Loans and Advances, Trade payables/ Trade receivables / Other payables, letters seeking confirmation of balances were sent and no material discrepancies were found in respect of balances confirmed.

b) Previous year's figures have been rearranged / regrouped wherever necessary to conform to current year's classification.

63 Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of consolidated financial statements' of Division II of Schedule III

As at 31st March 2023 (₹ in Crores)

Name of the Entity	Net Assets		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income	
	As % of consolidated net assets	Amount ₹	As % of consolidated profit or (loss)	Amount ₹	As % of consolidated other OCI	Amount ₹	As % of consolidated total OCI	Amount ₹
Parent								
Rashtriya Ispat Nigam Limited	113.10%	395.24	98.75%	(2,858.74)	49.99%	75.43	101.43%	(2,783.31)
Subsidiaries (Group's share)								
Indian								
Eastern Investments Limited	-22.35%	(78.10)	0.11%	(3.31)	-0.28%	(0.42)	0.14%	(3.73)
Non controlling interest								
Eastern Investments Limited	-20.37%	(71.19)	0.19%	(5.59)	-0.81%	(1.22)	0.25%	(6.82)
Associates (investment as per the equity method)								
Indian								
International Coal Ventures Private Limited	80.35%	280.78	1.13%	(32.81)	50.29%	75.89	-1.57%	43.08
Joint Ventures (investment as per the equity method)								
Indian								
RINL Powergrid TLT Pvt Ltd	-1.14%	(4.00)	0.00%	-	0.00%	-	0.00%	-
Eliminations	-49.58%	(173.27)	-0.19%	5.59	0.81%	1.22	-0.25%	6.82
Total	**100.00%**	**349.46**	**100.00%**	**(2,894.86)**	**100.00%**	**150.90**	**100.00%**	**(2,743.95)**

As at 31st March 2022 (₹ in Crores)

Name of the Entity	Net Assets		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income	
	As % of consolidated net assets	Amount ₹	As % of consolidated profit or (loss)	Amount ₹	As % of consolidated other OCI	Amount ₹	As % of consolidated total OCI	Amount ₹
Parent								
Rashtriya Ispat Nigam Limited	102.53%	3,178.66	100.82%	913.19	40.83%	20.16	97.72%	933.35
Subsidiaries (Group's share)								
Indian								
Eastern Investments Limited	-2.28%	(70.79)	-0.18%	(1.60)	-0.38%	(0.19)	-0.19%	(1.80)
Non controlling interest								
Eastern Investments Limited	-2.08%	(64.37)	-0.17%	(1.54)	-1.07%	(0.53)	-0.22%	(2.08)
Associates (investment as per the equity method)								
Indian								
International Coal Ventures Private Limited	7.67%	237.70	-0.65%	(5.85)	59.56%	29.41	2.47%	23.56
Joint Ventures (investment as per the equity method)								
Indian								
RINMOIL Ferro Alloys Private Limited	0.00%	(0.12)	0.00%	-	0.00%	-	0.00%	-
RINL Powergrid TLT Pvt Ltd	-0.13%	(4.00)	0.00%	-	0.00%	-	0.00%	-
Eliminations	-5.70%	(176.72)	0.17%	1.54	1.06%	0.53	0.22%	2.08
Total	**100.00%**	**3,100.23**	**100.00%**	**905.74**	**100.00%**	**49.37**	**100.00%**	**955.11**

RASHTRIYA ISPAT NIGAM LIMITED

(CIN: U27109 AP1982 GOI 003404)

Regd. Office: Administrative Building, Rashtriya Ispat Nigam Limited (RINL), Visakhapatnam Steel Plant (VSP), Visakhapatnam-530 031, Andhra Pradesh.
Tel: (0891) 2518249/2759482; Fax: (0891) 2518249
Email: jagadeeshm@vizagsteel.com; Website: www.vizagsteel.com;

N O T I C E

NOTICE is hereby given that the **41st Annual General Meeting (AGM)** of the Members of **Rashtriya Ispat Nigam Limited** (RINL) for the financial year 2022-23 is scheduled to be held at **11:00 hrs on Friday, the 29th day of September, 2023,** at the Registered Office of the Company at Administrative Building, Rashtriya Ispat Nigam Limited (RINL), Visakhapatnam Steel Plant, Visakhapatnam – 530 031, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2023 together with the Reports of the Board of Directors and Auditors thereon and the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2023 along with Auditors Reports thereon and comments of the Comptroller & Auditor General of India (C & AG) thereon.

2. No dividend declaration for the Financial Year 2022-23.

3. To authorize Board of Directors of the Company to fix the Remuneration of the Statutory Auditors of the Company appointed by Comptroller & Auditor General of India (C & AG) for the Financial Year 2023-24, in terms of provisions of Section 139(5) read with Section 142 of the Companies Act, 2013 and in this regard to consider and if thought fit, to pass with or without modification the following Resolution as an **Ordinary Resolution.**

"RESOLVED THAT

The Board of Directors of the Company be and are hereby authorized to decide and fix the Remuneration, Out of pocket expenses, Travelling expenses and other living expenses appropriately with the recommendations of Audit Committee from time to time, for the Statutory Auditors of the Company for the financial year 2023-24, who are appointed by the C & AG."

SPECIAL BUSINESS:

4. To appoint Shri Arun Kanti Bagchi (DIN: 09835584), as Director (Projects) of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT

Pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, Shri Arun Kanti Bagchi (DIN: 09835584) who was appointed as

Director (Projects) by the Hon'ble President of India pursuant to powers vested under Article No.75 of the Articles of Association of Rashtriya Ispat Nigam Limited and assumed charge on 26th December, 2022 be and is hereby appointed as Director (Projects) of the Company."

5. To appoint Shri Suresh Chandra Pandey (DIN: 10149587), as Director (Personnel) of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT

Pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, Shri Suresh Chandra Pandey (DIN: 10149587) who was appointed as Director (Personnel) by the Hon'ble President of India pursuant to powers vested under Article No.75 of the Articles of Association of Rashtriya Ispat Nigam Limited and assumed charge on 11th May, 2023 be and is hereby appointed as Director (Personnel) of the Company."

6. *To ratify the remuneration of the Cost Auditors for the financial year* 2023-24 *and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an* **Ordinary Resolution**:

"RESOLVED THAT

Pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of the Cost Auditors appointed by the Board of Directors of the Company for the financial year 2023-24 as set out in the Statement annexed to the Notice convening this Meeting, be and is hereby ratified.

RESOLVED FURTHER THAT

The Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board
Sd/-
CS M Jagadeeshwara Rao
Company Secretary
M.No: FCS – 8581

Place: Visakhapatnam
Date : 25th August, 2023

Registered office:

Administrative Building,
Rashtriya Ispat Nigam Limited (RINL),
Visakhapatnam Steel Plant (VSP),
Visakhapatnam - 530 031,
Andhra Pradesh.

CIN: U27109 AP1982 GOI 003404

Copy to:

1. All Members
2. All Directors
3. Auditors

Enclosures:

1. Notes to Notice.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Items of Special Business to be transacted at the Meeting.
3. A copy of the 41st Annual Report of the Company for the financial year 2022-23.

NOTE:

1. ***A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a Member.***
2. The President of India may appoint one or more person(s) to represent at the Meeting.
3. Statutory Registers and documents referred to in the accompanying Notice and the Statement are open for inspection by the Members at the Registered Office of the Company on all working days during business hours.
4. Brief resume of the Directors seeking appointment or re-appointment is annexed hereto and forms part of the Notice.
5. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of items of Special Business, as set out above is annexed hereto.
6. None of the Directors of the Company is in any way related with each other.

In view of the COVID 19 pandemic, the Ministry of Corporate Affairs vide its Circular dated 28th December, 2022 read with circulars dated 05th May, 2022, 14th December, 2021, 08th December, 2021, 13th January, 2021, 5th May, 2020, 13th April, 2020 and 8th April, 2020 (collectively referred to as 'Circulars'), permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio- Visual Means ("OAVM"), without the physical presence of the Members at a common venue and also send notice of the Meeting and other correspondences related thereto, through electronic mode whose AGMs are due in the year 2023 to conduct their AGMs on or before 30th September, 2023. In compliance with the said requirements of the MCA Circulars, the AGM of the Company is being held through VC / OAVM and electronic copy of the Notice along with the Annual Report for the financial year ended 31st March, 2023 consisting of financial statements including Board's Report, Auditors' Report and other documents required to be attached therewith (Collectively referred to as Notice) have been sent to the members through electronic means.

Annexure to Notice
EXPLANATORY STATEMENT TO THE SPECIAL BUSINESSES PROPOSED IN THE NOTICE
(Pursuant to Section 102(1) of the Companies Act, 2013)

Item No.4:

Shri Arun Kanti Bagchi (DIN: 09835584) was appointed as Director (Projects) in the scale of pay of ₹ 75,000 – 1,00,000/- (pre-revised) on the Board of RINL by the President of India vide Order.No.2/3/2021-BLA, dt. 23rd December, 2022 issued by the Ministry of Steel (MoS) for a period with effect from the date of his assumption of charge of the post i.e. 26th December, 2022 till the date of his superannuation i.e. 31.08.2026 or until further orders, whichever is earlier.

In terms of the provisions of the Sections 149, 152, 161 of the Companies Act, 2013 and rules made there under, every director of the Company has to be appointed in the general meeting of the Company. Therefore, regularization of the appointment of Shri Arun Kanti Bagchi, as Director (Projects) on the same terms and conditions as determined by Government of India is placed for the approval of shareholders.

His brief resume, inter-alia, giving nature of expertise in specific functional area is provided as annexure which forms part of this Notice.

Shri Arun Kanti Bagchi is not disqualified from being appointed as a Director in terms of Section 164(1) of the Companies Act, 2013. None of the Directors or Key Managerial Personnel of the Company or their relatives except Shri Arun Kanti Bagchi is in any way, concerned or interested, financially or otherwise, in the resolution set out at item no.4 of the Notice.

The Board recommends the resolution for the approval of Shareholders.

Item No.5:

Shri Suresh Chandra Pandey (DIN: 10149587), was appointed as Director (Personnel) in the scale of pay of ₹ 75,000 – 1,00,000/- (IDA)/(pre-revised) on the Board of RINL by the President of India vide Order.No.2(2)/2020-BLA, dt. 2nd May, 2023 issued by Ministry of Steel (MoS) from the date of his assumption of charge of the post i.e. 11th May, 2023 till the date of his superannuation i.e. 30.09.2025 or until further orders, whichever is earlier.

In terms of the provisions of the Sections 149, 152, 161 of the Companies Act, 2013 and rules made there under, every director of the Company has to be appointed in the general meeting of the Company. Therefore, regularization of the appointment of Shri Suresh Chandra Pandey as Director (Personnel) on the same terms and conditions as determined by Government of India is placed for the approval of shareholders.

His brief resume, inter-alia, giving nature of expertise in specific functional area is provided as annexure which forms part of this Notice.

Shri Suresh Chandra Pandey is not disqualified from being appointed as a Director in terms of Section 164(1) of the Companies Act, 2013. None of the Directors or Key Managerial Personnel of the Company or their relatives except Shri Suresh Chandra Pandey is in any way, concerned or interested, financially or otherwise, in the resolution set out at item no.5 of the Notice.

The Board recommends the resolution for the approval of Shareholders.

Item No.6:

Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014 requires that remuneration of the Cost Auditors as recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified subsequently by the shareholders.

The Board of Directors in its 354th Meeting held on 28th June, 2023 on the recommendation of the Audit Committee in its 116th meeting held on 27th June, 2023, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the Cost Records of the company for the financial year 2023-24.

The Cost Auditors appointed for the financial year 2023-24 along with the details of their fees are as under:

Name of the Cost Auditor	Remuneration for the financial year 2023-24
M/s. Niran & Co, Cost Accountants, Bhubaneswar	₹ 51,000/- (Rupees Fifty One Thousand only) (inclusive of Travelling and other incidental expenses and all other taxes and duties) plus applicable GST and Boarding, Lodging and local conveyance at Visakhapatnam during the audit period.

Accordingly, consent of the Members is sought by passing of an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year 2023-24.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item no.6 of the notice.

The Board recommends the resolution for approval of the Shareholders.

By order of the Board
Sd/-
CS M Jagadeeshwara Rao
Company Secretary
M.No: FCS – 8581

Place: Visakhapatnam
Date : 25th August, 2023

Registered office:

Administrative Building,
Rashtriya Ispat Nigam Limited (RINL),
Visakhapatnam Steel Plant (VSP),
Visakhapatnam - 530 031,
Andhra Pradesh.

CIN: U27109 AP1982 GOI 003404

ANNEXURE TO NOTICE

Brief Resume of the Directors proposed in the resolutions to the Notice of 41st AGM for the F.Y.2022-23

Name	Shri Arun Kanti Bagchi Director (Projects) w.e.f. 26.12.2022 & Addl. Charge Director (Operations) w.e.f. 29.12.2022	Shri Suresh Chandra Pandey Director(Personnel) w.e.f. 11.05.2023 & Addl. Charge Director (Finance) w.e.f. 01.08.2023
DIN	09835584	10149587
Date of Birth & Age	17th August, 1966 & 57 yrs	29th September, 1965 & 58 yrs
Date of Appointment	26th December, 2022	11th May, 2023
Qualifications	Master of Technology (M.Tech) Bachelor's Degree in Mechanical Engineering	PhD in Personnel Management MBA in Personnel Management Graduation in Commerce & LLB
Expertise in specific functional Area	Shri Arun Kanti Bagchi, is a Mechanical Engineering graduate from REC, Bhopal, joined MECON Limited in the year 1988 as Management Trainee (Technical). Later he did his M.Tech in Design & Production Engineering from REC, Durgapur. He has over 34 years of varied and rich experience in the field of technical as well as Commercial functions, in-depth understanding of technical complexities & project execution etc., in various sectors viz Metals & Mining, Power, Defence, Space, Beach Sands, Nuclear, Refineries, Ports. Shri. A.K. Bagchi is an accomplished engineer having rich & diverse expertise in basic engineering & design, detail engineering, consultancy and project management including site services as well as contract management across sectors and clients in Public & Private sectors like SAIL, RINL, NTPL, Indian Navy, HAL, ISRO, MRPL, JSW etc. Before joining RINL as Director(Projects), he headed MECON project team that involved in the PMC services for the 3MTPA Steel Plant of NMDC at Nagarnar.	Dr. Suresh Chandra Pandey joined SAIL in the year 1989 after completing his graduation in Commerce & LLB from Ranchi University. He obtained his MBA in Personnel Management from Magadh University, Bodh Gaya and also obtained his Ph.D in Personnel Management from Magadh University, Bodh Gaya. Prior to joining RINL, Dr. Suresh Chandra Pandey had worked at Salem Unit of SAIL as Chief General Manager (P&A). Dr. Suresh Chandra Pandey has over 3 decades of rich experience in various verticals of Personnel and Administration Division like IR(Industrial Relations), Recruitment, HRP, Wages & Compensation, Performance Management, HR Policy, Rules and Regulations, Contract Labour management, Employee Welfare & Services, Training and Development, Career Development & Succession Planning, Town Administration, Corporate Social Responsibility and General Administration.
Directorship held in other Companies	1. Indian Iron and Steel Sector Skill Council (IISSSC) 2. RINL POWERGRID TLT Private Limited 3. Eastern Investments Limited	NIL
Membership/ Chairmanship of Committees in RINL	Nil	**Member of** Board Sub-Committee on Corporate Social Responsibility & Sustainability
Membership/ Chairmanship of Committees of other Companies (other than RINL)	Nil	Nil
No. of Shares held in RINL	100	100

Note : The details in the above table are as on notice date

Form No. MGT-11

Proxy form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : U27109AP1982GOI003404
Name of the company : **RASHTRIYA ISPAT NIGAM LIMITED**
Registered office : Administrative Building, Rashtriya Ispat Nigam Limited (RINL), Visakhapatnam Steel Plant, Visakhapatnam – 530 031
Website : www.vizagsteel.com; Tel: (0891) 2518249/2759482.
Email : jagadeeshm@vizagsteel.com;
Name of the member (s):
Registered address:
E-mail Id:
Folio No/ Client Id:
DP ID:

I/We, being the member (s) holding..shares of the above named company, hereby appoint:

1. Name:
   Address:
   E-mail Id:
   Signature: ...., or failing him
2. Name:
   Address:
   E-mail Id:
   Signature: ...., or failing him
3. Name:
   Address:
   E-mail Id:
   Signature: ....,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 41st Annual General Meeting of the company, to be held at 11:00 hrs on Friday, the 29th day of September, 2023 at Registered Office, Administrative Building, Rashtriya Ispat Nigam Limited (RINL), Visakhapatnam Steel Plant, Visakhapatnam – 530 031 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolutions	Vote (Please mention no. of shares)		
	Ordinary business	For	Against	Abstain
1.	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2023 together with the Reports of the Board of Directors and Auditors thereon and the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2023 along with Auditors Reports thereon and comments of the Comptroller & Auditor General of India (C & AG) thereon.			
2.	No dividend declaration for the Financial Year 2022-23.			
3.	To authorize Board of Directors of the Company to fix the Remuneration of the Statutory Auditors of the company appointed by Comptroller & Auditor General of India (C & AG) for the financial year 2023-24, in terms of provisions of Section 139(5) read with Section 142 of the Companies Act, 2013.			
	SPECIAL BUSINESS			
4.	To appoint Shri Arun Kanti Bagchi (DIN: 09835584), as Director (Projects) of the Company.			
5.	To appoint Shri Suresh Chandra Pandey (DIN: 10149587), as Director (Personnel) of the Company.			
6.	To ratify the remuneration of the Cost Auditors for the Financial Year 2023-24.			

Signed on this ....day of 2023

Signature of shareholder

Signature of Proxy holder(s): ______________,________________,_____________

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Abbreviations Glossary for 41st Annual Report of RINL

Abbreviation	Full Form
AAC	Autoclaved Aerated Concrete Block Unit
ACP	Air Cleaning Plant
ACSR	Aluminium Conductor Steel Reinforced
ADMG	Assistant Director of Mines & Geology
AFFDF	Armed Forces Flag Day Fund
AGM	Annual General Meeting
AIMA	All India Management Association
ALIH	M/s Air Liquide India Holding Private Limited
AP	Andhra Pradesh
APR	Annual Property Returns system
APSSA	Andhra Pradesh Sarva Shiksha Abhiyan
APPCB	Andhra Pradesh Pollution Control Board
AMR	Addition, Modification and Replacement
AS & FA	Additional Secretary & Financial Advisor
ASP BOO	Air Separation Plant (Build Own Operate)
ASUs	Air Separation Units
BCSY	Bala-Cheruvu Stock Yard
BECIL	Broadcast Engineering Consultant India Limited
BEE	Bureau of Energy Efficiency
BF	Blast Furnace
BHEL	Bharat Heavy Electricals Limited
BIFR	Board of Industrial and Financial Reconstruction
BMs	Board Meetings
BMs	Breaker Mains
BOD	Board of Directors
BOF	Basic Oxygen Furnace
BOO Basis	Build-Own-Operate Basis
BOQ	Bill of Quantities
BPL	Below Poverty Line
BPMEL	Bharat Process and Mechanical Engineers Limited
BPTS	Back Pressure Turbine Station
B&R	Bridge & Roof
BSC	Board Sub Committees
BSCOM	Board Sub Committee on Marketing
BSLC	The Bisra Stone Lime Company Limited
BSOs	Branch Sales Offices
BVIPL	Bureau Veritas India Private Limited
CAGR	Compound Annual Growth Rate

Continued to next page

Continued from previous page

Abbreviation	Full Form
C & AG	Comptroller & Auditor General of India
C & F	Cost & Freight
CAPEX	Capital Expenditure
CBT	Computer Based Test
CCEA	Cabinet Committee on Economic Affairs
CCM	Continuous Casting Machine
CCP	Coal Chemical Plant
CCTV	Closed Circuit Tele-Vision
CDA	Controller of Defence Accounts
CDCP	Coke Dry Cooling Plant
CDI	Coal Dust Injection
CDM	Clean Development Mechanism
CDY	Central Dispatch Yard
CEF	Consent for Establishment
CELC	COVID-19 Emergency Line of Credit
CEO	Chief Executive Officer
CERs	Certified Emission Reductions
CFE	Consent for Establishment
CFO	Chief Financial Officer
CFO	Consent For Operation
CFS	Consolidated Financial Statements
CFPS	Crude and Finished Products Storage
CFSS	Companies Fresh Start Scheme
CGST	Central Goods and Service Tax
CI	Cast Iron
CIC	Central Information Commission
CIL	Coal India Limited
CIN	Corporate Identification Number
CISF	Central Industrial Security Force
CLO	Crushed Lump Ore
CMD	Chairman–cum-Managing Director
CO&CCP	Coke Oven & Coal Chemical Plant
COB#5	Coke Oven Battery-5
COD	Commercial Operation Date
COID	Committee of Independent Directors
COM	Committee on Management
COPU	Committee on Public Undertakings
CPAP	Continuous Positive Airway Pressure

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Abbreviation	Full Form
CPCB	Central Pollution Control Board
CPGRAMS	Centralized Public Grievance Redress and Monitoring System
CPLY	Corresponding Period Last Year
CPP	Captive Power Plant
CPSEs	Central Public Sector Enterprises
CRMP	Calcining and Refractory Material Plant
Crs.	Crores
CR	Cold Rolled
CRCA	Cold Rolled Close Annealed
CRFH	Cold Rolled Full Hard
CSIR-CRRI	Council of Scientific and Industrial Research – Central Road Research Institute
CSM	Corporate Strategic Management
CSO	Central Statistics Office
CSR	Corporate Social Responsibility
CSR & S	Corporate Social Responsibility & Sustainability
CSS	Centrally Sponsored Schemes
CTR	Complete Track Renewal
CVC	Central Vigilance Commission
CVERS	Centralized Vehicles Entry Recording System
CVO	Chief Vigilance Officer
CY	Calendar Year
DCVs	Double Cone Valves
DE	Dust Extraction
DGMS	Directorate General of Mines Safety
DLDS	District Level Dealership
DMI & SP	Domestically Manufactured Iron & Steel Products
DOE	Department of Energy
DPE	Department of Public Enterprises
DPR	Detailed Project Report
DRI	Direct Reduced Iron
EAF	Electric Arc Furnace
EBITDA	Earnings before Interest, Taxes, Depreciation & Amortisation
EC	Environmental Clearance
EGM	Extra-Ordinary General Meeting
EIF	Electric Induction Furnace
EIG	Electrical Inspector to the Government
EIL	Eastern Investments Limited
EJC	Empowered Joint Committee

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Abbreviation	Full Form
EMD	Earnest Money Deposit
EMD	Energy Management Department
EMPs	Environment Management Programmes
EMS	Environment Management System
EoI	Expression of Interest
EPS	Employees Pension Scheme
EPSS	Employee Pay Self Service
ERU	Economic Research Unit
ES-Certs	Energy Saving Certificates
ESPs	Electro Static Precipitators
ETP	Effluent Treatment Plant
EU	European Union
EV	Electric Vehicle
EWB	E-Way Bill
F.Y.	Financial Year
FACs	Final Acceptance Certificates
FAST	Fly Ash Swift Transit (System)
FOB	Free on Board
FR	Feasibility Report
FSA	Fuel Supply Agreement
FVTOCI	Fair Value Through Other Comprehensive Income
FVTPL	Fair Value Through Profit and Loss
FWP	Forged Wheel Plant
GATs	Graduate Apprentices
GCC	General Conditions of Contract
GCP	Gas Cleaning Plant
GCV	Gross Calorific Value
GDP	Gross Domestic Product
GeM	Government e-Market Place
GETS	Gas Expansion Turbine Station
GMIP	Group Mediclaim Insurance Scheme
GoAP	Government of Andhra Pradesh
GoI	Government of India
GP/GC Sheets	Galvanised Plain/Corrugated Sheets
GPL	Gangavaram Port Limited
GSB	Generator Switch Board
GST	Goods and Services Tax
GTE	Global Tender Enquiry

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Abbreviation	Full Form
GVA	Gross Value Added
HBI	Hot Briquetted Iron
HC	High Carbon
HCC	Hard Coking Coal
HEMM	Heavy Earth Moving Machineries
HHTs	Hand Held Terminals
HMI	Human Machine Interface
HPSC	High Power Steering Committee
HQ	Head Quarters
HR	Hot Rolled
IBM	Indian Bureau of Mines
ICAI	Institute of Chartered Accountants of India
ICC	Imported Coking Coal
ICC	Internal Complaints Committee
ICQCC	International Convention on Quality Control Circle
ICSI	Institute of Company Secretaries of India
ICRA	Investment Information and Credit Rating Agency
ICVL	International Coal Ventures Private Limited
IDY	International Day of Yoga
IGST	Integrated Goods and Service Tax
IISI	International Iron & Steel Institute
IISSSC	Indian Iron & Steel Sector Skill Council
IIT	Indian Institute of Technology
INSSAN	Indian National Suggestion Schemes' Association
IoD	Institute of Directors
IOF	Iron Ore Fines
IOM	Inter-Office Memo
IP	Integrity Pact
IRN	Invoice Reference Number
IRR	Internal Rate of Return
ISPs	Integrated Steel Plants
ISMS	Information Security Management System
ITT	Instructions to Tender
IT & ERP	Information Technology & Enterprise Resource Planning
IWD	International Women's Day
IZL	ICVL Zambeze Lda
IZML	ICVL Zambeze Mauritius Limited
JCIF	Joint Chief Inspector of Factories

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Abbreviation	Full Form
JPC	Joint Parliamentary Committee
JPC	Joint Plant Committee
JV	Joint Venture
KAM	Key Account Management
KMP	Key Managerial Personnel
LC	Letter of Credit
LD	Linz-Donawitz
LD	Liquidated Damages
LFs	Ladle Furnaces
LHS	Left Hand Side
LIMBS	Legal Information Management & Briefing System
LMMM	Light & Medium Merchant Structural Mill
LMO	Liquid Medical Oxygen
LOA	Letter of Acceptance
LOCP	Lump Ore Crushing Plant
LOI	Loss On Ignition
LRPC	Low Relaxation Pre-Stressed Concrete
LSCS	Lower Segment Caesarean Section
LTA	Long Term Agreement
M/c	Machine
MBC	Mechanical, Biological & Chemical
MBL	Minas De BengaLda
MBML	Minas De Benga Mauritius Limited
MCA	Ministry of Corporate Affairs
MCC	Medium Coking Coal
MCL	Mahanadi Coalfields Limited
MDA	Management Discussion and Analysis
MDL	Mineral Dealer License
MDMs	Madharam Dolomite Mines
ME & MC	Mine Environment & Mineral Conservation
MIS	Management Information System
MMSM	Medium, Merchant & Structural Mill
MNRE	Ministry of New & Renewable Energy
MoC	Ministry Of Coal
MoC & I	Ministry of Commerce & Industry
MoF	Ministry of Finance
MoH & FW	Ministry of Health & Family Welfare
MoHA	Ministry of Home Affairs

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Abbreviation	Full Form
MOIL	Manganese Ore (India) Limited
MoS	Ministry of Steel
MoSPI	Ministry of Statistics & Programme Implementation
MoU	Memorandum of Understanding
MSEs	Medium & Small Enterprises
MSME	Micro, Small & Medium Enterprises
MT	Million Tonnes
MTPA	Million Tonnes per Annum
MVA	Mega Volt Ampere
NAHRD	National Academy of Human Resource Development
NBCC	National Buildings Construction Corporation Limited
NBFC	Non-Banking Financial Company
NCC	Non Coking Coal
NCQC	National Convention on Quality Concepts
NDRF	National Disaster Response Force
NDT	Non Destructive Testing
NEDO	New Energy & Industrial Technology Development Organisation
NGO	Non-Governmental Organisation
NHFDC	National Handicapped Finance & Development Corporation
NIT	Notice of Inviting Tenders
NMDC	National Mineral Development Corporation Limited
NMG	New Modified Goods
NPV	Net Present Value
NSDC	National Skill Development Corporation
NSR	Net Sales Realisation
NTPC	National Thermal Power Corporation
OCEMS	Online Continuous Emission Monitoring Systems
OEMs	Original Equipment Manufacturers
OHE	Overhead Electrification
OHS & RC	Occupational Health Services & Research Centre
OLX	Online Learning for Excellence
OMC	Odisha Mining Corporation
OMDC	The Orissa Minerals Development Company Limited
OPDs	Out Patient Departments
PACs	Preliminary Acceptance Certificates
PAMD	Project Appraisal & Management Division
PAT	Profit after Tax (Profit/Loss)
PBDIT	Profit before Depreciation, Interest & Taxes

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Abbreviation	Full Form
PBT	Profit before Tax
PBTDA	Profit Before Tax, Depreciation & Amortisation
PC	Planning Commission
PCC	Prime Coking Coal
PCI	Pulverised Coal Injection
PERTs	Project Evaluation and Review Techniques
pH	Potential of Hydrogen
PIB	Public Investment Board
PIS	Project Implementation Schedule
PLI	Production Linked Incentive
PM	Prime Minister
PMC	Project Management Consultant
PM-CARES	Prime Minister's Citizen Assistance and Relief in Emergency Situations
Pos	Purchase Orders
PP	Power Plant
PPE	Property, Plant and Equipment
PPE	Personal Protective Equipment
PQC	Preliminary Qualification Criteria
PrACs	Provisional Acceptance Certificate
PrACs	Performance Acceptance Certificates
PRs	Purchase Requisitions
PRMS	Post Retirement Medical Scheme
PSUs	Public Sector Undertakings
PVs	Photovoltaics
PWDs	Persons With Disabilities
QCFI	Quality Circle Forum of India
QR	Quick Response
RCEs	Revised Cost Estimates
R & D	Research & Development
RDS	Rural Dealership Scheme
REIS	Retired Employees Information System
RESCO	Renewable Energy Service Company
RH Degassers	RH (Ruhrstahl Heraeus) Degassers
RHS	Right Hand Side
RINL	Rashtriya Ispat Nigam Limited
RINMOIL	RINMOIL Ferro Alloys Private Limited
RMHP	Raw Material Handling Plant
RMPL	Riversdale Mining (Pty) Limited

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Abbreviation	Full Form
RMPP	Raw material Mixing and Palletisation Plant
RMPP	Raw Material Preparation Plant
ROs	Regional Offices
RoC	Registrar of Companies
ROE	Return on Equity
RPL	Recognition of Prior Learning
RPTPL	RINL Powergrid TLT Private Limited
RRT	Railway Rake Retention Time
RTPCR	Reverse Transcription – Polymerase Chain Reaction
SAIL	Steel Authority of India Limited
SAP	Systems, Applications & Products in Data Processing
SAP-ECC	SAP ERP Central Component
SBI	State Bank of India
SBM	Special Bar Mill
SCC	Special Conditions of Contract
SCC	Soft Coking Coal
SCCL	The Singareni Collieries Company Limited
SCOPE	Standing Conference of Public Enterprises
SD	Sales & Distribution
SDI	Skill Development Institute
SDRF	State Disaster Response Force
SEC	Specific Energy Consumption
SEL	Suzlon Energy Limited
SEWA	Separated Employees Welfare & Association
SGST	State Goods and Service Tax
SHRPP	Sinter Heat Recovery Power Plant
SI	Sponge Iron
SLTM	Seamless Tube Mill
SM	Structural Mill
SMS	Steel Melt Shop
SOPs	Standard Operating Procedures
SP	Sinter Plant
SRO	Shot Range Outlook
SSP	Solid state Signal Processing
STC	Summary Trial Cases
STM	Structural Mill
SUP	Single Use Plastic
TATs	Technician Apprentices
TAT-VOC	Technician (Vocational) Apprentices

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Abbreviation	Full Form
T & C	Terms & Conditions
TB	Turbo Blower
TB-3	Turbo Blower-3
TBQ	Tyre Bead Quality
TC	Tender Committee
TCS	Tax Collected at Source
TDS	Tax Deducted at Source
TEFR	Techno Economic Feasibility Report
TLT	Transmission Line Tower
TMBP	Tin Mill Black Plate
TMT	Thermo Mechanical Treatment
TOD	Tender Opening Date
TOLIC	Town Official Language Implementation Committee
TPP	Thermal Power Plant
TPP EQMS	Thermal Power Plant Effluent Quality Monitoring Station
TRA	Trade Apprentices
TReDs	Trade Receivable e-Discounting System
TRT	Top pressure Recovery Turbine
TSPCB	Telangana State Pollution Control Board
TSS	Total Suspended Solids
Twin LHF	Twin Ladle Heating Furnace
UHV	Useful Heat Value
UNFCCC	United Nations Framework Convention on Climate Change
UP	Uttar Pradesh
VAS	Value Added Steel
VCBs	Vacuum Circuit Breakers
VC/OAVM	Video Conference & Other Audio Visual Means
VDC	Vendor Development Cell
VIWSCO	Visakha Industrial Water Supply Company
VSGH	Visakha Steel General Hospital
VSP	Visakhapatnam Steel Plant
WCO	World Customs Organization
WIPS	Women in Public Sector
WRC	Wired Rod Coils
WRM	Wire Rod Mill
WSA	World Steel Association
WTD	Whole Time Directors
XRD	X-Ray Diffraction
XRF	X-Ray Fluorescence Spectroscopy
ZWD	Zero Water Discharge

Abbreviations for Units of Measurement

Abbreviation	Full Form
kWhr/tDCC	Kilo Watt hour per tonne of Dry Coal Charge
Mcal/TCS kWh/TCS t/Hr/SqM	Mega Calorie per Tonne of Charge Sinter Kilo Watt hour per Tonne of Charge Sinter Tonnes per running hour per square meter of grate area
t/day/cum Kg/THM Mcal/THM Cum/THM	Tonnes of Hot Metal per available day per cubic meter Kilo gram per Tonne of Hot Metal Mega Calorie per Tonne of Hot Metal Cubic meter per tonne of Hot Metal
Ncum/tCS Kg/tCS Mcal/TCS kWhr/TCS Heats/month Tonnes/month	Normal Cubic meter per tonne of Crude Steel Kilo gram per Tonne of Crude Steel Mega Calorie per Tonne of Crude Steel Kilo Watt hour per tonne of Crude Steel Heats per month Tonnes per month
Mcal/tGF kWhr/tGF	Mega Calorie per tonne of Gross Flux Kilo Watt hour per tonne of Gross Flux
KV	Kilovolt
Mcal/t of input kWhr/t of input Mcal/tI kWhr/tI	Mega Calorie per tonne of input Kilo Watt hour per tonne of input Mega Calorie per tonne of Input Kilo Watt hour per tonne of Input
Mcal/t of input Mcal/tI kWhr/tI	Mega Calorie per tonne of input Mega Calorie per tonne of Input Kilo Watt hour per tonne of Input
kWhr/t of input	Kilo Watt hour per tonne of input
MW	Mega Watt
KL/month	Kilo Litres per month
kN	Kilo Newton
TPH	Tonnes per hour
Tons/tCS	Tons per Tonne of Crude Steel

Output Related

Abbreviation	Full Form
Kg/tHM	Kilograms consumed per tonne of Hot Metal produced in the Blast Furnace
Cum/tCS	Cubic meter per tonne of Crude Steel produced
Gcal	Gigacalorie
GCal/tCS	Gigacalorie per tonne of Crude Steel produced
MNcum	Million Normal Cubic Meters
MG	Million Gallons
MT	Metric Tonne
tCS/man-yr	Tonne of Crude Steel produced as a result of man hours worked in the year

Note: The Acronyms and the Abbreviations mentioned above, exclusively relate to the steel sector and specifically to Rashtriya Ispat Nigam Limited. The above is for general reference purpose only. Some of the acronyms /abbreviations may or may not be referred in this report.

ध्येयपथ
VISION

देश में समुद्र तट पर अवस्थित एकमात्र बृहदतम एवं अत्यंत सक्षम इस्पात उत्पादक बनना।

To be the most efficient steel maker, having the largest single location shore based steel plant in the country.

I	इनीशिएटिव **Initiative**	: स्वतः सकारात्मक दृष्टिकोण के साथ पहल : Have a self-propelled & proactive approach
D	डेसिसिवनेस **Decisiveness**	: शीघ्र व स्पष्ट निर्णय क्षमता : Decide with speed & clarity
E	एथिक्स **Ethics**	: व्यावसायिक व नैतिक मूल्यों पर दृढ़ता : Be consistent with professional & moral values
A	अकाउंटेबिलिटी **Accountability**	: कार्य के प्रति उत्तरदायी : Take responsibility for actions
L	लीडरशिप **Leadership**	: आदर्शों के साथ अग्रणी : Lead by example
S	स्पीड **Speed**	: प्रत्येक कार्य का शीघ्र व दक्षतापूर्वक निर्वहण : Demonstrate swiftness and efficiency in everything we do

Shri Nagendra Nath Sinha, IAS, Secretary to Govt of India, Ministry of Steel, on his maiden visit to Rashtriya Ispat Nigam Limited (RINL) - Visakhapatnam on 22nd August, 2023 visited various production units viz COB-5, BF-2&3, SMS-2, new Air Separation Unit, WRM and also the VSP Model Room and Awards Gallery

RASHTRIYA ISPAT NIGAM LIMITED
(A Govt. of India Enterprise)
CIN: U27109 AP1982 GOI 003404
Visakhapatnam Steel Plant
Visakhapatnam-530 031, Andhra Pradesh

ISO 9001:2015, ISO 14001:2015, ISO 27001:2013, ISO 50001:2011 & OHSMS 45001:2018 Certified Company