TSIL/SE/2018-19/04

April 17, 2018

Dy. General Manager
BSE Limited
Corporate Relationship Department
P. J. Towers
Dalal Street
Mumbai – 400 001

The Manager
Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza (5th Floor)
C/1, Block G
Bandra-Kurla Complex
Bandra (E)
Mumbai – 400 051

Dear Sir/Madam,

Sub: Outcome of the Board Meeting

The Board of Directors at the meeting held today, i.e. April 17, 2018, *Inter alia,* transacted the following business:

1. **Financial Results and Dividend:**

   a) Approved the Audited Standalone and Consolidated Financial Results of the Company, for the quarter ended March 31, 2018.
   b) Approved the Audited Standalone and Consolidated Financial Results of the Company, for the year ended March 31, 2018.
   c) Recommended a dividend of Rs. 20/- per Equity Share of Rs. 10/- each to the shareholders for the financial year ended March 31, 2018.

Messrs. Price Waterhouse & Co. Chartered Accountants LLP, the Statutory Auditors of the Company have issued auditors' reports with unmodified opinion on the financial statements.

2. **Annual General Meeting and Book Closure:**

   a) The 35th Annual General Meeting of the Members of the Company will be held on Wednesday, July 18, 2018, at "Lake View Officers' Recreation Centre", TSIL Township, Joda, Dist – Keonjhar, Odisha – 758 034.
   b) The Register of Members and Share Transfer Books of the Company will be closed from Thursday, July 12, 2018, to Wednesday, July 18, 2018 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend.
   c) The dividend, if approved by the shareholders at the Annual General Meeting, will be paid on and from Friday, July 20, 2018.

The Board Meeting commenced at 02:00 p.m. and concluded at 07:00 p.m.

A copy of the said results together with the Auditors' Report is enclosed herewith. These are also being made available on the website of the Company at www.tatasponge.com.

This is for your information and record.

Thanking you,

For **Tata Sponge Iron Limited**

Sanjay Kasture
Chief Risk & Compliance Officer
and Company Secretary

Encl: As above

INDEPENDENT AUDITORS' REPORT

To the Members of Tata Sponge Iron Limited

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying standalone Ind AS financial statements of Tata Sponge Iron Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

2. 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 Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
KOLKATA

procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The standalone Ind AS financial statements of the Company for the year ended March 31, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated April 26, 2017, expressed an unmodified opinion on those financial statements. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on April 1, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.



(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its standalone Ind AS financial statements – Refer Note 30 to the standalone Ind AS financial statements;

ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts as at March 31, 2018.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018 except for amounts aggregating to Rs 4.28 lakhs, which according to the information and explanations provided by the management is held in abeyance due to pending legal cases. (Refer Note 42 to the standalone Ind AS financial statements).

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E300009



Pinaki Chowdhury
Partner
Membership No.: 057572

Kolkata
April 17, 2018

TATA SPONGE IRON LIMIITED

Regd. Office : Joda , Post- Joda

Dist.- Keonjhar, Orissa, Pin Code 758 034

CIN : L27102OR1982PLC001091

PART I: STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2018

(Rs. in Lacs)

Particulars		3 Months ended 31.03.2018	Preceding 3 months ended 31.12.2017	Corresponding 3 months ended in the previous year 31.03.2017	Year ended 31.03.2018	Previous year ended 31.03.2017
		(Audited)	(Audited)	(Audited)	**(Audited)**	(Audited)
I	Revenue from operations	**24,350**	21,447	18,504	**81,665**	61,516
II	Other income	**1,166**	1,163	963	**4,301**	3,702
III	**Total income (I+II)**	**25,516**	22,610	19,467	**85,966**	65,218
IV	**Expenses:**					
	Cost of materials consumed	**14,405**	12,923	10,253	**50,058**	36,968
	Changes in inventories of finished goods	**221**	776	851	**(473)**	325
	Excise duty on sale of goods	**-**	-	1,787	**1,648**	5,785
	Employee benefits expense	**1,130**	1,012	1,142	**4,180**	4,631
	Finance costs	**33**	233	46	**325**	244
	Depreciation and amortisation expense	**297**	309	322	**1,230**	1,277
	Other expenses	**2,433**	1,924	1,891	**7,979**	7,641
	Total expenses (IV)	**18,519**	17,177	16,292	**64,947**	56,871
V	**Profit before tax (III - IV)**	**6,997**	5,433	3,175	**21,019**	8,347
VI	**Tax expenses:**					
	(1) Current tax	**2,278**	1,942	981	**7,099**	2,669
	(2) Deferred tax	**49**	(108)	74	**(166)**	(196)
	Total tax expense (VI)	**2,327**	1,834	1,055	**6,933**	2,473
VII	**Profit for the year (V-VI)**	**4,670**	3,599	2,120	**14,086**	5,874
VIII	**Other comprehensive income**					
(A) (i)	Items that will not be reclassified to profit or loss					
(a)	Remeasurements of the defined benefit plans	**203**	14	19	**170**	(208)
(b)	Income tax relating to items that will not be reclassified to profit or loss	**(70)**	(5)	(7)	**(59)**	72
(c)	Remeasurements of the defined benefit plans	**-**	-	-	**-**	-
(B) (i)	Items that may be reclassified to profit or loss					
(a)	Income tax relating to items that may be reclassified to profit or loss	**-**	-	-	**-**	-
	Total other comprehensive income (VIII)	**133**	9	12	**111**	(136)
IX	**Total comprehensive income for the year (VII + VIII)** (Comprising profit and other comprehensive income for the year)	**4,803**	3,608	2,132	**14,197**	5,738
X	Paid up equity share capital (Face value : Rs. 10 per share)	**1,540**	1,540	1,540	**1,540**	1,540
XI	Other equity				**97,103**	84,945
XII	**Earnings per share :**					
	(1) Basic (in Rs.)	**30.33**	23.37	13.76	**91.47**	**38.14**
	(2) Diluted (in Rs.)	**30.33**	23.37	13.76	**91.47**	**38.14**
See accompanying note to the Standalone financial results						

TATA SPONGE IRON LTD. TATA

TATA SPONGE IRON LIMIITED

Regd. Office : Joda , Post- Joda

Dist.- Keonjhar, Orissa, Pin Code 758 034

CIN : L27102OR1982PLC001091

PART II: STANDALONE SEGMENT INFORMATION

(Rs. in Lacs)

Particulars	3 Months ended 31.03.2018 (Audited)	Preceding 3 months ended 31.12.2017 (Audited)	Corresponding 3 months ended in the previous year 31.03.2017 (Audited)	Year ended 31.03.2018 (Audited)	Previous year ended 31.03.2017 (Audited)
Segment revenue :					
Sponge iron	**22,964**	19,930	17,234	**76,123**	56,513
Power	**1,798**	2,030	1,631	**7,243**	6,464
Total	**24,762**	21,960	18,865	**83,366**	62,977
Less: Intersegment sales	**(412)**	(513)	(361)	**(1,701)**	(1,461)
Total Income from operations	**24,350**	21,447	18,504	**81,665**	61,516
Segment results					
Sponge iron	**4,286**	3,307	1,162	**12,471**	805
Power	**1,672**	1,264	1,197	**4,751**	4,320
Unallocated income/ (expenditure)	**1,072**	1,095	862	**4,122**	3,466
Profit before finance costs and tax	**7,030**	5,666	3,221	**21,344**	8,591
Less: Finance costs	**33**	233	46	**325**	244
Profit before tax	**6,997**	5,433	3,175	**21,019**	8,347
Less : Tax expenses	**2,327**	1,834	1,055	**6,933**	2,473
Profit after tax	**4,670**	3,599	2,120	**14,086**	5,874
Other comprehensive income	**133**	9	12	**111**	(136)
Total comprehensive income for the year	**4,803**	3,608	2,132	**14,197**	5,738

Particulars	As at 31.03.2018 (Audited)	As at 31.12.2017 (Audited)	As at 31.03.2017 (Audited)
Segment assets :			
Sponge iron	**44,572**	45,888	38,310
Power	**4,573**	4,524	4,723
Unallocated	**72,279**	64,318	61,547
	121,424	114,730	104,580
Segment liabilities :			
Sponge iron	**12,766**	11,904	10,479
Power	**711**	693	679
Unallocated	**9,304**	8,294	6,937
	22,781	20,891	18,095

TATA SPONGE IRON LTD.

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CIN : L27102OR1982PLC001091

PART III: AUDITED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lacs)

	As at 31.03.2018	As at 31.03.2017
	(Audited)	(Audited)
Assets		
(1) Non-current assets		
(a) Property, plant and equipment	**14,667**	15,080
(b) Capital work-in-progress	**582**	563
(c) Intangible assets	**233**	391
(d) Financial assets		
(i) Investments	**7,278**	186
(ii) Loans	**15**	20
(ii)Other financial assets	**6,413**	1,020
(e) Non current tax assets (net)	**2,813**	2,813
(f) Other non-current assets	**17,479**	17,471
Total non-current assets	**49,480**	37,544
(2) Current assets		
(a) Inventories	**8,409**	4,908
(b) Financial assets		
(i) Investments	**12,685**	26,142
(ii) Trade receivables	**5,881**	3,577
(iii) Cash and cash equivalents	**11,249**	30,466
(iv) Other bank balances	**30,911**	208
(v) Loans	**252**	280
(vi) Other financial assets	**929**	721
(c) Other current assets	**1,628**	734
Total current assets	**71,944**	67,036
Total assets	**121,424**	104,580
Equity and liabilities		
(1) Equity		
(a) Equity share capital	**1,540**	1,540
(b) Other equity	**97,103**	84,945
Total equity	**98,643**	86,485
(2) Liabilities		
Non-current liabilities		
(a) Provisions	**1,169**	1,281
(b) Deferred tax liabilities (Net)	**1,798**	1,906
Total non-current liabilities	**2,967**	3,187
Current liabilities		
(a) Financial liabilities		
(i) Trade payables	**6,690**	5,252
(ii) Other financial liabilities	**423**	335
(b) Provisions	**5,145**	4,780
(c) Current tax liabilities (Net)	**5,390**	3,235
(d) Other current liabilities	**2,166**	1,306
Total current liabilities	**19,814**	14,908
Total liabilities	**22,781**	18,095
Total equity and liabilities	**121,424**	104,580

See accompanying note to the Standalone financial results

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TATA SPONGE IRON LIMIITED

Regd. Office : Joda , Post- Joda

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CIN : L27102OR1982PLC001091

Notes :

(1) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 17 April, 2018.

(2) The Company has identified business segment as the primary segment. The Company is engaged in production of sponge iron and generation of power from waste heat. Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on manufacture of sponge iron and generation of power, reportable segments for standalone results in accordance with Ind AS 108.

(3) (a) In the month of November 2012, Ministry of Coal ("MoC") issued notices to the Company for invocation of bank guarantee of Rs. 3,250 lacs submitted towards performance of conditions for allocation of coal block against which the Company had filed a writ petition in the Hon'ble High Court of Delhi, which directed the Company to keep the bank guarantee valid till 30 November, 2015 by which date the MoC was directed to take decision. The Company did not receive any communication as per the directives of Hon'ble High Court. After 30 November 2015 , the bank guarantee period was expierd.Upon non receipt of communication from MoC ,the Company did not renew the bank gurantee. Subsequently, MoC issued a notice dated 28 December, 2015, stating that the bank guarantee be invoked and the aforesaid amount be deposited. Consequent to MoC's notice, the Company has moved to the Hon'ble High Court of Delhi, where the matter is pending adjudication. The Company has been advised and has obtained a legal opinion that as the original allocation has been declared illegal and cancelled by the Hon'ble Supreme Court, the bank guarantee pertaining to such allocation (which is non-est and void ab initio) shall consequently be deemed to be invalid and void ab initio. Pending finalisation of the matter, the amount continues to be disclosed as a contingent liability.

(b) (i) During pendency of the aforesaid matters in Hon'ble High Court of Delhi, the Hon'ble Supreme Court of India vide its order dated 24 September, 2014 has cancelled allocation of 214 coal blocks including the Radhikapur (East) Coal Block which was allotted to the Company on 7 February, 2006. The expenditure incurred on the Radhikapur (East) Coal Block as on 31 March, 2018 aggregates to Rs. 18,040.96 lacs (31 March, 2017: Rs. 18,040.96 lacs).

(ii) Pursuant to the judgment of Hon'ble Supreme Court of India, the Government of India has promulgated Coal Mines (Special Provision) Rules, 2014 ("Rules") for allocation of the coal mines through auction and matters related thereto. In terms of the said Rules, the successful bidder will be called upon to pay to the prior allocattee the expenses incurred by the prior allocatee towards land and mine infrastructure. Pursuant to MoC's directive seeking the details of expenses vide letter dated 26 December, 2014, the Company has furnished the required statement of expenses on 5 January, 2015. Based on the Rules and necessary legal opinion obtained by the Company, no provision is considered necessary.

(4) The Board of Directors, in its meeting held on 17 April ,2018 , has proposed a final dividend of Rs.20 Per equity share for the financial year ended 31 March, 2018.

(5) The results for the quarter ended 31 March ,2018 is the balancing figures between the audited financials for the year ended 31 March ,2018 and the audited financial numbers for nine months period ended 31 December,2017.

(6) Figures for the previous periods have been regrouped wherever necessary.

For and on behalf of the Board of Directors

TATA SPONGE IRON LTD.

Sanjay Kumar Pattnaik
Managing Director
Kolkata, 17 April, 2018

INDEPENDENT AUDITORS' REPORT

To the Members of Tata Sponge Iron Limited

Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of Tata Sponge Iron Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"); (refer Note 44 to the attached consolidated Ind AS financial statements), comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Group in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

4. We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors'

judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

6. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2018, and their consolidated total comprehensive income (comprising of consolidated profit and consolidated other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matter

8. The consolidated Ind AS financial statements of the Company for the year ended March 31, 2017 were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated April 26, 2017, expressed an unmodified opinion on those financial statements. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

9. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law maintained by the Holding Company and its subsidiary included in the Group including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and its subsidiary.

(c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including other comprehensive income), consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company and its subsidiary included in the



Group including relevant records relating to the preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on April 1, 2018 taken on record by the Board of Directors of the Holding Company and its subsidiary respectively, none of the directors of the Group company is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' 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 Ind AS financial statements disclose the impact, if any, of pending litigations as at March 31, 2018 on the consolidated financial position of the Group – Refer Note 30 to the consolidated Ind AS financial statements.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts as at March 31, 2018.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary company incorporated in India during the year ended March 31, 2018 except for amounts aggregating to Rs 4.28 lakhs relating to the Holding Company, which according to the information and explanations provided by management is held in abeyance due to pending legal cases. (Refer Note 43 to the consolidated Ind AS financial statements).

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group for the year ended March 31, 2018.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E300009

Pinaki Chowdhury
Partner
Membership No.: 057572

Kolkata
April 17, 2018

TATA SPONGE IRON LIMIITED

Regd. Office : Joda , Post- Joda

Dist.- Keonjhar, Orissa, Pin Code 758 034

CIN : L27102OR1982PLC001091

PART I: STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2018

(Rs. in Lacs)

Particulars		3 Months ended 31.03.2018	Preceding 3 months ended 31.12.2017	Corresponding 3 months ended in the previous year 31.03.2017	Year ended 31.03.2018	Previous year ended 31.03.2017
		(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
I	Revenue from operations	**24,350**	21,447	18,504	**81,665**	61,516
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III	**Total income (I+II)**	**25,517**	22,612	19,468	**85,971**	65,223
IV	**Expenses:**					
	Cost of materials consumed	**14,405**	12,923	10,253	**50,058**	36,968
	Changes in inventories of finished goods	**221**	776	851	**(473)**	325
	Excise duty on sale of goods	-	-	1,787	**1,648**	5,785
	Employee benefits expense	**1,130**	1,012	1,142	**4,180**	4,631
	Finance costs	**33**	233	46	**325**	244
	Depreciation and amortisation expense	**297**	309	322	**1,230**	1,277
	Other expenses	**2,435**	1,925	1,892	**7,982**	7,643
	Total expenses (IV)	**18,521**	17,178	16,293	**64,950**	56,873
V	**Profit before tax (III - IV)**	**6,996**	5,434	3,175	**21,021**	8,350
VI	**Tax expenses:**					
	(1) Current tax	**2,278**	1,942	981	**7,099**	2,669
	(2) Deferred tax	**49**	(108)	74	**(166)**	(196)
	Total tax expense (VI)	**2,327**	1,834	1,055	**6,933**	2,473
VII	**Profit for the year (V-VI)**	**4,669**	3,600	2,120	**14,088**	5,877
VIII	**Other comprehensive income**					
(i)	Items that will not be reclassified to profit or loss					
(a)	Remeasurements of the defined benefit plans	**203**	14	19	**170**	(208)
(b)	Income tax relating to items that will not be reclassified to profit or loss	**(70)**	(5)	(7)	**(59)**	72
(c)	Remeasurements of the defined benefit plans	-	-	-	-	-
(B) (i)	Items that may be reclassified to profit or loss					
(a)	Income tax relating to items that may be reclassified to profit or loss	-	-	-	-	-
	Total other comprehensive income (VIII)	**133**	9	12	**111**	(136)
IX	**Total comprehensive income for the year (VII + VIII)** (Comprising profit and other comprehensive income for the year)	**4,802**	3,609	2,132	**14,199**	5,741
X	Paid up equity share capital (Face value : Rs. 10 per share)	**1,540**	1,540	1,540	**1,540**	1,540
XI	Other equity				**97,113**	84,952
XII	**Earnings per share :**					
	(1) Basic (in Rs.)	**30.32**	23.38	13.76	**91.48**	**38.16**
	(2) Diluted (in Rs.)	**30.32**	23.38	13.76	**91.48**	**38.16**

See accompanying notes to the consilidated financial results

TATA SPONGE IRON LTD. TATA

TATA SPONGE IRON LIMIITED

Regd. Office : Joda , Post- Joda

Dist.- Keonjhar, Orissa, Pin Code 758 034

CIN : L27102OR1982PLC001091

PART II: CONSOLIDATED SEGMENT INFORMATION

(Rs. in Lacs)

Particulars	3 Months ended 31.03.2018 (Audited)	Preceding 3 months ended 31.12.2017 (Audited)	Corresponding 3 months ended in the previous year 31.03.2017 (Audited)	Year ended 31.03.2018 (Audited)	Previous year ended 31.03.2017 (Audited)
Segment revenue :					
Sponge iron	**22,964**	19,930	17,234	**76,123**	56,513
Power	**1,798**	2,030	1,631	**7,243**	6,464
Total	**24,762**	21,960	18,865	**83,366**	62,977
Less: Intersegment sales	**(412)**	(513)	(361)	**(1,701)**	(1,461)
Total Income from operations	**24,350**	21,447	18,504	**81,665**	61,516
Segment results					
Sponge iron	**4,283**	3,307	1,162	**12,468**	805
Power	**1,672**	1,264	1,197	**4,751**	4,320
Unallocated income/ (expenditure)	**1,074**	1,096	862	**4,127**	3,469
Profit before finance costs and tax	**7,029**	5,667	3,221	**21,346**	8,594
Less: Finance costs	**33**	233	46	**325**	244
Profit before tax	**6,996**	5,434	3,176	**21,021**	8,351
Less : Tax expenses	**2,327**	1,834	1,055	**6,933**	2,473
Profit after tax	**4,669**	3,600	2,120	**14,088**	5,877
Other comprehensive income	**133**	9	12	**111**	(136)
Total comprehensive income for the year	**4,802**	3,609	2,132	**14,199**	5,741

Particulars	As at 31.03.2018 (Audited)	As at 31.12.2017 (Audited)	As at 31.03.2017 (Audited)
Segment assets :			
Sponge iron	**44,572**	45,888	38,310
Power	**4,573**	4,524	4,723
Unallocated	**72,291**	64,331	61,556
	121,436	114,743	104,589
Segment liabilities :			
Sponge iron	**12,768**	11,904	10,479
Power	**711**	693	679
Unallocated	**9,304**	8,295	6,939
	22,783	20,892	18,097

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PART III: AUDITED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lacs)

	As at 31.03.2018	As at 31.03.2017
	(Audited)	(Audited)
Assets		
(1) Non-current assets		
(a) Property, plant and equipment	**14,667**	15,080
(b) Capital work-in-progress	**582**	563
(c) Intangible assets	**233**	391
(d) Financial assets		
(i) Investments	**7,172**	80
(ii) Loans	**15**	20
(iii) Other financial assets	**6,413**	1,020
(e) Non current tax assets (net)	**2,813**	2,813
(f) Other non-current assets	**17,478**	17,471
Total non-current assets	**49,373**	37,438
(2) Current assets		
(a) Inventories	**8,409**	4,908
(b) Financial assets		
(i) Other investments	**12,801**	26,255
(ii) Trade receivables	**5,881**	3,577
(iii) Cash and cash equivalents	**11,252**	30,468
(iv) Other Bank balances	**30,911**	208
(v) Loans	**252**	280
(vi) Other financial assets	**929**	721
(c) Other current assets	**1,628**	734
Total current assets	**72,063**	67,151
Total assets	**121,436**	104,589
Equity and liabilities		
(1) Equity		
(a) Equity share capital	**1,540**	1,540
(b) Other equity	**97,113**	84,952
Total equity	**98,653**	86,492
(2) Liabilities		
Non-current liabilities		
(a) Provisions	**1,169**	1,281
(b) Deferred tax liabilities (Net)	**1,798**	1,906
Total non-current liabilities	**2,967**	3,187
Current liabilities		
(a) Financial liabilities		
(i) Trade payables	**6,692**	5,254
(ii) Other financial liabilities	**423**	335
(b) Provisions	**5,145**	4,780
(c) Current tax liabilities (Net)	**5,390**	3,235
(d) Other current liabilities	**2,166**	1,306
Total current liabilities	**19,816**	14,910
Total liabilities	**22,783**	18,097
Total equity and liabilities	**121,436**	104,589

See accompanying note to the consolidated financial results

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Notes :

(1) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 17 April, 2018.

(2) The Group has identified business segment as the primary segment. The Group is engaged in production of sponge iron and generation of power from waste heat. Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on manufacture of sponge iron and generation of power, reportable segments for standalone results in accordance with Ind AS 108.

(3) (a) In the month of November 2012, Ministry of Coal ("MoC") issued notices to the Group for invocation of bank guarantee of Rs. 3,250 lacs submitted towards performance of conditions for allocation of coal block against which the Group had filed a writ petition in the Hon'ble High Court of Delhi, which directed the Group to keep the bank guarantee valid till 30 November, 2015 by which date the MoC was directed to take decision. The Group did not receive any communication as per the directives of Hon'ble High Court. After 30 November 2015 , the bank guarantee period was expierd.Upon non receipt of communication from MoC ,the Group did not renew the bank gurantee. Subsequently, MoC issued a notice dated 28 December, 2015, stating that the bank guarantee be invoked and the aforesaid amount be deposited. Consequent to MoC's notice, the Group has moved to the Hon'ble High Court of Delhi, where the matter is pending adjudication. The Group has been advised and has obtained a legal opinion that as the original allocation has been declared illegal and cancelled by the Hon'ble Supreme Court, the bank guarantee pertaining to such allocation (which is non-est and void ab initio) shall consequently be deemed to be invalid and void ab initio. Pending finalisation of the matter, the amount continues to be disclosed as a contingent liability.

(b) (i) During pendency of the aforesaid matters in Hon'ble High Court of Delhi, the Hon'ble Supreme Court of India vide its order dated 24 September, 2014 has cancelled allocation of 214 coal blocks including the Radhikapur (East) Coal Block which was allotted to the Company on 7 February, 2006. The expenditure incurred on the Radhikapur (East) Coal Block as on 31 March, 2018 aggregates to Rs. 18,040.96 lacs (31 March, 2017: Rs. 18,040.96 lacs).

(ii) Pursuant to the judgment of Hon'ble Supreme Court of India, the Government of India has promulgated Coal Mines (Special Provision) Rules, 2014 ("Rules") for allocation of the coal mines through auction and matters related thereto. In terms of the said Rules, the successful bidder will be called upon to pay to the prior allocattee the expenses incurred by the prior allocatee towards land and mine infrastructure. Pursuant to MoC's directive seeking the details of expenses vide letter dated 26 December, 2014, the Group has furnished the required statement of expenses on 5 January, 2015. Based on the Rules and necessary legal opinion obtained by the Group, no provision is considered necessary.

(4) The consolidated financial results includes the results of TSIL ENERGY LIMITED (" Subsidiary").

(5) The Board of Directors, in its meeting held on 17 April ,2018 , has proposed a final dividend of Rs.20 Per equity share for the financial year ended 31 March, 2018.

(6) The results for the quarter ended 31 March ,2018 is the balancing figures between the audited financials for the year ended 31 March ,2018 and the audited financial numbers for nine months period ended 31 December,2017.

(7) Figures for the previous periods have been regrouped wherever necessary.

For and on behalf of the Board of Directors

Sanjay Kumar Pattnaik
Managing Director
Kolkata, 17 April, 2018

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