TSIL/SE/2019-20/11

April 18, 2019

**The Secretary, Listing Department**
**BSE Limited**
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

Scrip Code: 513010

**The Manager – Listing Department**
**National Stock Exchange of India Ltd**
"Exchange Plaza", 5th Floor, Plot No. C/1,
G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051

Symbol: TATASPONGE

Dear Sir/ Madam,

Sub: **Outcome of the meeting of the Board of Directors of Tata Sponge Iron Limited ("Company") held on April 18, 2019**

The Board of Directors at its meeting held today, i.e. April 18, 2019, *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, 2019.
   b) Approved the Audited Standalone and Consolidated Financial Results of the Company, for the year ended March 31, 2019.
   c) Recommended a dividend of Rs. 12.50 per Equity Share of Rs. 10/- each to the shareholders for the financial year ended March 31, 2019.

Messrs. Price Waterhouse & Co. Chartered Accountants LLP, the Statutory Auditors of the Company have issued auditors' reports with unmodified opinion on the financial statements. The said results along with the Auditor's Report thereon are enclosed herewith.

2. Annual General Meeting and Book Closure:

a) The 36th Annual General Meeting of the Members of the Company will be held on Monday, July 15, 2019, 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 Monday, July 08, 2019 to Monday, July 15, 2019 (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 Wednesday, July 17, 2019.

3. Approved the change in name of the Company from "Tata Sponge Iron Limited" to "Tata Steel Long Products Limited" or such other name, as may be approved by the Registrar of Companies, subject to the approval of the members of the Company and other regulatory authorities, as may be applicable and consequent amendment in name clause of Memorandum of Association.

**Tata Sponge Iron Limited**
PO Joda Dist Keonjhar Odisha 758 034 India
Tel +91 6767 278178 Fax 278159 Email info@tatasponge.com
CIN No. L27102OR1982PLC001091

TATA SPONGE IRON LTD. TATA

4. Approved the shifting of the Registered Office of the Company from the State of Odisha to the State of West Bengal, subject to the approval of the members of the Company and other regulatory authorities, as may be applicable and consequent amendment in the Registered Office clause of the Memorandum of Association.

The Board Meeting commenced at 10:30 a.m. and concluded at 03:00 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,

Yours faithfully,

For **Tata Sponge Iron Limited**

**Sanjay Kasture**
**Chief Risk & Compliance Officer**
**and Company Secretary**

Encl. as above

**Tata Sponge Iron Limited**
PO Joda Dist Keonjhar Odisha 758 034 India
Tel +91 6767 278178 Fax 278159 Email info@tatasponge.com
CIN No. L27102OR1982PLC001091

# Price Waterhouse & Co Chartered Accountants LLP

The Board of Directors
Tata Sponge Iron Limited
Regd. Office: Joda, Post – Joda
Dist. – Keonjhar, Odisha – 758034

**Independent Auditor's Report on the Statement of standalone financial results**

1. We have audited the accompanying Statement containing the annual audited standalone financial results of Tata Sponge Iron Limited (the "Company") for the year ended March 31, 2019 together with the notes thereon (hereinafter referred to as the "Statement"), which we have signed under reference to this report.

2. Management is responsible for the preparation of the accompanying Statement. The Management is also responsible for the preparation of the annual statutory financial statements in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the "accounting principles generally accepted in India"), basis which the above Statement containing the annual audited standalone financial results has been prepared. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

3. Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Statement.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

6. In our opinion and to the best of our information and according to the explanations given to us:

   (i) the Statement, together with the notes thereon are presented in the format prescribed under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

   (ii) the Annual audited standalone financial results for the year ended March 31, 2019 as set out in the Statement gives a true and fair view of the total comprehensive income (comprising of profit and other comprehensive income), and other financial information of the Company for the year ended March 31, 2019 in accordance with the accounting principles generally accepted in India.

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

*Price Waterhouse & Co Chartered Accountants LLP, 56 & 57, Block DN, Ground Floor, 'A' Wing, Sector V Salt Lake, Kolkata - 700091, India*
*T: +91 (33) 44001111 / 44662000, F: +91 (33) 44043065*

Registered office and Head office: Plot No. Y-14, Block EP, Sector V, Salt Lake Electronic Complex, Bidhan Nagar, Kolkata 700 091

Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E-300009 (ICAI registration number before conversion was 304026E)

7. We draw your attention to Note 6 of the Statement regarding the figures for the quarter ended March 31, 2019, which are the balancing figures between audited figures in respect of the full financial year and the published audited year-to-date figures upto the third quarter of the current financial year. Our opinion is not qualified in respect of this matter.

8. The Statement dealt with by this report has been prepared for the express purpose of filing with Stock Exchanges. This Statement is based on and should be read with the audited financial statements of the Company for the year ended March 31, 2019 on which we issued an unmodified audit opinion vide our report dated April 18, 2019.

9. This report is addressed to the Board of Directors of the Company and has been prepared for and only for the purposes set out in paragraph 8 above. This report should not be otherwise used by any other party for any other purpose.

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



Pinaki Chowdhury
Partner
Membership No. 057572

Place: Kolkata
Date: April 18, 2019

**TATA SPONGE IRON LIMITED**

**Regd. Office : Joda , Post- Joda**

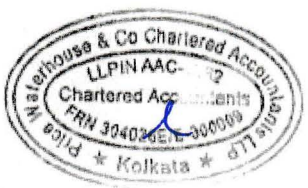
**Dist.- Keonjhar, Odisha, Pin Code 758 034**

**CIN : L27102OR1982PLC001091**

**PART I: STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2019**

(Rs. in Lacs)

| Particulars | | 3 Months ended 31.03.2019 | Preceding 3 months ended 31.12.2018 | Corresponding 3 months ended in the previous year 31.03.2018 | Year ended 31.03.2019 | Previous year ended 31.03.2018 |
|---|---|---|---|---|---|---|
| | | (Audited) | (Audited) | (Audited) | (Audited) | (Audited) |
| I | Revenue from operations | 25,407 | 26,083 | 24,350 | 99,205 | 81,665 |
| II | Other income | 1,496 | 1,596 | 1,166 | 5,767 | 4,301 |
| III | **Total income (I+II)** | 26,903 | 27,679 | 25,516 | 104,972 | 85,966 |
| IV | **Expenses:** | | | | | |
| | Cost of materials consumed | 18,794 | 19,204 | 14,405 | 70,869 | 50,058 |
| | Changes in inventories of finished goods | 448 | 305 | 221 | 14 | (473) |
| | Excise duty on sale of goods | - | - | - | - | 1,648 |
| | Employee benefits expense | 1,187 | 1,223 | 1,130 | 4,486 | 4,180 |
| | Finance costs | 30 | 211 | 33 | 302 | 325 |
| | Depreciation and amortisation expense | 291 | 291 | 297 | 1,158 | 1,230 |
| | Other expenses | 2,550 | 2,316 | 2,433 | 9,366 | 7,979 |
| | **Total expenses (IV)** | 23,300 | 23,550 | 18,519 | 86,195 | 64,947 |
| V | **Profit before tax (III - IV)** | 3,603 | 4,129 | 6,997 | 18,777 | 21,019 |
| VI | **Tax expenses:** | | | | | |
| | (1) Current tax | 1,193 | 1,518 | 2,278 | 6,575 | 7,099 |
| | (2) Deferred tax charge / (credit) | (27) | (69) | 49 | (232) | (168) |
| | **Total tax expense (VI)** | 1,166 | 1,449 | 2,327 | 6,343 | 6,933 |
| VII | **Profit for the period /year (V-VI)** | 2,437 | 2,680 | 4,670 | 12,434 | 14,086 |
| VIII | **Other comprehensive income** | | | | | |
| (A) (i) | **Items that will not be reclassified to profit or loss** | | | | | |
| (a) | Remeasurements gains / (losses) of the defined benefit plans | 107 | (164) | 203 | (10) | 170 |
| (b) | Income tax relating to above items | (38) | 57 | (70) | 3 | (59) |
| (c) | Gains / (losses) on changes in fair value of FVOCI equity instruments | 140 | - | - | 1,248 | - |
| (d) | Income tax relating to above items | (32) | - | - | (257) | - |
| | **Total other comprehensive income (VIII)** | 177 | (107) | 133 | 984 | 111 |
| IX | **Total comprehensive income for the period / year (VII + VIII)** (Comprising profit and other comprehensive income for the period / year) | 2,614 | 2,573 | 4,803 | 13,418 | 14,197 |
| 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 | | | | 106,807 | 97,103 |
| XII | **Earnings per share :** | | | | | |
| | (1) Basic (in Rs.) | 15.82 | 17.40 | 30.33 | 80.73 | 91.47 |
| | (2) Diluted (in Rs.) | 15.82 | 17.40 | 30.33 | 80.73 | 91.47 |
| See accompanying notes to the Standalone financial results | | | | | | |






**TATA SPONGE IRON LIMITED**

**Regd. Office : Joda , Post- Joda**

**Dist.- Keonjhar, Odisha, Pin Code 758 034**

**CIN : L27102OR1982PLC001091**

**PART II: STANDALONE SEGMENT INFORMATION**

**(Rs. in Lacs)**

| Particulars | 3 Months ended 31.03.2019 | Preceding 3 months ended 31.12.2018 | Corresponding 3 months ended in the previous year 31.03.2018 | Year ended 31.03.2019 | Previous year ended 31.03.2018 |
|---|---|---|---|---|---|
| | (Audited) | (Audited) | (Audited) | (Audited) | (Audited) |
| **Segment revenue :** | | | | | |
| Sponge iron | 23,980 | 24,797 | 22,964 | 93,873 | 76,123 |
| Power | 1,869 | 1,702 | 1,798 | 7,005 | 7,243 |
| **Total** | 25,849 | 26,499 | 24,762 | 100,878 | 83,366 |
| Less: Intersegment sales | (442) | (416) | (412) | (1,673) | (1,701) |
| **Total Income from operations** | 25,407 | 26,083 | 24,350 | 99,205 | 81,665 |
| | | | | | |
| **Segment results** | | | | | |
| Sponge iron | 1,577 | 1,513 | 4,286 | 9,428 | 12,471 |
| Power | 709 | 1,274 | 1,672 | 4,121 | 4,751 |
| Unallocated income/ (expenditure) | 1,347 | 1,553 | 1,072 | 5,530 | 4,122 |
| **Profit before finance costs and tax** | 3,633 | 4,340 | 7,030 | 19,079 | 21,344 |
| Less: Finance costs | 30 | 211 | 33 | 302 | 325 |
| **Profit before tax** | 3,603 | 4,129 | 6,997 | 18,777 | 21,019 |
| Less : Tax expenses | 1,166 | 1,449 | 2,327 | 6,343 | 6,933 |
| **Profit for the period / year** | 2,437 | 2,680 | 4,670 | 12,434 | 14,086 |
| Other comprehensive income | 177 | (107) | 133 | 984 | 111 |
| **Total comprehensive income for the period / year** | 2,614 | 2,573 | 4,803 | 13,418 | 14,197 |

| Particulars | As at 31.03.2019 | As at 31.12.2018 | As at 31.03.2018 |
|---|---|---|---|
| | (Audited) | (Audited) | (Audited) |
| **Segment assets :** | | | |
| Sponge iron | 66,012 | 53,293 | 44,572 |
| Power | 4,262 | 4,229 | 4,573 |
| Unallocated | 62,154 | 77,429 | 72,279 |
| | 132,428 | 134,951 | 121,424 |
| **Segment liabilities :** | | | |
| Sponge iron | 13,932 | 19,411 | 12,766 |
| Power | 603 | 714 | 711 |
| Unallocated | 9,546 | 9,092 | 9,304 |
| | 24,081 | 29,217 | 22,781 |

Walterhouse & Co Chartered Accountants LLP LLPIN AAC-2 Chartered Accountants FRN 304026E/E-300009 Price Kolkata

**TATA SPONGE IRON LIMITED**

**Regd. Office : Joda , Post- Joda**

**Dist.- Keonjhar, Odisha, Pin Code 758 034**

**CIN : L27102OR1982PLC001091**

**PART III: AUDITED STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

| | As at 31 March, 2019 (Audited) | As at 31 March, 2018 (Audited) |
|---|---|---|
| **Assets** | | |
| **(1) Non-current assets** | | |
| (a) Property, plant and equipment | 21,973 | 14,667 |
| (b) Capital work-in-progress | 739 | 582 |
| (c) Intangible assets | 59 | 233 |
| (d) Financial assets | | |
| (i) Investments | 12,262 | 7,278 |
| (ii) Loans | 11 | 15 |
| (iii) Other financial assets | 87 | 6,413 |
| (e) Non current tax assets (net) | 2,974 | 2,813 |
| (f) Other non-current assets | 24,822 | 17,479 |
| **Total non-current assets** | 62,927 | 49,480 |
| **(2) Current assets** | | |
| (a) Inventories | 11,528 | 8,409 |
| (b) Financial assets | | |
| (i) Investments | 12,096 | 12,685 |
| (ii) Trade receivables | 7,846 | 5,881 |
| (iii) Cash and cash equivalents | 16,319 | 11,249 |
| (iv) Other Bank balances | 18,420 | 30,911 |
| (v) Loans | 227 | 252 |
| (vi) Other financial assets | 1,294 | 929 |
| (c) Other current assets | 1,771 | 1,628 |
| **Total current assets** | 69,501 | 71,944 |
| **Total assets** | 132,428 | 121,424 |
| **Equity and liabilities** | | |
| **(1) Equity** | | |
| (a) Equity share capital | 1,540 | 1,540 |
| (b) Other equity | 106,807 | 97,103 |
| **Total equity** | 108,347 | 98,643 |
| **(2) Liabilities** | | |
| **Non-current liabilities** | | |
| (a) Provisions | 1,190 | 1,169 |
| (b) Deferred tax liabilities (net) | 1,821 | 1,798 |
| **Total non-current liabilities** | 3,011 | 2,967 |
| **Current liabilities** | | |
| (a) Financial liabilities | | |
| (i) Trade payables | | |
| (A) total outstanding dues of micro enterprises and small enterprises | 107 | 176 |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises | 7,403 | 6514 |
| (ii) Other financial liabilities | 423 | 423 |
| (b) Other current liabilities | 2,248 | 2,166 |
| (c) Provisions | 5,497 | 5,145 |
| (d) Current tax liabilities (net) | 5,390 | 5,390 |
| **Total current liabilities** | 21,070 | 19,814 |
| **Total liabilities** | 24,081 | 22,781 |
| **Total equity and liabilities** | 132,428 | 121,424 |

Price Waterhouse & Co Chartered Accountants LLP LLPIN AAC-[illegible] Chartered Accountants FRN 304026E/E-300009 Kolkata

**TATA SPONGE IRON LIMIITED**

**Regd. Office : Joda , Post- Joda**

**Dist.- Keonjhar, Odisha, Pin Code 758 034**

**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 18 April, 2019.

(2) 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, and accordingly sponge iron and generation of power are the reportable operating segments for standalone results in accordance with Ind AS 108.

(3) Pursuant to the Business Transfer Agreement ('BTA') entered into between Tata Steel Limited (Company's holding company) and Usha Martin Limited ('UML') on September 22, 2018, its subsequent novation in favour of the Company and approval by the Company's shareholders, the acquisition of steel business of UML has been completed on April 9, 2019 ('Acquisition date') inter-alia with payment of cash consideration of Rs. 346,863.36 lacs (after adjustments for negative working capital and hold backs of Rs. 64,000.00 lacs pending transfer of some of the assets including mines and certain land parcels) and compliance with other relevant conditions precedents specified in the BTA by respective parties. TSIL will get back Rs.1456.53 lacs for steel business BGs. The acquisition would help the Company to diversify beyond sponge iron business and enter into steel business with a focus on specialty long products portfolio.

The acquisition date being subsequent to the balance sheet date, no adjustments have been made in the standalone financial statements for the year ended March 31, 2019. The Company inter-alia is in the process of determining the fair values of acquired assets and liabilities and accordingly the initial accounting for the business combination is not complete and therefore, no further disclosures are applicable.

(4) (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 bank guarantee expired after 30 November 2015 and had not been renewed, since no communication had been received from MoC. 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 of coal block 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 had cancelled allocation of 214 coal blocks including the Radhikapur (East) Coal Block which was allotted to the Company on 7 February, 2006. The amount incurred on the Radhikapur (East) Coal Block upto 31 March, 2019 aggregates to Rs. 18,040.96 lacs (31 March, 2018: Rs. 18,040.96 lacs).

(ii) Pursuant to the judgment of Hon'ble Supreme Court of India, the Government of India had 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 allocattee towards land and mine infrastructure. Pursuant to the judgement dated 9 March,2017 of the Hon'ble High Court of Delhi in W.P (c) 973/2015, the directives of MoC vide its letter dated 1 February,2018 and as per details prescribed by Nominated Authority ,the Company has furnished the required statement of expenses and other details in the prescribed format on 22 February, 2018. Relying on the legal position and legal opinion obtained by the Company in respect of the recoverability of the amount, no provision is considered necessary.

(5) The Board Of Directors, in its meeting held on 18 April, 2019, has proposed a final dividend of Rs.12.50 per equity share for the financial year ended 31 March, 2019.

(6) The results for the quarter ended 31 March, 2019 is the balancing figures between the audited figures in respect of the year ended 31 March, 2019 and the audited published financial results for the nine months ended 31 December, 2018.

(7) Effective April 1, 2018, the Company has applied Ind AS 115 – Revenue from Contracts with Customers, using the retrospective effect method. The adoption of Ind AS 115 did not have any significant impact on the overall results of the Company.

For and on behalf of the Board of Directors

**Sanjay Kumar Pattnaik**
Managing Director
**Mumbai**, 18 April, 2019

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-2
Chartered Accountants
FRN 304026E/E-300009
Kolkata

**TATA SPONGE IRON LIMIITED**

**Regd. Office : Joda , Post- Joda**

**Dist.- Keonjhar, Odisha, Pin Code 758 034**

**CIN : L27102OR1982PLC001091**

**PART I: STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2019**

**(Rs. in Lacs)**

| Particulars | | 3 Months ended 31.03.2019 | Preceding 3 months ended 31.12.2018 | Corresponding 3 months ended in the previous year 31.03.2018 | Year ended 31.03.2019 | Previous year ended 31.03.2018 |
|---|---|---|---|---|---|---|
| | | (Audited) | (Audited) | (Audited) | (Audited) | (Audited) |
| I | Revenue from operations | 25,407 | 26,083 | 24,350 | 99,205 | 81,665 |
| II | Other income | 1,496 | 1,596 | 1,166 | 5,767 | 4,301 |
| III | **Total income (I+II)** | 26,903 | 27,679 | 25,516 | 104,972 | 85,966 |
| IV | **Expenses:** | | | | | |
| | Cost of materials consumed | 18,794 | 19,204 | 14,405 | 70,869 | 50,058 |
| | Changes in inventories of finished goods | 448 | 305 | 221 | 14 | (473) |
| | Excise duty on sale of goods | - | - | - | - | 1,648 |
| | Employee benefits expense | 1,187 | 1,223 | 1,130 | 4,486 | 4,180 |
| | Finance costs | 30 | 211 | 33 | 302 | 325 |
| | Depreciation and amortisation expense | 291 | 291 | 297 | 1,158 | 1,230 |
| | Other expenses | 2,550 | 2,316 | 2,433 | 9,366 | 7,979 |
| | **Total expenses (IV)** | 23,300 | 23,550 | 18,519 | 86,195 | 64,947 |
| V | **Profit before tax (III - IV)** | 3,603 | 4,129 | 6,997 | 18,777 | 21,019 |
| VI | **Tax expenses:** | | | | | |
| | (1) Current tax | 1,193 | 1,518 | 2,278 | 6,575 | 7,099 |
| | (2) Deferred tax charge / (credit) | (27) | (69) | 49 | (232) | (166) |
| | **Total tax expense (VI)** | 1,166 | 1,449 | 2,327 | 6,343 | 6,933 |
| VII | **Profit for the period /year (V-VI )** | 2,437 | 2,680 | 4,670 | 12,434 | 14,086 |
| VIII | **Other comprehensive income** | | | | | |
| (A) (i) | **Items that will not be reclassified to profit or loss** | | | | | |
| (a) | Remeasurements gains / (losses) of the defined benefit plans | 107 | (164) | 203 | (10) | 170 |
| (b) | Income tax relating to above items | (38) | 57 | (70) | 3 | (59) |
| (c) | Gains / (losses) on changes in fair value of FVOCI equity instruments | 140 | - | - | 1,248 | - |
| (d) | Income tax relating to above items | (32) | - | - | (257) | - |
| | **Total other comprehensive income (VIII)** | 177 | (107) | 133 | 984 | 111 |
| IX | **Total comprehensive income for the period / year (VII + VIII)** (Comprising profit and other comprehensive income for the period / year) | 2,614 | 2,573 | 4,803 | 13,418 | 14,197 |
| 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 | | | | 106,807 | 97,103 |
| XII | **Earnings per share :** | | | | | |
| | (1) Basic (in Rs.) | 15.82 | 17.40 | 30.33 | 80.73 | 91.47 |
| | (2) Diluted (in Rs.) | 15.82 | 17.40 | 30.33 | 80.73 | 91.47 |
| See accompanying notes to the Standalone financial results | | | | | | |






**TATA SPONGE IRON LIMIITED**

**Regd. Office : Joda , Post- Joda**

**Dist.- Keonjhar, Odisha, Pin Code 758 034**

**CIN : L27102OR1982PLC001091**

**PART II: STANDALONE SEGMENT INFORMATION**

**(Rs. in Lacs)**

| Particulars | 3 Months ended 31.03.2019 | Preceding 3 months ended 31.12.2018 | Corresponding 3 months ended in the previous year 31.03.2018 | Year ended 31.03.2019 | Previous year ended 31.03.2018 |
|---|---|---|---|---|---|
| | (Audited) | (Audited) | (Audited) | (Audited) | (Audited) |
| **Segment revenue :** | | | | | |
| Sponge iron | **23,980** | 24,797 | 22,964 | **93,873** | 76,123 |
| Power | **1,869** | 1,702 | 1,798 | **7,005** | 7,243 |
| **Total** | **25,849** | 26,499 | 24,762 | **100,878** | 83,366 |
| Less: Intersegment sales | **(442)** | (416) | (412) | **(1,673)** | (1,701) |
| **Total Income from operations** | **25,407** | 26,083 | 24,350 | **99,205** | 81,665 |
| | | | | | |
| **Segment results** | | | | | |
| Sponge iron | **1,577** | 1,513 | 4,286 | **9,428** | 12,471 |
| Power | **709** | 1,274 | 1,672 | **4,121** | 4,751 |
| Unallocated income/ (expenditure) | **1,347** | 1,553 | 1,072 | **5,530** | 4,122 |
| **Profit before finance costs and tax** | **3,633** | 4,340 | 7,030 | **19,079** | 21,344 |
| Less: Finance costs | **30** | 211 | 33 | **302** | 325 |
| **Profit before tax** | **3,603** | 4,129 | 6,997 | **18,777** | 21,019 |
| Less : Tax expenses | **1,166** | 1,449 | 2,327 | **6,343** | 6,933 |
| **Profit for the period / year** | **2,437** | 2,680 | 4,670 | **12,434** | 14,086 |
| Other comprehensive income | **177** | (107) | 133 | **984** | 111 |
| **Total comprehensive income for the period / year** | **2,614** | 2,573 | 4,803 | **13,418** | 14,197 |

| Particulars | As at 31.03.2019 | As at 31.12.2018 | As at 31.03.2018 |
|---|---|---|---|
| | (Audited) | (Audited) | (Audited) |
| **Segment assets :** | | | |
| Sponge iron | **66,012** | 53,293 | 44,572 |
| Power | **4,262** | 4,229 | 4,573 |
| Unallocated | **62,154** | 77,429 | 72,279 |
| | **132,428** | 134,951 | 121,424 |
| **Segment liabilities :** | | | |
| Sponge iron | **13,932** | 19,411 | 12,766 |
| Power | **603** | 714 | 711 |
| Unallocated | **9,546** | 9,092 | 9,304 |
| | **24,081** | 29,217 | 22,781 |

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TATA SPONGE IRON LTD.

**TATA SPONGE IRON LIMIITED**

**Regd. Office : Joda , Post- Joda**

**Dist.- Keonjhar, Odisha, Pin Code 758 034**

**CIN : L27102OR1982PLC001091**

**PART III: AUDITED STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

| | As at 31 March, 2019 (Audited) | As at 31 March, 2018 (Audited) |
|---|---|---|
| **Assets** | | |
| **(1) Non-current assets** | | |
| (a) Property, plant and equipment | 21,973 | 14,667 |
| (b) Capital work-in-progress | 739 | 582 |
| (c) Intangible assets | 59 | 233 |
| (d) Financial assets | | |
| (i) Investments | 12,262 | 7,278 |
| (ii) Loans | 11 | 15 |
| (iii) Other financial assets | 87 | 6,413 |
| (e) Non current tax assets (net) | 2,974 | 2,813 |
| (f) Other non-current assets | 24,822 | 17,479 |
| **Total non-current assets** | 62,927 | 49,480 |
| **(2) Current assets** | | |
| (a) Inventories | 11,528 | 8,409 |
| (b) Financial assets | | |
| (i) Investments | 12,096 | 12,685 |
| (ii) Trade receivables | 7,846 | 5,881 |
| (iii) Cash and cash equivalents | 16,319 | 11,249 |
| (iv) Other Bank balances | 18,420 | 30,911 |
| (v) Loans | 227 | 252 |
| (vi) Other financial assets | 1,294 | 929 |
| (c) Other current assets | 1,771 | 1,628 |
| **Total current assets** | 69,501 | 71,944 |
| **Total assets** | 132,428 | 121,424 |
| **Equity and liabilities** | | |
| **(1) Equity** | | |
| (a) Equity share capital | 1,540 | 1,540 |
| (b) Other equity | 106,807 | 97,103 |
| **Total equity** | 108,347 | 98,643 |
| **(2) Liabilities** | | |
| **Non-current liabilities** | | |
| (a) Provisions | 1,190 | 1,169 |
| (b) Deferred tax liabilities (net) | 1,821 | 1,798 |
| **Total non-current liabilities** | 3,011 | 2,967 |
| **Current liabilities** | | |
| (a) Financial liabilities | | |
| (i) Trade payables | | |
| (A) total outstanding dues of micro enterprises and small enterprises | 107 | 176 |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises | 7,403 | 6514 |
| (ii) Other financial liabilities | 425 | 423 |
| (b) Other current liabilities | 2,248 | 2,166 |
| (c) Provisions | 5,497 | 5,145 |
| (d) Current tax liabilities (net) | 5,390 | 5,390 |
| **Total current liabilities** | 21,070 | 19,814 |
| **Total liabilities** | 24,081 | 22,781 |
| **Total equity and liabilities** | 132,428 | 121,424 |






**TATA SPONGE IRON LIMIITED**

**Regd. Office : Joda , Post- Joda**

**Dist.- Keonjhar, Odisha, Pin Code 758 034**

**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 18 April, 2019.

(2) 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, and accordingly sponge iron and generation of power are the reportable operating segments for standalone results in accordance with Ind AS 108.

(3) Pursuant to the Business Transfer Agreement ('BTA') entered into between Tata Steel Limited (Company's holding company) and Usha Martin Limited ('UML') on September 22, 2018, its subsequent novation in favour of the Company and approval by the Company's shareholders, the acquisition of steel business of UML has been completed on April 9, 2019 ('Acquisition date') inter-alia with payment of cash consideration of Rs. 346,863.36 lacs (after adjustments for negative working capital and hold backs of Rs. 64,000.00 lacs pending transfer of some of the assets including mines and certain land parcels) and compliance with other relevant conditions precedents specified in the BTA by respective parties. TSIL will get back Rs.1456.53 lacs for steel business BGs. The acquisition would help the Company to diversify beyond sponge iron business and enter into steel business with a focus on specialty long products portfolio.

The acquisition date being subsequent to the balance sheet date, no adjustments have been made in the standalone financial statements for the year ended March 31, 2019. The Company inter-alia is in the process of determining the fair values of acquired assets and liabilities and accordingly the initial accounting for the business combination is not complete and therefore, no further disclosures are applicable.

(4) (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 bank guarantee expired after 30 November 2015 and had not been renewed, since no communication had been received from MoC. 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 of coal block 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 had cancelled allocation of 214 coal blocks including the Radhikapur (East) Coal Block which was allotted to the Company on 7 February, 2006. The amount incurred on the Radhikapur (East) Coal Block upto 31 March, 2019 aggregates to Rs. 18,040.96 lacs (31 March, 2018: Rs. 18,040.96 lacs).

(ii) Pursuant to the judgment of Hon'ble Supreme Court of India, the Government of India had 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 allocattee towards land and mine infrastructure. Pursuant to the judgement dated 9 March,2017 of the Hon'ble High Court of Delhi in W.P (c) 973/2015, the directives of MoC vide its letter dated 1 February,2018 and as per details prescribed by Nominated Authority ,the Company has furnished the required statement of expenses and other details in the prescribed format on 22 February, 2018. Relying on the legal position and legal opinion obtained by the Company in respect of the recoverability of the amount, no provision is considered necessary.

(5) The Board Of Directors, in its meeting held on 18 April, 2019, has proposed a final dividend of Rs.12.50 per equity share for the financial year ended 31 March, 2019.

(6) The results for the quarter ended 31 March, 2019 is the balancing figures between the audited figures in respect of the year ended 31 March, 2019 and the audited published financial results for the nine months ended 31 December, 2018.

(7) Effective April 1, 2018, the Company has applied Ind AS 115 – Revenue from Contracts with Customers, using the retrospective effect method. The adoption of Ind AS 115 did not have any significant impact on the overall results of the Company.

For and on behalf of the Board of Directors

**Sanjay Kumar Pattnaik**
Managing Director
**Mumbai**, 18 April, 2019

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LLPIN AAC-[illegible]2
Chartered Accountants
FRN 304026E/E-300009
Kolkata

# Price Waterhouse & Co Chartered Accountants LLP

The Board of Directors
Tata Sponge Iron Limited
Regd. Office: Joda, Post – Joda
Dist. – Keonjhar, Odisha – 758034

## Independent Auditor's Report on the Statement of consolidated financial results

1. We have audited the accompanying Statement containing the annual audited consolidated financial results 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 5 to the consolidated financial results) for the year ended March 31, 2019, together with the notes thereon (hereinafter referred to as the "Statement"), which we have signed under reference to this report.

2. Management of the Holding Company is responsible for the preparation of the accompanying Statement. The Management is also responsible for the preparation of the annual statutory consolidated financial statements in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the "accounting principles generally accepted in India"), basis which the above Statement containing the annual audited consolidated financial results has been prepared. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

3. Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Statement.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

6. In our opinion and to the best of our information and according to the explanations given to us:

   (i) the Statement, together with the notes thereon are presented in the format prescribed under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

   (ii) the Annual audited consolidated financial results for the year ended March 31, 2019 as set out in the Statement gives a true and fair view of the total consolidated comprehensive income (comprising of consolidated profit and consolidated other comprehensive income), and other financial information of the Group, for the year ended March 31, 2019 in accordance with the accounting principles generally accepted in India.

*Price Waterhouse & Co Chartered Accountants LLP, 56 & 57, Block DN, Ground Floor, 'A' Wing, Sector V, Salt Lake, Kolkata - 700091, India*
*T: +91 (33) 44001111 / 44662000, F: +91 (33) 44043065*

Registered office and Head office: Plot No. Y-14, Block EP, Sector V, Salt Lake Electronic Complex, Bidhan Nagar, Kolkata 700 091

Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E-300009 (ICAI registration number before conversion was 304026E)

# Price Waterhouse & Co Chartered Accountants LLP

7. We draw your attention to Note 7 of the Statement regarding the figures for the quarter ended March 31, 2019, which are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter of the current financial year. Our opinion is not qualified in respect of this matter.

8. The Statement dealt with by this report has been prepared for the express purpose of filing with Stock Exchanges. This Statement is based on and should be read with the audited consolidated financial statements of the Group, for the year ended March 31, 2019 on which we issued an unmodified audit opinion vide our report dated April 18, 2019.

9. This report is addressed to the Board of Directors of the Holding Company and has been prepared for and only for the purposes set out in paragraph 8 above. This report should not be otherwise used by any other party for any other purpose.

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



Pinaki Chowdhury
Partner
Membership No. 057572

Place: Kolkata
Date: April 18, 2019

**TATA SPONGE IRON LIMITED**

**Regd. Office : Joda , Post- Joda**

**Dist.- Keonjhar, Odisha, Pin Code 758 034**

**CIN : L27102OR1982PLC001091**

**PART I: STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2019**

**(Rs. in Lacs)**

| Particulars | | 3 Months ended 31.03.2019 | Preceding 3 months ended 31.12.2018 | Corresponding 3 months ended in the previous year 31.03.2018 | Year ended 31.03.2019 | Previous year ended 31.03.2018 |
|---|---|---|---|---|---|---|
| | | (Audited) | (Audited) | (Audited) | (Audited) | (Audited) |
| I | Revenue from operations | 25,407 | 26,083 | 24,350 | 99,205 | 81,665 |
| II | Other income | 1,498 | 1,597 | 1,167 | 5,773 | 4,306 |
| III | **Total income (I+II)** | 26,905 | 27,680 | 25,517 | 104,978 | 85,971 |
| IV | **Expenses:** | | | | | |
| | Cost of materials consumed | 18,794 | 19,204 | 14,405 | 70,869 | 50,058 |
| | Changes in inventories of finished goods | 448 | 305 | 221 | 14 | (473) |
| | Excise duty on sale of goods | - | - | - | - | 1,648 |
| | Employee benefits expense | 1,187 | 1,223 | 1,130 | 4,486 | 4,180 |
| | Finance costs | 30 | 211 | 33 | 302 | 325 |
| | Depreciation and amortisation expense | 291 | 291 | 297 | 1,158 | 1,230 |
| | Other expenses | 2,550 | 2,316 | 2,435 | 9,367 | 7,982 |
| | **Total expenses (IV)** | 23,300 | 23,550 | 18,521 | 86,196 | 64,950 |
| V | **Profit before tax (III - IV)** | 3,605 | 4,130 | 6,996 | 18,782 | 21,021 |
| VI | **Tax expenses:** | | | | | |
| | (1) Current tax | 1,193 | 1,518 | 2,278 | 6,575 | 7,099 |
| | (2) Deferred tax charge / (credit) | (27) | (69) | 49 | (232) | (166) |
| | **Total tax expense (VI)** | 1,166 | 1,449 | 2,327 | 6,343 | 6,933 |
| VII | **Profit for the period /year (V-VI )** | 2,439 | 2,681 | 4,669 | 12,439 | 14,088 |
| VIII | **Other comprehensive income** | | | | | |
| (A) (i) | **Items that will not be reclassified to profit or loss** | | | | | |
| (a) | Remeasurements gains / (losses) of the defined benefit plans | 107 | (164) | 203 | (10) | 170 |
| (b) | Income tax relating to above items | (38) | 57 | (70) | 3 | (59) |
| (c) | Gains / (losses) on changes in fair value of FVOCI equity instruments | 140 | - | - | 1,248 | - |
| (d) | Income tax relating to above items | (32) | - | - | (257) | - |
| | **Total other comprehensive income (VIII)** | 177 | (107) | 133 | 984 | 111 |
| IX | **Total comprehensive income for the period / year (VII + VIII)** (Comprising profit and other comprehensive income for the period / year) | 2,616 | 2,574 | 4,802 | 13,423 | 14,199 |
| 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 | | | | 106,823 | 97,113 |
| XII | **Earnings per share :** | | | | | |
| | (1) Basic (in Rs.) | 15.83 | 17.41 | 30.32 | 80.77 | 91.48 |
| | (2) Diluted (in Rs.) | 15.83 | 17.41 | 30.32 | 80.77 | 91.48 |

See accompanying notes to the consolidated financial results

Price Waterhouse & Co Chartered Accountants LLP LLPIN AAC-2 Chartered Accountants FRN 304026E/E-300009 Kolkata

**TATA SPONGE IRON LIMITED**

**Regd. Office : Joda , Post- Joda**

**Dist.- Keonjhar, Odisha, Pin Code 758 034**

**CIN : L27102OR1982PLC001091**

**PART II: CONSOLIDATED SEGMENT INFORMATION**

**(Rs. in Lacs)**

| Particulars | 3 Months ended 31.03.2019 | Preceding 3 months ended 31.12.2018 | Corresponding 3 months ended in the previous year 31.03.2018 | Year ended 31.03.2019 | Previous year ended 31.03.2018 |
|---|---|---|---|---|---|
| | (Audited) | (Audited) | (Audited) | (Audited) | (Audited) |
| **Segment revenue :** | | | | | |
| Sponge iron | **23,980** | 24,797 | 22,964 | **93,873** | 76,123 |
| Power | **1,869** | 1,702 | 1,798 | **7,005** | 7,243 |
| **Total** | **25,849** | 26,499 | 24,762 | **100,878** | 83,366 |
| Less: Intersegment sales | **(442)** | (416) | (412) | **(1,673)** | (1,701) |
| **Total Income from operations** | **25,407** | 26,083 | 24,350 | **99,205** | 81,665 |
| | | | | | |
| **Segment results** | | | | | |
| Sponge iron | **1,577** | 1,513 | 4,283 | **9,428** | 12,468 |
| Power | **709** | 1,274 | 1,672 | **4,121** | 4,751 |
| Unallocated income/ (expenditure) | **1,349** | 1,554 | 1,074 | **5,535** | 4,127 |
| **Profit before finance costs and tax** | **3,635** | 4,341 | 7,029 | **19,084** | 21,346 |
| Less: Finance costs | **30** | 211 | 33 | **302** | 325 |
| **Profit before tax** | **3,605** | 4,130 | 6,996 | **18,782** | 21,021 |
| Less : Tax expenses | **1,166** | 1,449 | 2,327 | **6,343** | 6,933 |
| **Profit for the period / year** | **2,439** | 2,681 | 4,669 | **12,439** | 14,088 |
| Other comprehensive income | **177** | (107) | 133 | **984** | 111 |
| **Total comprehensive income for the period / year** | **2,616** | 2,574 | 4,802 | **13,423** | 14,199 |

| Particulars | As at 31.03.2019 | As at 31.12.2018 | As at 31.03.2018 |
|---|---|---|---|
| | (Audited) | (Audited) | (Audited) |
| **Segment assets :** | | | |
| Sponge iron | **66,012** | 53,293 | 44,572 |
| Power | **4,262** | 4,229 | 4,573 |
| Unallocated | **62,171** | 77,443 | 72,291 |
| | **132,445** | 134,965 | 121,436 |
| **Segment liabilities :** | | | |
| Sponge iron | **13,933** | 19,411 | 12,768 |
| Power | **603** | 714 | 711 |
| Unallocated | **9,546** | 9,093 | 9,304 |
| | **24,082** | 29,218 | 22,783 |

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Kolkata

**TATA SPONGE IRON LIMITED**

**Regd. Office : Joda , Post- Joda**

**Dist.- Keonjhar, Odisha, Pin Code 758 034**

**CIN : L27102OR1982PLC001091**

**PART III: AUDITED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES**

**(Rs. in Lacs)**

| | As at 31 March, 2019 (Audited) | As at 31 March, 2018 (Audited) |
|---|---|---|
| **Assets** | | |
| **(1) Non-current assets** | | |
| (a) Property, plant and equipment | 21,973 | 14,867 |
| (b) Capital work-in-progress | 739 | 582 |
| (c) Intangible assets | 59 | 233 |
| (d) Financial assets | | |
| (i) Investments | 12,156 | 7,172 |
| (ii) Loans | 11 | 15 |
| (iii) Other financial assets | 87 | 6,413 |
| (e) Non current tax assets (net) | 2,974 | 2,813 |
| (f) Other non-current assets | 24,822 | 17,478 |
| **Total non-current assets** | 62,821 | 49,373 |
| **(2) Current assets** | | |
| (a) Inventories | 11,528 | 8,409 |
| (b) Financial assets | | |
| (i) Investments | 12,217 | 12,801 |
| (ii) Trade receivables | 7,846 | 5,881 |
| (iii) Cash and cash equivalents | 16,321 | 11,252 |
| (iv) Other Bank balances | 18,420 | 30,911 |
| (v) Loans | 227 | 262 |
| (vi) Other financial assets | 1,294 | 929 |
| (c) Other current assets | 1,771 | 1,628 |
| **Total current assets** | 69,624 | 72,063 |
| **Total assets** | 132,445 | 121,436 |
| **Equity and liabilities** | | |
| **(1) Equity** | | |
| (a) Equity share capital | 1,540 | 1,540 |
| (b) Other equity | 106,823 | 97,113 |
| **Total equity** | 108,363 | 98,653 |
| **(2) Liabilities** | | |
| **Non-current liabilities** | | |
| (a) Provisions | 1,190 | 1,169 |
| (b) Deferred tax liabilities (net) | 1,821 | 1,798 |
| **Total non-current liabilities** | 3,011 | 2,967 |
| **Current liabilities** | | |
| (a) Financial liabilities | | |
| (i) Trade payables | | |
| (A) total outstanding dues of micro enterprises and small enterprises | 107 | 176 |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises | 7,404 | 6,516 |
| (ii) Other financial liabilities | 425 | 423 |
| (b) Other current liabilities | 2,248 | 2,166 |
| (c) Provisions | 5,497 | 5,145 |
| (d) Current tax liabilities (net) | 5,390 | 5,390 |
| **Total current liabilities** | 21,071 | 19,816 |
| **Total liabilities** | 24,082 | 22,783 |
| **Total equity and liabilities** | 132,445 | 121,436 |

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**TATA SPONGE IRON LIMITED**

**Regd. Office : Joda , Post- Joda**

**Dist.- Keonjhar, Odisha, Pin Code 758 034**

**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 18 April, 2019.

(2) 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,and accordingly sponge iron and generation of power are the reportable operating segments for consolidated results in accordance with Ind AS 108.

(3) Pursuant to the Business Transfer Agreement ('BTA') entered into between Tata Steel Limited (Group's holding company) and Usha Martin Limited ('UML') on September 22, 2018, its subsequent novation in favour of Tata Sponge Iron Limited ('TSIL') and approval by the TSIL's shareholders, the acquisition of steel business of UML has been completed on April 9, 2019 ('Acquisition date') inter-alia with payment of cash consideration of Rs. 346,863.36 lacs (after adjustments for negative working capital and hold backs of Rs. 64,000.00 lacs pending transfer of some of the assets including mines and certain land parcels) and compliance with other relevant conditions precedents specified in the BTA by respective parties. TSIL will get back Rs.1456.53 lacs for steel business BGs. The acquisition would help the Group to diversify beyond sponge iron business and enter into steel business with a focus on specialty long products portfolio.

The acquisition date being subsequent to the balance sheet date, no adjustments have been made in the consolidated financial statements for the year ended March 31, 2019. The Group inter-alia is in the process of determining the fair values of acquired assets and liabilities and accordingly the initial accounting for the business combination is not complete and therefore, no further disclosures are applicable.

(4) (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 bank guarantee expired after 30 November 2015 and had not been renewed, since no communication had been received from MoC. 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 of coal block 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 had cancelled allocation of 214 coal blocks including the Radhikapur (East) Coal Block which was allotted to the Group on 7 February, 2006. The amount incurred on the Radhikapur (East) Coal Block upto 31 March, 2019 aggregates to Rs. 18,040.96 lacs (31 March, 2018: Rs. 18,040.96 lacs).

(ii) Pursuant to the judgment of Hon'ble Supreme Court of India, the Government of India had 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 allocattee towards land and mine infrastructure. Pursuant to the judgement dated 9 March,2017 of the Hon'ble High Court of Delhi in W.P (c) 973/2015, the directives of MoC vide its letter dated 1 February,2018 and as per details prescribed by Nominated Authority ,the Group has furnished the required statement of expenses and other details in the prescribed format on 22 February, 2018. Relying on the legal position and legal opinion obtained by the Group in respect of the recoverability of the amount, no provision is considered necessary.

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

(6) The Board Of Directors, in its meeting held on 18 April, 2019, has proposed a final dividend of Rs.12.50 per equity share for the financial year ended 31 March, 2019

(7) The results for the quarter ended 31 March, 2019 is the balancing figures between the audited figures in respect of the year ended 31 March, 2019 and the audited published financial results for the nine months ended 31 December, 2018.

(8) Effective 1 April, 2018, the Group has applied Ind AS 115 – Revenue from Contracts with Customers, using the retrospective effect method. The adoption of Ind AS 115 did not have any significant impact on the overall results of the Group.

**Sanjay Kumar Puttnaik**
Managing Director
**Mumbai**, 18 April, 2019

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**TATA SPONGE IRON LIMIITED**

**Regd. Office : Joda , Post- Joda**

**Dist.- Keonjhar, Odisha, Pin Code 758 034**

**CIN : L27102OR1982PLC001091**

**PART I: STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2019**

**(Rs. in Lacs)**

| Particulars | | 3 Months ended 31.03.2019 | Preceding 3 months ended 31.12.2018 | Corresponding 3 months ended in the previous year 31.03.2018 | Year ended 31.03.2019 | Previous year ended 31.03.2018 |
|---|---|---|---|---|---|---|
| | | (Audited) | (Audited) | (Audited) | (Audited) | (Audited) |
| I | Revenue from operations | 25,407 | 26,083 | 24,350 | 99,205 | 81,665 |
| II | Other income | 1,498 | 1,597 | 1,167 | 5,773 | 4,306 |
| III | **Total income (I+II)** | 26,905 | 27,680 | 25,517 | 104,978 | 85,971 |
| IV | **Expenses:** | | | | | |
| | Cost of materials consumed | 18,794 | 19,204 | 14,405 | 70,869 | 50,058 |
| | Changes in inventories of finished goods | 448 | 305 | 221 | 14 | (473) |
| | Excise duty on sale of goods | - | - | - | - | 1,648 |
| | Employee benefits expense | 1,187 | 1,223 | 1,130 | 4,486 | 4,180 |
| | Finance costs | 30 | 211 | 33 | 302 | 325 |
| | Depreciation and amortisation expense | 291 | 291 | 297 | 1,158 | 1,230 |
| | Other expenses | 2,550 | 2,316 | 2,435 | 9,367 | 7,982 |
| | **Total expenses (IV)** | 23,300 | 23,550 | 18,521 | 86,196 | 64,950 |
| V | **Profit before tax (III - IV)** | 3,605 | 4,130 | 6,996 | 18,782 | 21,021 |
| VI | **Tax expenses:** | | | | | |
| | (1) Current tax | 1,193 | 1,518 | 2,278 | 6,575 | 7,099 |
| | (2) Deferred tax charge / (credit) | (27) | (69) | 49 | (232) | (166) |
| | **Total tax expense (VI)** | 1,166 | 1,449 | 2,327 | 6,343 | 6,933 |
| VII | **Profit for the period /year (V-VI )** | 2,439 | 2,681 | 4,669 | 12,439 | 14,088 |
| VIII | **Other comprehensive income** | | | | | |
| (A) (i) | **Items that will not be reclassified to profit or loss** | | | | | |
| (a) | Remeasurements gains / (losses) of the defined benefit plans | 107 | (164) | 203 | (10) | 170 |
| (b) | Income tax relating to above items | (38) | 57 | (70) | 3 | (59) |
| (c) | Gains / (losses) on changes in fair value of FVOCI equity instruments | 140 | - | - | 1,248 | - |
| (d) | Income tax relating to above items | (32) | - | - | (257) | - |
| | **Total other comprehensive income (VIII)** | 177 | (107) | 133 | 984 | 111 |
| IX | **Total comprehensive income for the period / year (VII + VIII)** (Comprising profit and other comprehensive income for the period / year) | 2,616 | 2,574 | 4,802 | 13,423 | 14,199 |
| 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 | | | | 106,823 | 97,113 |
| XII | **Earnings per share :** | | | | | |
| | (1) Basic (in Rs.) | 15.83 | 17.41 | 30.32 | 80.77 | 91.48 |
| | (2) Diluted (in Rs.) | 15.83 | 17.41 | 30.32 | 80.77 | 91.48 |
| See accompanying notes to the consolidated financial results | | | | | | |

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**PART II: CONSOLIDATED SEGMENT INFORMATION**

**(Rs. in Lacs)**

| Particulars | 3 Months ended 31.03.2019 | Preceding 3 months ended 31.12.2018 | Corresponding 3 months ended in the previous year 31.03.2018 | Year ended 31.03.2019 | Previous year ended 31.03.2018 |
|---|---|---|---|---|---|
| | (Audited) | (Audited) | (Audited) | (Audited) | (Audited) |
| **Segment revenue :** | | | | | |
| Sponge iron | **23,980** | 24,797 | 22,964 | **93,873** | 76,123 |
| Power | **1,869** | 1,702 | 1,798 | **7,005** | 7,243 |
| **Total** | **25,849** | 26,499 | 24,762 | **100,878** | 83,366 |
| Less: Intersegment sales | **(442)** | (416) | (412) | **(1,673)** | (1,701) |
| **Total Income from operations** | **25,407** | 26,083 | 24,350 | **99,205** | 81,665 |
| | | | | | |
| **Segment results** | | | | | |
| Sponge iron | **1,577** | 1,513 | 4,283 | **9,428** | 12,468 |
| Power | **709** | 1,274 | 1,672 | **4,121** | 4,751 |
| Unallocated income/ (expenditure) | **1,349** | 1,554 | 1,074 | **5,535** | 4,127 |
| **Profit before finance costs and tax** | **3,635** | 4,341 | 7,029 | **19,084** | 21,346 |
| Less: Finance costs | **30** | 211 | 33 | **302** | 325 |
| **Profit before tax** | **3,605** | 4,130 | 6,996 | **18,782** | 21,021 |
| Less : Tax expenses | **1,166** | 1,449 | 2,327 | **6,343** | 6,933 |
| **Profit for the period / year** | **2,439** | 2,681 | 4,669 | **12,439** | 14,088 |
| Other comprehensive income | 177 | (107) | 133 | **984** | 111 |
| **Total comprehensive income for the period / year** | **2,616** | 2,574 | 4,802 | **13,423** | 14,199 |

| Particulars | As at 31.03.2019 | As at 31.12.2018 | As at 31.03.2018 |
|---|---|---|---|
| | (Audited) | (Audited) | (Audited) |
| **Segment assets :** | | | |
| Sponge iron | **66,012** | 53,293 | 44,572 |
| Power | **4,262** | 4,229 | 4,573 |
| Unallocated | **62,171** | 77,443 | 72,291 |
| | **132,445** | 134,965 | 121,436 |
| **Segment liabilities :** | | | |
| Sponge iron | **13,933** | 19,411 | 12,768 |
| Power | **603** | 714 | 711 |
| Unallocated | **9,546** | 9,093 | 9,304 |
| | **24,082** | 29,218 | 22,783 |

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**PART III: AUDITED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES**

**(Rs. in Lacs)**

| | As at 31 March, 2019 (Audited) | As at 31 March, 2018 (Audited) |
|---|---|---|
| **Assets** | | |
| **(1) Non-current assets** | | |
| (a) Property, plant and equipment | **21,973** | 14,667 |
| (b) Capital work-in-progress | **739** | 582 |
| (c) Intangible assets | **59** | 233 |
| (d) Financial assets | | |
| (i) Investments | **12,156** | 7,172 |
| (ii) Loans | **11** | 15 |
| (iii) Other financial assets | **87** | 6,413 |
| (e) Non current tax assets (net) | **2,974** | 2,813 |
| (f) Other non-current assets | **24,822** | 17,478 |
| **Total non-current assets** | **62,821** | 49,373 |
| **(2) Current assets** | | |
| (a) Inventories | **11,528** | 8,409 |
| (b) Financial assets | | |
| (i) Investments | **12,217** | 12,801 |
| (ii) Trade receivables | **7,846** | 5,881 |
| (iii) Cash and cash equivalents | **16,321** | 11,252 |
| (iv) Other Bank balances | **18,420** | 30,911 |
| (v) Loans | **227** | 252 |
| (vi) Other financial assets | **1,294** | 929 |
| (c) Other current assets | **1,771** | 1,628 |
| **Total current assets** | **69,624** | 72,063 |
| **Total assets** | **132,445** | 121,436 |
| **Equity and liabilities** | | |
| **(1) Equity** | | |
| (a) Equity share capital | **1,540** | 1,540 |
| (b) Other equity | **106,823** | 97,113 |
| **Total equity** | **108,363** | 98,653 |
| **(2) Liabilities** | | |
| **Non-current liabilities** | | |
| (a) Provisions | **1,190** | 1,169 |
| (b) Deferred tax liabilities (net) | **1,821** | 1,798 |
| **Total non-current liabilities** | **3,011** | 2,967 |
| **Current liabilities** | | |
| (a) Financial liabilities | | |
| (i) Trade payables | | |
| (A) total outstanding dues of micro enterprises and small enterprises | **107** | 176 |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises | **7,404** | 6,516 |
| (ii) Other financial liabilities | **425** | 423 |
| (b) Other current liabilities | **2,248** | 2,166 |
| (c) Provisions | **5,497** | 5,145 |
| (d) Current tax liabilities (net) | **5,390** | 5,390 |
| **Total current liabilities** | **21,071** | 19,816 |
| **Total liabilities** | **24,082** | 22,783 |
| **Total equity and liabilities** | **132,445** | 121,436 |

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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 18 April, 2019.

(2) 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,and accordingly sponge iron and generation of power are the reportable operating segments for consolidated results in accordance with Ind AS 108.

(3) Pursuant to the Business Transfer Agreement ('BTA') entered into between Tata Steel Limited (Group's holding company) and Usha Martin Limited ('UML') on September 22, 2018, its subsequent novation in favour of Tata Sponge Iron Limited ('TSIL') and approval by the TSIL's shareholders, the acquisition of steel business of UML has been completed on April 9, 2019 ('Acquisition date') inter-alia with payment of cash consideration of Rs. 346,863.36 lacs (after adjustments for negative working capital and hold backs of Rs. 64,000.00 lacs pending transfer of some of the assets including mines and certain land parcels) and compliance with other relevant conditions precedents specified in the BTA by respective parties. TSIL will get back Rs.1456.53 lacs for steel business BGs. The acquisition would help the Group to diversify beyond sponge iron business and enter into steel business with a focus on specialty long products portfolio.

The acquisition date being subsequent to the balance sheet date, no adjustments have been made in the consolidated financial statements for the year ended March 31, 2019. The Group inter-alia is in the process of determining the fair values of acquired assets and liabilities and accordingly the initial accounting for the business combination is not complete and therefore, no further disclosures are applicable.

(4) (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 bank guarantee expired after 30 November 2015 and had not been renewed, since no communication had been received from MoC. 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 of coal block 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 had cancelled allocation of 214 coal blocks including the Radhikapur (East) Coal Block which was allotted to the Group on 7 February, 2006. The amount incurred on the Radhikapur (East) Coal Block upto 31 March, 2019 aggregates to Rs. 18,040.96 lacs (31 March, 2018: Rs. 18,040.96 lacs).

(ii) Pursuant to the judgment of Hon'ble Supreme Court of India, the Government of India had 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 allocattee towards land and mine infrastructure. Pursuant to the judgement dated 9 March,2017 of the Hon'ble High Court of Delhi in W.P (c) 973/2015, the directives of MoC vide its letter dated 1 February,2018 and as per details prescribed by Nominated Authority ,the Group has furnished the required statement of expenses and other details in the prescribed format on 22 February, 2018. Relying on the legal position and legal opinion obtained by the Group in respect of the recoverability of the amount, no provision is considered necessary.

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

(6) The Board Of Directors, in its meeting held on 18 April, 2019, has proposed a final dividend of Rs.12.50 per equity share for the financial year ended 31 March, 2019

(7) The results for the quarter ended 31 March, 2019 is the balancing figures between the audited figures in respect of the year ended 31 March, 2019 and the audited published financial results for the nine months ended 31 December, 2018.

(8) Effective 1 April, 2018, the Group has applied Ind AS 115 – Revenue from Contracts with Customers, using the retrospective effect method. The adoption of Ind AS 115 did not have any significant impact on the overall results of the Group.

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TATA SPONGE IRON LTD.

**Sanjay Kumar Pattnaik**
Managing Director
**Mumbai**, 18 April, 2019