TATA STEEL

#WeAlsoMakeTomorrow

TATA

GROWTH WITH PURPOSE

Integrated Report and Annual Accounts 2022-23

116th year

GROWTH WITH PURPOSE

At Tata Steel, 'Growth with Purpose' embodies our commitment to responsible growth while creating an equitable, shared and prosperous future for all. The steel we make goes into building infrastructure that drives India's growth and progress; the way we make steel contributes to the nation's commitment to global sustainable development goals. Aligned with India's growth aspirations, we are doubling our steelmaking capacity over the next decade, while focusing on climate action, resource efficiency and community development.

To align purpose with growth, we deploy the best available technologies and processes to drive innovation and develop sustainable products and solutions that accelerate our transition to a greener and brighter future by reducing carbon emission, conserving water and minimising waste. We foster a culture of safety and overall wellbeing while creating a workplace that provides equal opportunities, celebrates collaboration and promotes meritocracy. We engage with local communities, promoting education, healthcare, and livelihood enhancement programmes.

At Tata Steel, 'Growth with Purpose' is not confined to delivering operational and financial metrics. It is more about creating a positive impact on the lives we touch. The sustained value we create for our stakeholders becomes the real metric of our success.

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Notice of AGM N2

Our eighth annual integrated report provides a holistic analysis of our strategic vision, performance, governance and our ability to create value in the short, medium and long term, and on the future viability of our business.

About the report

Reporting principles

Statutory section

The financial and statutory data, presented in the Integrated Report & Annual Accounts 2022-23 is in line with the requirements of the Companies Act, 2013 (including the rules made thereunder), Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Secretarial Standards issued by The Institute of Company Secretaries of India.

ESG parameters

The report on ESG parameters is prepared in accordance with the Integrated Reporting <IR> framework of the International Integrated Reporting Council (IIRC) (now consolidated into IFRS Foundation) and discloses performance against Key Performance Indicators (KPIs) relevant to Tata Steel, which are aligned with Global Reporting Initiative (GRI), the requirements of Business Responsibility & Sustainability Reporting issued by the Securities and Exchange Board of India (SEBI), World Steel Association (worldsteel), the Greenhouse Gas Protocol. Task Force on Climate Related Financial Disclosures, and the United Nations Sustainable Development Goals.

Independent Assurance

Statutory section

Assurance on financial statements has been provided by independent auditors Price Waterhouse & Co. Chartered Accountants LLP. Further, the Board's Report contains the secretarial audit report and report on Corporate Governance, provided by M/s Parikh & Associates, Practicing Company Secretaries, giving assurance on compliance with secretarial and governance requirements under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ESG parameters

Reasonable and Limited Assurance on certain agreed/identified sustainability indicators (Refer assurance reports for indicators specific to reasonable and limited assurance) in this report has been provided by Price Waterhouse & Co. Chartered Accountants LLP, in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information and ISAE 3410, Assurance Engagements on Greenhouse Gas Statements issued by the International Auditing and Assurance Standards Board (IAASB). The subject matter, criteria, procedures performed and conclusions are presented in the assurance reports available on our website at www.tatasteel.com or can be accessed at https://bit.ly/IR2023

Scope and boundary for ESG parameters

The report on ESG parameters describes our business model, strategy, significant risks, opportunities, overall performance, related outcomes and prospects for the year under review.

This Report predominantly covers information with respect to Tata Steel Limited as well as those of its subsidiary companies in India and overseas.

Approach to materiality

This report focusses on factors that have the potential to significantly affect our ability to create value in the short, medium and long term and which are of most interest to investors, the primary audience. The report's content and presentation are based on issues material to Tata Steel and its stakeholders. Material issues are gathered from multiple channels and forums of engagement across the organisation and from external stakeholders. In FY2022-23, Tata Steel updated its Environmental, Social and Governance (ESG) material issues and incorporated them into its long-term plans.

- Environment
- Social
- Governance

Management responsibility

This report has been reviewed by the Senior Leaders of the Company, including the Chief Executive Officer & Managing Director; Executive Director & Chief Financial Officer; and the Company Secretary & Chief Legal Officer (Corporate & Compliance).

Our Stakeholders

1. Investors and Lenders
2. Customers
3. Vendors & Partners
4. Government & Regulatory Bodies
5. Employees
6. Community
7. Media
8. Industry Bodies

Reporting period

This Report covers the performance of Tata Steel and its subsidiaries and associates (including joint ventures) for FY2022-23. Comparative figures, as applicable, for the last three to five years have been incorporated in this Report to provide a holistic view.

Our Capitals

- Financial Capital
- Manufactured Capital
- Intellectual Capital
- Human Capital
- Natural Capital
- Social and Relationship Capital

Forward-looking statements

Certain statements in this Report regarding our business operations may constitute forward-looking statements. These include all statements other than statements of historical facts, including those regarding the financial position, business strategy, management plans and objectives for future operations.

Forward-looking statements can be identified by words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion of future operational or financial performance.

Forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and that may be incapable of being realised, and as such, are not intended to be a guarantee of future results, but constitute our current expectations based on reasonable assumptions. Actual results could differ materially from those projected in any forward-looking statements due to various events, risks, uncertainties and other factors. We neither assume any obligation nor intend to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Despite a challenging global business environment for the steel industry, Tata Steel had a record-breaking operational performance in India, in FY2022-23. We achieved the highest-ever annual production and deliveries, driven by our strong marketing network and agile business model.

Demonstrating resilience

	Production[2] (MnT)	Deliveries (MnT)	Turnover (₹ crore)
Tata Steel (India)[1]	4% ↑ 19.88	3% ↑ 18.87	0.9% ↑ 1,37,030
Tata Steel (Consolidated)	1% ↓ 30.65	2% ↓ 28.79	0.2% ↓ 2,43,353

	Reported EBITDA (₹ crore)	Adjusted EBITDA/tonne (₹)	Reported PAT (₹ crore)
Tata Steel (India)[1]	48% ↓ 27,561	53% ↓ 13,212	61% ↓ 13,191
Tata Steel (Consolidated)	49% ↓ 32,698	53% ↓ 10,462	81% ↓ 8,075

[1] Tata Steel (India): Standalone & Tata Steel Long Products

[2] Production Numbers: Standalone & Tata Steel Long Products – Crude Steel Production, Europe – Liquid Steel Production; SEA – Saleable Steel Production

Key highlights and milestones

Operational


Coil Stack at Tata Steel Kalinganagar

- Completed the acquisition and steadily ramped up Neelachal Ispat Nigam Limited (NINL)
- Progress made on brownfield and greenfield projects to expand its capacities at its Kalinganagar site, the Electric Arc Furnace at Ludhiana, and downstream plants across India
- Signed an expression of principles with the Dutch government on decarbonisation of IJmuiden steel making operations
- Launched Carbon Lite, a certificate-based, low carbon emission steel solution, offering the potential for up to 100% reduction in CO_2 intensity to our customers in the UK and the Netherlands
- 1st in India to receive a license for weather resistant steel
- Provided fibre-reinforced composites for Vande Bharat coaches

36 MnT of iron ore mined

107 New products developed

Completed acquisition of **NINL** and ramped up production capacity to 1 MnTPA on an annualised basis within 3 months of acquisition

People


Fostering diversity

AI-driven internal talent marketplace, stepUP, has been facilitating people with projects and mentoring opportunities

100+ Transgender employees

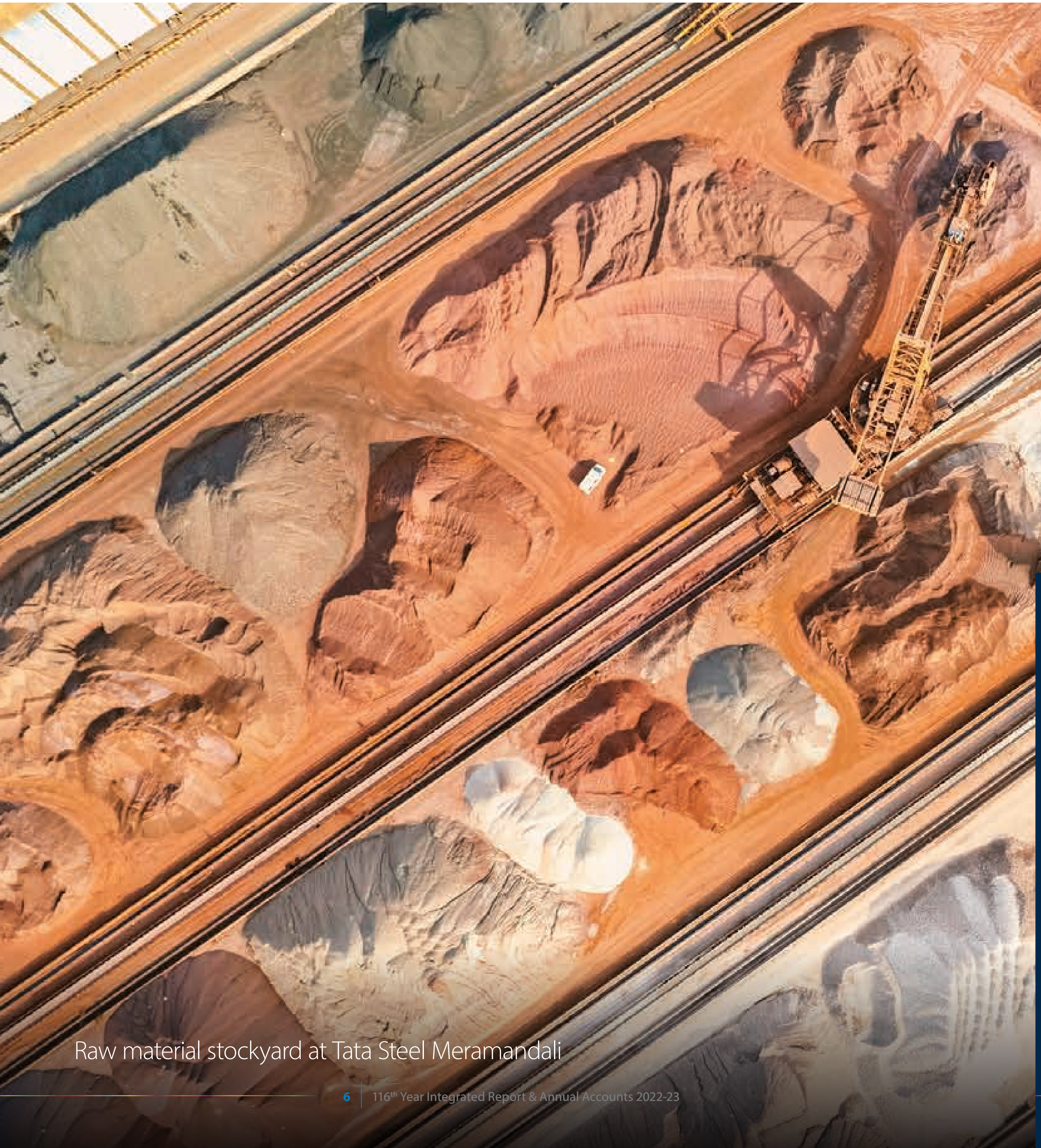
Sustainability


Miyawaki plantation at Tata Steel Kalinganagar

- Jamshedpur Steel plant becomes 1st to receive ResponsibleSteel certification in India
- Best-in-Class CO_2 footprint in all geographies
- Multiple initiatives underway to reduce emissions

Net Zero by 2045

3.15 Mn+ Lives reached through our CSR activities



Raw material stockyard at Tata Steel Meramandali

About Tata Steel

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Doubling crude steel capacity in India

21.6 MnTPA

2023

Flats	16.6 MnTPA
Longs	~5 MnTPA

40 MnTPA

2030

Flats	~27 MnTPA
Longs	~13 MnTPA

Shaping an enduring future

India continues to forge ahead on its path of progress, creating remarkable opportunities for the steel sector. Tata Steel stands as a steadfast partner, committed to fuelling the nation's industrial and infrastructural development. Driven by this vision, we are doubling our capacity in India by 2030. We are not only contributing to the overall growth of the steel sector but also creating employment and empowering local communities. Our integrated operations enable us to navigate steel cycles, capitalising on opportunities. We have focused on reducing our outstanding debt, which will further strengthen our financial position and provide a solid foundation to accelerate growth.

Tata Steel is one of the largest integrated steel manufacturers in the world, with operations spanning various geographies across the globe. With our expansive product portfolio and initiatives beyond business, we are making a difference to millions of individuals by creating a better tomorrow.

Creating a resilient tomorrow

Our strategic focus on people development, cultural transformation, innovation, technology and sustainability leadership are the key to becoming one of the most respected and valuable steel companies globally. Despite multiple headwinds and challenges, Tata Steel remains dedicated to leveraging its strengths to sustain its momentum and drive sustainable growth. Further, we are continuously exploring newer opportunities, both organic and inorganic, to achieve our growth aspiration of 40 MnTPA by 2030 in India.

Vision

We aspire to be the global steel industry benchmark for Value Creation and Corporate Citizenship.

We make a difference through:

Our People

Our Offerings

Our Conduct

Our Policies

Our Innovative Approach

Mission

Consistent with the vision and values of the founder Jamsetji Tata, Tata Steel strives to strengthen India's industrial base through effective utilisation of staff and materials. The means envisaged to achieve this are cutting-edge technology and high productivity, consistent with modern management practices.

Tata Steel recognises that while honesty and integrity are essential ingredients of a strong and stable enterprise, profitability provides the main spark for economic activity.

Overall, the Company seeks to scale the heights of excellence in all it does, in an atmosphere free from fear, and thereby reaffirms its faith in democratic values.

Values

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

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

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

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

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

35 MnTPA
Steel capacity
As on March 31, 2023

77,000+
Global workforce

Scaling innovation

01 India

In India, Tata Steel operates an end-to-end value chain that extends from mining to finished steel goods, catering to an array of market segments such as automotive, construction, general engineering etc. We source most of the required raw materials from our captive mines in India, providing raw material security and the competitive advantage of being a low-cost steel producer. The Raw Material Division of Tata Steel supplies almost 100% of iron ore and 22% of clean coal requirements for steel manufacturing facilities in India, while the rest is imported. We also operate manganese and chromite mines.

JAMSHEDPUR

Our flagship Jamshedpur plant is among the first steel plants in Asia and the only facility in India to produce steel at the same site continuously for over 100 years. Our sustainable growth has been driven by our operational excellence and a culture of continuous improvement.

11 MnTPA

GAMHARIA

The Gamharia plant of Tata Steel Long Products Limited, a listed subsidiary of Tata Steel, is one of the largest specialty steel plants in India in the long product segment.

1 MnTPA

KALINGANAGAR (NINL)

NINL is an integrated steel plant at Kalinganagar, Odisha, which produces one million ton per year of liquid steel, through the blast furnace route.

1 MnTPA

KALINGANAGAR (TATA STEEL)

Commissioned in 2016, our Kalinganagar plant attained production levels at its rated capacity of 3 MnTPA in less than two years. A capacity expansion to 8 MnTPA (Phase II) is currently underway, which will augment our product portfolio with new value-added products while driving operational efficiency and reducing carbon footprint.

3 MnTPA

MERAMANDALI

Our Meramandali plant is one of India's largest flat steel production plants, equipped with steelmaking and finishing facilities.

5.6 MnTPA

Our processing and distribution network

Stockyards	21
Hubs	5
SPCs	40
Distributors	285
Dealers	15,422

Tata Steel Jamshedpur Works

Tata Steel Limited and Tata Steel Long Products Limited

Automotive

Automotive and Ancillaries

B2B automotive, ECA automotive, wires and specialty steel automotive

Products: Hot Rolled (HR), Cold Rolled Closed Annealed (CRCA), Galvanised, HR Commercial, Medium Carbon / High Carbon, Precision Tubes, Wire Rod, Hi-end Billets

Brands: Astrum (HR), Steelium (CRCA), Galvano (Galvanised Plain, GP), Galv, Galume, Pre Painted Galvanised Iron (PPGI), Pre Painted Galvalume (PPGL)

Construction

Construction & Infrastructure

B2B sales to construction companies, including rebar, WRs, branded products, etc.

Products: Cold Rolled (CR) (Non-branded), BP Sheets, Galvano (GP), HR Commercial, Hot Rolled Pickled and Oiled (HRPO) & Hot Rolled Skin Passed Pickled and Oiled (HRSPO), Pre Engineered Buildings (PEB), Projects/ Tenders, Construction & Projects, Full Hard Cold Rolled (FHCR), Galv, Galume, PPGI, PPGL, Wire Rods, Tubes

Brands: Steelium (CRCA), GalvaRos, PPGL, Tata WAMA, Tiscon

Construction Retail

B2C sales including Tiscon, Shaktee, GP Retail, tubes and wires

Products: HR (Non-branded), HRPO & HRSPO, Galvanised Corrugated (GC) – Retail, Tubes Division, Wire Rod, Hi-end Billets

Brands: Astrum (HR), Galvano (GP), Tata Shaktee, Tata WAMA, Tiscon

Consumer Durables

Downstream (B2C)

Steel sales to furniture, appliances, etc.

Products: CR, BP Sheets, GP, Galume, PPGI, GP Retail Others, HR Commercial, HRPO & HRSPO, HR slits, CRCA, FHCR, Galv, Galume, PPGI, PPGL

Brands: Steelium (CRCA), GalvaRos, Galvanova, Colornova, Tata Kosh

Industrial and General Engineering

Packaging

Tinplate, HTSS (High Tensile Steel Strapping), LPG, Drums & Barrels

Products: CR, BP Sheets, Tinplate CRCA, FHCR, Galv, Galume, PPGI, PPGL – Prime, HTSS

Engineering Goods

Capital Goods, Shipbuilding, Railways manufacturing, etc.

Products: HR, HRPO & HRSPO, CR, BP Sheets, GP, PPGI, HR Commercial, MC / HC, Government Railways, Precision Tubes, L&E, Shipbuilding, CRCA - Industrial Products, FHCR, Galv, Galume, PPGI, PPGL, H&T, Wire Rods, Tubes, HR Agrico, Industrial Byproduct Management Division (IBMD), High Tensile Steel Strapping (HTSS)

Brands: Astrum (HR), Steelium (CRCA), GalvaRos, Colornova, Thermo Mechanically Treated (TMT)

Trade & Commercial

Sales to traders, rerollers, downstream processing, fabrication, etc.

Products: HR, HRPO & HRSPO, CR, BP Sheets, HR Commercial, HRPO & HRSPO, HR slits, MJ Trade, MC / HC, Wire Rods, Billets, Slabs, Tubes, Hi end Billets

Brands: Astrum (HR), Steelium (CRCA), GalvaRos

Energy

Steel sales to Oil & Gas, Wind, Solar, etc. (mainly flat products)

Products: HR, HRPO & HRSPO, CR, BP Sheets, Galume, Liquid Petroleum Gas (LPG), American Petroleum Institute (API), CRCA, FHCR, Galv, Galume, PPGI, PPGL, Wire Rods, Tubes

Brands: Astrum (HR), Steelium (CRCA), Galvanova

Products | **Brands**

Notes
B2B – Business to Business
B2C – Business to Consumer
B2G – Business to Government
B2ECA – Business to Emerging Corporate Account
OEM – Original Equipment Manufacturer

02 Europe

In Europe, Tata Steel is one of the largest steel producers, with two operating steel manufacturing facilities – one based in the UK and the other in the Netherlands. Both operating facilities produce premium flat steel products and services for customers in UK, Europe and around the world.

PORT TALBOT, WALES, UNITED KINGDOM

Being the largest steel producer in the UK, Tata Steel UK produces high quality differentiated strip steel products for the construction, automotive, packaging and engineering markets.

5 MnTPA

IJMUIDEN, NETHERLANDS

Tata Steel Nederland is one of Europe's largest steel manufacturers that supplies high-quality strip steel products to demanding markets around the world, including construction, automotive, packaging and manufacturing of lifting, mining and earthmoving equipment.

7 MnTPA

IJmuiden Works, Tata Steel Nederland

Tata Steel Nederland BV

Automotive

Automotive and Ancillaries

B2B automotive, OEM automotive

Products	Brands
Hot-rolled(HR), Direct-rolled (DR), Cold-rolled(CR),Metallic Coated Coils and Sheets, Tubes (Precision), Electro-plated steel	Serica, MagiZinc Auto, XPF, HyperForm, Contiflo, HILUMIN

Construction

Construction & Infrastructure

B2B sales to construction companies

Products	Brands
HR, DR, CR, Metallic Coated Coils and Sheets, Tubes (Structural and Precision), Panels and Profiles.	MagiZinc, Ymagine, Ympress, Contiflo, Hybox, Strongbox, SAB Profil, Fischer Profil, Montana, Colorcoat, Advantica, Fischertherm, Fischerfireproof, Montanatherm, Montapanel, Swiss Panel, Holorib

Construction Retail

B2B sales

Products	Brands
HR, DR, CR, Metallic Coated, Organic Coated Coils and Sheets.	MagiZinc, Ymagine, Ympress, Colorcoat

Consumer Durables

Downstream (B2C)

Sales to traders, rerollers, downstream processing, fabrication, etc.

Products	Brands
CR Organic Coated, Electro-plated Coils and Sheets, Tubes (Precision)	Ymvit, HILUMIN, HILAN, NICOR, HI-BRITE, Motiva, Contiflo, Reflex

Industrial and General Engineering

Packaging

Tinplate, Drums and Barrels

Products	Brands
CR, Tinplate, Tin-free steel and Laminated Steel Coils and Sheets,	Protact, TCCT

Engineering Goods

Capital Goods, Shipbuilding, Manufacturing, etc

Products	Brands
Hot-rolled(HR), Direct-rolled (DR), Cold-rolled(CR),Metallic Coated, Organic Coated, Electro-Plated Coils and Sheets, Tubes (Structural and Precision)	MagiZinc, Ymagine, Ympress, Ympress Laser, Ymvit, Contiflo, Hybox, Strongbox, HILUMIN, HILAN, NICOR, HI-BRITE, Advantica, Motiva

Trade & Commercial

Sales to traders, rerollers, downstream processing, fabrication, etc.

Products	Brands
HR, DR, CR Metallic Coated, Organic Coated, Electro-plated Coils and Sheets, Tubes (Structural and Precision),	MagiZinc, Ymagine, Ympress, Ympress Laser, Ymvit, Contiflo, Hybox, Strongbox

Energy

Steel sales to Oil & Gas, Wind, Solar, etc

Products	Brands
Hot-rolled, Metallic Coated Coils and Sheets,	Ymagine, Ympress, MagiZinc

Notes

B2B – Business to Business
B2C – Business to Consumer
B2G – Business to Government
B2ECA – Business to Emerging Corporate Account
OEM – Original Equipment Manufacturer

Port Talbot, Tata Steel UK

Tata Steel UK Limited

Automotive

Automotive and Ancillaries

B2B automotive, OEM automotive

HR, CR, Metallic Coated Coils, Sheets and tailor welded blanks, Aluminium blanks.

MagiZinc Auto, Tenform

Construction

Construction & Infrastructure

B2B sales to construction companies

HR, CR Metallic Coated, Organic coated Coils and Sheets, Tubes (Structural, Conveyance and Energy), Panels and Profiles, Lintels, Roof and Cladding systems, Highway Systems (Safety Fence and Parapets)

MagiZinc, Durbar, Celsius, Hybox, Strongbox, Install, Inflow, Inline, Colorcoat, Advantica, Comflor, Roofdek, Trimapanel, Trisomet, Vetex, Protect 365, Catnic, Catnic Urban

Construction Retail

B2C sales

HR, CR, Metallic Coated, Organic Coated Coils and Sheets, Lintels, profiles, roof and cladding system.

MagiZinc, Durbar, Colorcoat, Catnic, Catnic Urban

Consumer Durables

Downstream (B2C)

Sales to traders, rerollers, downstream processing, fabrication, etc.

CR, Organic Coated Coils and Sheets

RADECOL, Motiva

Industrial and General Engineering

Packaging

Tinplate, Drums and Barrels

CR, Tinplate, Tin-Free steel and Laminated Steel Coils and Sheets

Protact

Engineering Goods

Capital Goods, Manufacturing, etc

HR, CR, Metallic Coated, Organic Coated Coils and Sheets, Tubes (Structural and Precision)

MagiZinc, Durbar, Celsius, Hybox, Strongbox, Advantica, Motiva, RADECOL

Trade & Commercial

Sales to traders, rerollers, downstream processing, fabrication, etc.

HR, CR, Metallic Coated, Organic Coated Coils and Sheets, Tubes (Structural and Precision)

MagiZinc, Durbar, Celsius, Hybox, Strongbox, Advantica, Motiva

Energy

Steel sales to Oil & Gas, Wind, Solar, etc

HR Metallic Coated Coils and Sheets, Tubes (Conveyance and Linepipe)

Ymagine, Ympress, MagiZinc, Install, Inflow, Inline

Products **Brands**

Notes
B2B – Business to Business
B2C – Business to Consumer
B2G – Business to Government
B2ECA – Business to Emerging Corporate Account
OEM – Original Equipment Manufacturer

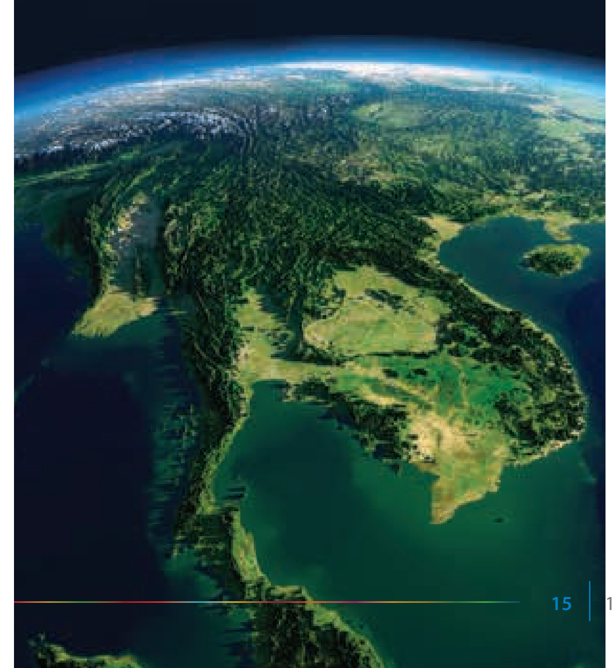
03 Thailand

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED (TSTH) is one of the largest and most diverse long steel manufacturers in Thailand, using recyclable steel scrap as raw material.

1.7 MnTPA

M&S Sales – dealers/distributors

North	24
Northeast	14
West	9
East	8
BKK	14
South	21



Tata Steel Thailand

Tata Steel (Thailand) Public Company Limited

Automotive

Automotive and Ancillaries

Wire rods

Construction

Construction & Infrastructure

Tata Tiscon (Rebars, cut & bend, dowel), Structurals (angles and channels)

Construction Retail

Tata Tiscon(Rebars), Tiscon Superlinks(Stirrups), Tiscon Superbase(Footing)

Consumer Durables

Downstream (B2C)

Sales to traders, rerollers, downstream processing, fabrication, etc.

Tiscon Superlinks (Stirrups), Tiscon Superbase (Footing)

Industrial and General Engineering

Engineering Goods

Wire rods, SBQ

Energy

Structural (angles and channels) for Transmission Power and Distribution

Trade & Commercial

Wire rods for sales to traders

Products

Notes
B2C – Business to Consumer

At Tata Steel, we optimise the deployment of six capitals across our operations to maximise value for our stakeholders. To demonstrate the interplay between the capitals in delivering sustainable growth, we have established their linkages to our strategy and decision-making.

Our pillars of value creation

Financial Capital

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At Tata Steel, we are consistently driving optimal capital allocation to drive long-term sustainable returns for our stakeholders.

₹21,683 crore
Cash generated from operations

₹32,698 crore
EBITDA

7.27%
Return on average net worth

Manufactured Capital

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We are aggressively pursuing our growth aspirations through organic and inorganic expansion routes to increase our steel-making capacity, while simultaneously ensuring efficiency, reliability, safety and sustainability through adoption of innovative processes and technologies.

30.65 MnT
Production

28.79 MnT
Deliveries

14.22%
Steel scrap recycling

Intellectual Capital

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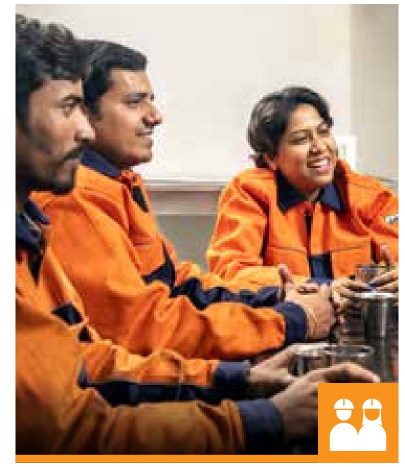
Tata Steel is continuously investing in developing disruptive sustainable products and processes in both steel and non-steel segment. We are working towards technology-led environment leadership and building knowledge-intensive businesses by exploring opportunities in materials beyond steel under our new material business. Through digital transformation and strategic collaborations between in-house capabilities and external expertise, Tata Steel is driving sustenance, improvement, and innovation across the business.

₹859 crore
R&D spend

307
Patents granted

107
New products developed



Human Capital

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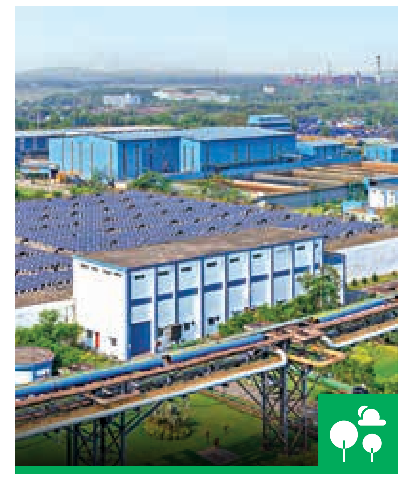
We are constantly working towards building an equitable and agile work culture that promotes collaboration, innovation, high performance, with a strong focus on Diversity, Equity and Inclusion. We are also committed to zero harm to the people we work with, and the community at large.

885 tcs/employee/year*
Employee productivity

519 thousand person-days
Employee trainings

18.95%*
Workforce diversity



Natural Capital

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Operating in a resource-intensive sector, we are consciously investing in environmental management and resource optimisation projects across the geographies to manage our ecological footprint. Tata Steel has committed to be net zero by 2045.

2.21 tCO_2/tcs
CO_2 emission intensity

0.34 kg/tcs
Dust emission intensity

0.43 m^3/tcs*
Effluent discharge intensity

2.62 m^3/tcs*
Specific fresh water consumption

Social and Relationship Capital

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Tata Steel believes in continuous stakeholder engagement for business growth and sustenance. Our long-term relationships with customers, suppliers and communities are key to our business sustainability and are integral to our core strategy. We keep nurturing the relationships through long established and constantly evolving forums.

3.15 Mn+*
Lives reached through CSR

83.8*
Customer satisfaction index (Steel) (Score out of 100)

307*
Suppliers trained through Vendor Capability Advancement Programme (VCAP)

211*
Supply chain partners assessed on Responsible Supply Chain Policy

*The figures are for Tata Steel Standalone

Fuelling progress

Inputs

Financial Capital

Consolidated Net worth – Total Equity (₹ crore)	1,05,175
Consolidated Net debt (₹ crore)	67,810

Manufactured Capital

Region wise Installed capacity - Crude Steel in MnTPA	
India	21.6
Europe	12
South East Asia	1.7
Steel Processing Centres and downstream facilities - Own (Nos)[1]	40

Intellectual Capital

Patents filed (nos.)	154
R&D spend (₹ crore)	859

Human Capital

Employees on roll (nos.)[9]	77,000+
Investment in employee training and Development (₹ crore)[1]	193
Employee training (thousand person-days)	519

Natural Capital

Energy Intensity (GJ/tcs)[11]	
TSL	23.43
TSLP	41.06
TSUK	23.34
TSN	18.82
TSTH	5.06
Specific fresh water consumption (m3/tcs)[11]	
TSL	2.62
TSLP	5.81
TSUK[2]	9.84
TSN[2]	5.21
TSTH	1.09
Capital spends on environment, social and governance matters (₹ crore)	3,304
Raw Material consumption (MnT)[3]	65

Social and Relationship Capital

Total dealers (nos.)	20,478
Total distributors (nos.)	267
Active supplier base (nos.)	12,872
CSR spend (₹ crore)	481

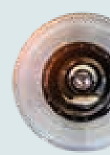
Steel Value Chain

1 Mining
Total materials mined[1] 44.11 MnT

2 Processed Raw Materials
Raw materials consumed[3] 65 MnT

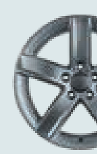
3 Iron Making
Production[4] 30.65 MnT

4 Steel Making
Total deliveries 28.79 MnT



5 Rolling Products
Enriched/value added product sales[1] 11.96 MnT

6 Processing Centres
Number of SPCs[1] 40



7 Demand Fulfillment
Customer Satisfaction Index[1] (score out of 100) 83.8

Enabling Functions

1 Supply Chain
FG handled[3] 20 MnTPA
RM handled[3] 65 MnTPA

2 Human Resources
Employee Productivity[1]: (tcs/employee/year) 885

3 Technology
Number of Patents filled: 154

4 By-products
Revenue from by-products sale ₹10,328 crore

5 Digitalisation
Cumulative Value Potential created through digital projects[1] (FY19 to FY23): ₹8,612 crore

Outputs

FY2022-23 Highlights

30.65 MnT
Production[4]

28.79 MnT
Deliveries

11.96 MnT
Enriched/value added product sales[1]

Outcomes

Financial Capital

Turnover (₹ crore)	2,43,353
EBITDA (₹ crore)	32,698
Savings through Shikhar25 projects and Transformation Programmes (₹ crore)[1]	6,309

Manufactured Capital[4]

Region wise production (MnT)	
India	19.88
Europe	9.35
South East Asia	1.2

Intellectual Capital

Patents granted (nos.)	307
New products developed (nos.)	107

Human Capital

Health index (Score out of 16) (nos.)[1]	13.1
Diversity - % women in the workforce[5]	8.3
Employee productivity - (tcs/employee/year) (nos.)[6]	
TSL	885
TSLP	722
TSUK	352
TSN	660
TSTH	1,115
Diversity Mix (%)[7,1]	18.95
LTI (nos.)	275
LTIFR (Index)	0.57
Workforce covered through formal workforce union(%)[8]	91

Natural Capital

CO_2 emission intensity (tCO_2/tcs)	2.21
Stack Dust emission intensity (kg/tcs)[11]	
TSL	0.34
TSLP	1.30
TSUK	0.28
TSN	0.25
Solid waste utilisation (%)[10]	101.7
Effluent discharge intensity (m3/tcs)[11]	
TSL	0.43
TSLP	0
TSUK[2]	10.02
TSN[2]	34.29
TSTH	0

Social and Relationship Capital

Suppliers assessed based on safety (%)	
TSL	78
TSUK	100
TSN	67
Customer satisfaction index (Steel) (out of 100)[1]	83.8
Business associates trained on TCoC (nos.)[3]	2,300
Supply chain partners assessed on Responsible Supply Chain Policy (nos.)[1]	211
Lives reached through CSR initiatives (Mn)	3.15+

1 Tata Steel Limited
2 Data is for Calendar Year 2022
3 Data for only Tata Steel Limited including Tata Steel Long Products Limited
4 Production numbers for consolidated financials are calculated using crude steel for India, liquid steel for Europe and saleable steel for South East Asia
5 Diversity - % women in the workforce is defined as percentage of permanent women employees (officers + non-officers) as per Employee on Roll (EOR) report over total workforce
6 Employee productivity is defined as amount of crude steel produced (in tonnes) per employee in the given year.
7 Diversity mix (% of individuals who are Affirmative Action (AA)/Women/Persons with Disabilities (PWD)/Lesbian, Gay, Bisexual, Transgender, Queer (LGBTQ+) over EOR)
8. For Non-Managerial staff for Indian operations only
9. Employees on Roll - No. of permanent employees of Company (officers + non-officers) except those on deputation + doctors on contract
10. Waste from last year was utilised this year hence, it is marked above 100%
11. Only crude steel making sites

Abbreviations: TSl - Tata Steel (India), NINL – Neelachal Ispat Nigam Limited, TSLP – Tata Steel Long Products, TSUK – Tata Steel UK Limited, TSN – Tata Steel Nederland BV, TSTH – Tata Steel Thailand, LTI – Lost Time Injuries LTIFR - Lost Time Injury Frequency Rate, TCOC – Tata Code of Conduct, tcs – per tonne of crude steel, SPCs – Steel processing centres.

Tata Steel Kalinganagar, India's first Manufacturing Lighthouse

Our Leadership

Board of Directors 22
Chairman's Message 24
From the CEO & MD's desk 28
Management Speak 30

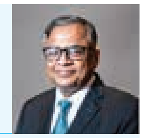
Leveraging strengths to deliver value

8 MnTPA

Capacity post-expansion at Tata Steel Kalinganagr

Tata Steel's Kalinganagar steel plant is one of the world's most advanced factories, recognised by the World Economic Forum as a 'manufacturing lighthouse'. As one of our most value-accretive investments, it forms a key driver of our India growth strategy. We have an enhanced capital allocation at Kalinganagar for site expansion by 5 MnTPA by FY2025-26. We also commissioned a pickling line and tandem cold mill in FY2022-23 as part of the 2.2 MnTPA cold rolling mill complex, and now produce cold rolled full hard coils, helping us strengthen our product portfolio. The expansion is a manifestation of our engineering capabilities and our ability to execute large-scale projects inhouse.

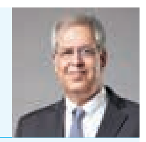
Guided by excellence

N. Chandrasekaran


Chairman, Non-Executive

Chairman of the Board of Tata Sons, the holding company and promoter of all Tata Group companies. He also chairs the Boards of several group operating companies, including Tata Motors, Tata Power, Air India, Tata Chemicals, Tata Consumer Products, Indian Hotels and Tata Consultancy Services (TCS). His appointment as Chairman, Tata Sons, followed a 30-year business career at TCS. He rose through the ranks at TCS to become CEO and Managing Director of the leading global IT solution and consulting firm. In 2022, he was conferred the Padma Bhushan, one of India's highest civilian awards, in the field of Trade and Industry. In 2023, he was conferred the Chevalier de la Légion d'honneur, the highest civilian award of France, in recognition of his contributions towards strengthening the trade relationship between India and France.

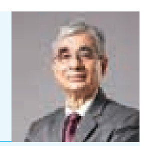
M | *Director since: January 2017*

Noel Naval Tata


Vice Chairman, Non-Executive

He has been associated with the Tata Group for over 39 years and currently serves as the Chairman of Trent, Tata International, Voltas, Tata Investment Corporation and Vice Chairman of Titan. He also serves as Trustee on the Board of Sir Ratan Tata Trust and Sir Dorabji Tata Trust. He was instrumental in spearheading the trading and distribution arm of the Tata Group. Under his leadership, Tata International witnessed growth in turnover from US\$500 mn to US\$3.7 bn. He also led Trent for 11+ years and grew it across formats from one store operations in 1998 to over 500 stores in 2023.

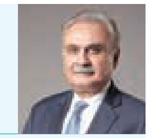
C | *Director since: March 2022*

O. P. Bhatt


Independent Director

A seasoned and thoughtful leader who brings years of experience across a wide variety of strategic and operational roles, which includes his five-year role as Chairman and CEO of State Bank of India (SBI), a Fortune 500 company. He is best known for transforming SBI and bringing efficiency and competitiveness. Under his chairmanship, SBI adopted an aggressive strategy in marketing and operations. In the past, he has been the government's nominee on the India-US CEO Forum, Indo-French CEO Forum and Indo-Russia CEO Forum. Currently, he serves as Independent Director on several Boards including TCS, Tata Motors and Hindustan Unilever among others.

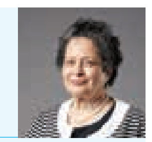
C M M | *Director since: June 2013*

Deepak Kapoor


Independent Director

He is former Chairman of PwC India. During his illustrious career with PwC, he served in various leadership and client service roles in India and overseas. He has extensive experience in the audit function as well as business advisory related work. His experience, in India and overseas, encompasses multiple industries. He serves as an Independent Director on the Boards of Tata Steel Minerals Canada, HCL Technologies, Nayara Energy and Delhivery. He is also associated with Save the Children as the Chairman of its India operations and a member on its global board.

C C M | *Director since: April 2017*

Farida Khambata


Independent Director

Co-founder of Cartica, an independent investment boutique focussed on emerging markets. Prior to co-founding Cartica, she was a member of IFC's Management Group. In her last position at IFC, she served as the Regional Vice President in charge of operations in East Asia and the Pacific, South Asia, Latin America and the Caribbean. She was responsible for strategy, investment operations and advisory services in IFC's member countries in these regions. She also oversaw all equity investments globally and investments in Agribusiness, Manufacturing and Services and Health and Education, regardless of geography. She serves on the Boards of Kotak Mahindra Bank, Dragon Capital (Vietnam) and Tata Investment Corporation.

M C | *Director since: August 2021*

V. K. Sharma


Independent Director

He served as the Chairman of Life Insurance Corporation of India. While at LIC, he held various challenging assignments pan India and in all operational streams. Working across the length and breadth of the country has added immensely to his experience and honed his understanding of the demographics of the country, socio-economic needs of different regions and multi-cultural challenges in the implementation of organisational objectives. An inspiring 'Growth Leader', he is known for his nearly 40 years of extensive experience in insurance and financial sectors. He is a believer in connecting with the grassroots and has a bottom-up approach. He serves on the Boards of Mahindra & Mahindra and Reliance Power among others.

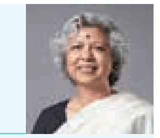
C M M | *Director since: August 2018*

Board Committees

- Audit
- Corporate Social Responsibility & Sustainability
- Stakeholders' Relationship
- Safety, Health and Environment
- Nomination and Remuneration
- Risk Management
- C - Chairperson
- M - Member

Ratan N. Tata

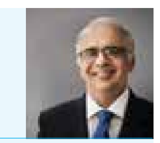
Chairman Emeritus

Bharti Gupta Ramola


Independent Director

She is a former partner at PwC. During her career of 25 years at PwC, she has served in various positions including in the firm's Management team in India, while holding responsibility for the Marketing and Brand of the firm. She led PwC's work on Climate Change and Carbon transactions during the early days of the international carbon market. She was also responsible for PwC's Financial Sector business across all verticals. Over the years she was a part of the founding teams of several advisory businesses including Corporate Finance, Project Finance, Change Management, Infrastructure, Government and Utilities and Sustainability for PwC in India. She serves on the Boards of HDFC Life Insurance Company Ltd and SRF Limited.

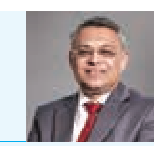
M M | *Director since: November 2022*

Shekhar Mande


Additional Director (Independent)

A structural & computational biologist and a well-known research scientist, he was Director General of the Council of Scientific and Industrial Research and Secretary of the Department of Scientific and Industrial Research, Government of India. He is a distinguished Professor at the Savitribai Phule Pune University. He is one of India's leading experts in DNA fingerprinting and diagnostics. In 2005, he was awarded the Shanti Swarup Bhatnagar Prize for Science and Technology – the most prestigious science award in India – in the category of Biological Sciences. He is a thought leader and is known for his policy advocacy in Science, Technology and within the Research Community globally.

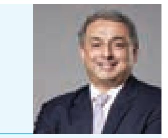
Director since: June 2023

Saurabh Agrawal


Non-Executive Director

Executive Director and Group Chief Financial Officer of Tata Sons since 2017. In this role, he is focussed on driving financial performance of the Group through rigour and synergy in capital allocation, investment management and portfolio optimisation. Prior to joining Tata Sons, he was Head of Strategy at the Aditya Birla Group. In a career spanning over two decades, he was Head of Investment Banking in India for Bank of America Merrill Lynch and also Head of Corporate Finance business in India and South Asia for Standard Chartered Bank.

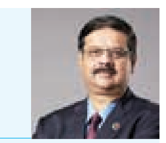
M M | *Director since: August 2017*

T. V. Narendran


CEO & Managing Director

He has over 35 years of experience in the Metals and Mining industry and has been a thought leader on complex, strategic and operational matters relating to steel industry. He is responsible for the business and corporate affairs of Tata Steel globally. He has overseen the organic and inorganic growth of Tata Steel over the last few years including the Kalinganagar greenfield expansion and acquisition of Bhushan Steel and Neelachal Ispat Nigam Limited among others. A member of the Executive Committee and the Board of the World Steel Association and President of the Indian Institute of Metals, he has served as the President of the Confederation of Indian Industry (CII) from 2021 to 2022.

M M M M | *Director since: September 2013*

Koushik Chatterjee


Executive Director & CFO

He has been part of the leadership team and has led the Finance function for over 15 years. He has stewarded financial strategy and financing programs for over US\$60 bn. He has been instrumental in portfolio restructuring and turnaround of businesses of various subsidiaries. He has been deeply involved on issues of ESG and UN SDGs. A thought leader on sustainable finance and reporting, he serves as a member of UN Global Compact, CFO Task Force on SDGs, Task force on Nature-related Financial Disclosures, Task Force on Climate-Related Financial Disclosures, among others. He has been on the Global Preparers Forum of IASB and was member of SEBI's Primary Market Advisory Committee.

M M M | *Director since: November 2012*

Board snapshot

Tenure	
0-2 years	4
2-5 years	1
5-8 years	3
8+ years	3

Composition	
Executive	2
Non-Executive	3
Independent	6

Parvatheesam Kanchinadham

Company Secretary & Chief Legal Officer (Corporate & Compliance)

1. Board composition as on June 1, 2023

2. Detailed profiles of the Board available at www.tatasteel.com

Demonstrating strength and resolve

N. Chandrasekaran
Chairman

> The Company has made substantial progress in its simplification journey and is working on the amalgamation of seven subsidiaries and one associate company into and with Tata Steel.

Dear Shareholders,

It is my privilege to present to you Tata Steel's Annual Report for FY2022-23.

I hope this letter finds you and your families well and safe.

The macro-economic volatility and geo-political factors have dominated the global business environment during FY2022-23. Looking ahead, global growth is poised to slow down to 2.8% in 2023 (from 3.4% in 2022), led by a pronounced slowdown in developed markets. In contrast, emerging markets, led by India, will provide some cushion.

India's growth continues to be resilient, underpinned by the Government's capital outlay and buoyant private consumption. India's GDP is estimated to have registered a growth of 6.8% in FY2022-23 and is expected to continue to be the fastest growing large economy for the third consecutive year.

₹2,43,353 crore

Consolidated Revenue (FY2022-23)

Tata Steel Meramandali

> **From a steel industry perspective, the impact of the tepid global economic recovery led to easing of global steel production. However, India was a notable exception, overcoming uncertain demand-supply dynamics, volatile raw material prices and residual effects of the pandemic.**

India's steel consumption grew by over 10% Y-o-Y to 117 million tonnes in FY2022-23. Given the current stage of development of the Indian economy and the focus on infrastructure development, steel demand growth in India is expected to keep pace with the GDP growth over the next decade. Demand from key steel consuming sectors such as construction, capital goods, railways, and automotive is expected to remain robust.

For the year ended March 31, 2023, the Consolidated Revenue of the Company was ₹2,43,353 crore, which was marginally lower compared to the previous year's Consolidated Revenue of ₹2,43,959 crore. Both the Consolidated EBITDA and Profit after Tax of the Company for FY2022-23 were substantially lower compared to the previous year. In FY2022-23, the Consolidated EBITDA of the company was ₹32,698 crore compared ₹63,830 crore in the previous year. Consolidated Profit after Tax in FY2022-23 was ₹8,075 crore, compared to ₹41,749 crore in the previous year. The financial performance in FY2022-23 was impacted by higher cost structure due to elevated energy and emission related costs and raw material price volatility.

Strategic acquisition

of Neelachal Ispat Nigam Limited successfully completed

In FY2022-23, the Company has continued to make progress towards augmenting the capacities across multiple sites in India, aligned with the objective of achieving its 2030 target of an overall 40 MnTPA capacity.

The Company successfully commissioned, at its Kalinganagar plant, the First Circuit of the 6 MnTPA Pellet plant and Pickling Line & Tandem Cold Mill Line of the 2.2 MnTPA Cold Rolling Mill complex. These will drive cost savings and product mix enrichment. The Company remains focussed on further expansion in Kalinganagar.


NINL Works

The Company completed the strategic acquisition of Neelachal Ispat Nigam Limited (NINL). Given its proximity to the Kalinganagar plant and its synergistic potential, NINL will significantly enhance the Company's long products portfolio and boost growth in the segment. Even though NINL had been shut down for almost three years, the Company has ramped up production to the rated capacity within nine months of the acquisition.

The Company has also made substantial progress in its simplification journey and is working on the amalgamation of seven subsidiaries and one associate company into and with Tata Steel. Through these amalgamations, the Company expects to achieve greater business synergies, derive significant cost savings, undertake focused capital allocation, and consolidate its market presence under a single unified brand.

With respect to the international operations, Tata Steel continues to face challenges in the UK, Netherlands, and Canada. TSN and TSUK continue with their 'sustainable profit program', which is focussed on expanding steel deliveries, improving yield performance, optimizing the commercial mix, and reducing operating costs. In terms of sustainability initiatives, TSN has also progressed towards accelerating its transition to sustainable steel production, with a plan to move from coal to gas and then hydrogen-based steelmaking. TSUK continues to face challenges due to commodity and energy price volatility, high input costs, and sluggish demand.


CRM Bara Ponds, Jamshedpur

3.15 Mn+

Lives reached through the Company's wide-ranging CSR programmes

Tata Steel is committed to sustainability and the environment. In alignment with Tata group sustainability initiative, "Project Aalingana", the Company is committed to achieving Net Zero emissions by 2045 and is working on a decarbonisation road map that combines short, medium, and long-term goals.


Committed to community development

The Company continues to engage with communities through its wide-ranging CSR programmes, positively reaching over 3.15 million lives. The Company remains steadfast in continuing to foster the economic and social well-being of the communities it serves.

I would like to take this opportunity to express my deep appreciation for the contributions of Ms. Mallika Srinivasan, who retired from the Board of the Company after serving for a decade. I would also like to thank Mr. David Crane for his contributions during the brief tenure at the Board from which he had to resign due to his US government appointment. I also extend a warm welcome to Ms. Bharti Gupta Ramola on the Board of the Company.

I am happy to share that, the Board of Directors has recommended a dividend of ₹3.60 per Ordinary (equity) share.

In closing, I extend my sincere thanks to all the employees for their resolute efforts towards forging a resilient and agile organisation. I also express my sincere gratitude to all stakeholders for their unstinted support over many years and hope for their continued support in our journey to take the Company to greater heights.

Warm regards,
N. Chandrasekaran
Chairman

Purpose-driven growth

T. V. Narendran

Chief Executive Officer & Managing Director

> Tata Steel has a proud legacy of pioneering positive change within the communities where it operates and its commitment towards this endeavour remains steadfast

Dear Stakeholders

I am pleased to bring to you our inaugural Business Responsibility and Sustainability Report (BRSR). At Tata Steel, we have long recognised the Environment, Social and Governance (ESG) stewardship as a core to our purpose. We have a proud legacy of pioneering positive change, not just within the industry but in the communities where we operate as well, and our commitment remains steadfast.

As the shift to a low-carbon economy is likely to unfold faster, the implications on steel, a hard-to-abate sector shall be profound. We take cognisance of the urgency of the decarbonisation journey to meet the evolving stakeholder expectations. Our Net Zero target is in line with the Tata Group's target and is the most ambitious net zero target adopted by any major steel company globally.

We continue to seek innovative ways for this transition, through continuous experimentation, and investments in research, technological innovations, and partnerships. Adoption of Direct Reduced Iron (DRI) using green hydrogen, injection of hydrogen in blast furnaces, carbon capture & utilisation technologies and use of alternate low-carbon fuels, such as biomass, are key areas in this approach. While the company explores sustainable alternatives to traditional steel production methods, it is concurrently investing in new and alternate materials, as part of its efforts to offer more sustainable alternatives to steel. Within the realm of biodiversity conservation, we have implemented initiatives aimed at revitalising and safeguarding the flora and fauna and restoring the natural habitats.

> **We have established clear and measurable objectives for our DE&I journey and have charted out holistic plans for broadening the number of lives positively impacted through CSR initiatives,**

We aspire to be a global benchmark for corporate citizenship. Our efforts are aligned to this vision as we endeavour to improve workforce Diversity, Equity and Inclusion (DE&I), health and safety, and community well-being. We have established clear and measurable objectives for our DE&I journey and have charted out holistic plans for broadening the number of lives positively impacted through CSR initiatives, developing a responsible supply chain through ethical sourcing and ensuring the code of conduct compliance.

Tata Steel consciously embeds the highest standards of governance in its operations. We recognise the criticality of governance challenges relating to business ethics, ever-evolving compliance landscape, and the imperative of improved disclosures. To effectively mitigate these challenges, we have in place a comprehensive Code of Ethics, a holistic compliance framework and an integrated governance structure that carries a strong commitment to global ESG disclosure standards for promoting transparency and accountability.

Our efforts towards ESG initiatives during the past year are detailed in the later pages and I encourage you to read our Integrated Report and BRSR to gain a comprehensive understanding of the progress we have made. Our commitment to ESG not only aligns to the global expectations but also serves as a catalyst for our long-term success and resilience in the face of evolving market dynamics.

Warm Regards,

T. V. Narendran

Chief Executive Officer & Managing Director

Charting a path to sustainable growth

T.V. Narendran
Chief Executive Officer and Managing Director

Koushik Chatterjee
Executive Director and Chief Financial Officer

Cold Rolling Mill, Tata Steel Kalinganagar

Q The year gone by was very volatile with considerable macroeconomic challenges. How did Tata Steel navigate these challenges?

The global economy including the steel industry faced significant volatility in 2022 due to multiple issues including the Russia-Ukraine conflict-induced global energy crisis, supply chain tightness and inflationary pressures, semiconductor shortage related issues, subsequent interest rate hikes by central banks globally, and moderated economic activity in China due to its zero-Covid policy. All these together impacted the steel demand-supply balance and resulted in significant contraction in steel price to raw material spreads through the year. Indian Steel makers were further impacted by the introduction of a 15% export duty from May 2022 till November 2022 which created supply imbalance compared to historical trends.

In Tata Steel, we responded with agility and sharpened our focus on managing the volatility by raising the bar on managing risks arising from sharp changes in underlying trading conditions especially given our long supply chain. This was demonstrated in our management of working capital where we ended the financial year with a release of over ~₹5,500 crore of in the fourth quarter. Our continuous improvement programs Shikhar in India and similar other initiatives in Netherlands and UK focussed on bettering operating metrices so that the adverse impact of contraction in price spreads could to some extent be mitigated. We also continued to focus on cash flow optimisation and prioritised our capital investments accordingly.

Q The performance of Tata Steel appears modest compared to the previous financial year 2021-22. Can you please provide a perspective on the performance in FY2022-23?

In Financial Year 2021-22 underlying market fundamentals were favourably aligned across the industry and the benefit of the same was reflected in Tata Steel's financial performance also. However, by historical standards FY2021-22 can't be considered as a trend year in the true sense. In fact, our Consolidated EBITDA for the year was ₹32,698 crore and the Profit After Tax was ₹8,075 crore. In FY2022-23, Tata Steel on a consolidated basis reported its 2[nd] highest ever EBITDA.

During the year, Tata Steel India's operational performance witnessed many firsts and records including highest-ever crude steel production of 19.9 million tons, growing 4% on a Y-o-Y basis. India deliveries increased in line with production, surpassing the previous record. The Automotive sector saw a 5% Y-o-Y increase, Branded Products and Retail rose by 11% Y-o-Y, and Industrial products & projects were up by 14% Y-o-Y. The EBITDA for Tata Steel India stood at ₹27,561 crore, translating to an EBITDA per ton of ₹14,606, which is the third highest in the history of the Company and reflects the resilience of the India business inspite of a very volatile and challenging external environment. The Company's India crude steel production now accounts for two-thirds of its overall production and this trend is expected to continue as we focus on investments and growth in our home market where we enjoy a premium leadership position.

In our European business, Tata Steel recorded a revenue of £9,293 million and EBITDA was £477 million resulting in EBITDA per tonne of £58. The sharp reduction in steel prices in the second half of the year, high energy costs due to the conflict in Ukraine and above normal inflation impacted the financial performance for the year. The ongoing upgrade of Tata Steel Nederlands' Cold Mill in IJmuiden Plant had an adverse impact on the product mix as well.

During FY2022-23, we also undertook key strategic initiatives towards growth and long term value creation. In the first half of the year, Tata Steel Long Products Limited, completed the acquisition of Neelachal Ispat Nigam Limited (NINL) under the Government of India divestment program, at an aggregate consideration of approximately ₹12,100 crore. This acquisition is part of the master plan for our long products business and being part of the Kalinganar eco-system is well positioned to grow synergistically in the future. The acquisition was efficiently implemented and even though the NINL plant had been mothballed for nearly three years, within just nine months of this acquisition, we successfully ramped up the production run-rate to its rated capacity of ~1 million tonnes on an annualised basis.

Secondly, as part of our organic growth strategy, towards the end of the financial year, we commissioned the first circuit of the 6 MnTPA Pellet Plant and the Pickling Line and Tandem Cold Mill Line within the 2.2 MnTPA Cold Rolling Mill complex at our Kalinganagar plant.

As part of our strategy to invest in circularity and deploy capital towards low carbon steel making, Tata Steel also signed a Memorandum of Understanding (MoU) with the Government of Punjab to establish a state-of-the-art scrap utilising electric arc furnace (EAF) based long products steel plant in Ludhiana, with a capacity of 0.75 MnTPA. The plant is expected to be operational within two years and will produce construction-grade steel rebar under brand 'Tata Tiscon'.

Considering the year's financial performance and based on the overall review of the business, the Board of Directors recommended a dividend of ₹3.60 per equity share of face value ₹1/- each.

Q The net debt of Tata Steel increased compared to FY2022-23, will the Company go back to the deleveraging journey?

On a steady state basis our de-leveraging journey will continue and is an enterprise strategy which we remain committed to. To put this in perspective, in FY2022-23 we undertook the acquisition of NINL with outflow of ~₹10,000 crore and also the acquisition of a ferro alloys processing unit for ~₹1,000 crore during the year. In addition, we allocated sizeable capex on the ongoing 5 MnTPA brownfield expansion in Kalinganagar. Therefore, the capital allocation on growth was higher to help provide a step change in earnings and cash flows for the future. Apart from this, the year witnessed a significant contraction in steel price to raw material price spreads, as well as

Pellet Plant, Tata Steel Kalinganagar

high levels of energy costs, which had an adverse impact on earnings and cash flow generation. We are committed to cash flow optimisation and in the last quarter of the financial year 2022-23, we were able to reduce debt by around ₹3,700 crore on the back of a special drive on working capital management.

Q Can you share the Company's projected capital expenditure for FY2023-24?

The projected capital expenditure (capex) for FY2023-24 is set at ₹16,000 crore on a consolidated basis which is intended to be financed through internal accruals over the full year. Of this, ₹10,000 crore is towards Tata Steel Standalone operations of which the Kalinganagar project will account for approximately 70%. Our other Indian subsidiaries, currently in an expansion phase with value accretive projects, especially in downstream operations which are important to service customer needs and improve our value-added product mix, will have a capex of about ₹2,000 crore. In Europe, Tata Steel Nederland will incur capex of ₹1,100 crore on the relining of its blast furnace, which is underway. The remainder of the capex is largely allocated towards and will be spent on sustenance, environmental initiatives, and improvement projects.

Q The Board approved the amalgamation of seven subsidiaries and an associate company into Tata Steel. How does this move align with the Company's broader strategy and what is the expected timeline for its completion?

The proposed amalgamations are expected to enhance management efficiency, drive sharper strategic focus, and improve agility across businesses. They will also drive synergies through raw material security, centralised procurement, optimisation of inventories, reduced logistics costs, and better facility utilisation. Furthermore, it is expected to enable growth in value-added segments and reduce overhead and corporate costs.

Each of the amalgamations are expected to create value for all shareholders and also aligns with Tata Steel's long-term strategy to simplify the group holding structure.

The proposed amalgamations are currently going through judicial and regulatory process. We expect the process to complete by the end of this financial year.

Q Given the UK upstream and midstream assets are reaching end-of-life in the next 12 to 24 months, what is the strategy in relation to the future of the business outside of the discussions with the UK Government for transitioning to low carbon configuration?

Tata Steel has had active and detailed discussions with the UK Government in relation to the future of the UK business. Given the UK's decarbonisation journey and rising carbon costs, it has been clear that for the continuity of steel making in the long-term, it is necessary for Port Talbot to transition to alternative green technologies. Tata Steel has therefore sought support from the government in two forms: (a) In policy terms by encouraging the transition to green steel and ensuring a cost competitive landscape, and (b) partnership in financing of the project given the size of investment and the financially constrained position of our UK business. These discussions are ongoing.

At the same time, some of the existing heavy end assets in Tata Steel UK will reach end of useful life over the following few years. The management of Tata Steel UK will evaluate all scenarios with regard to the future configuration of the business and will consult appropriately with various stakeholders prior to relevant strategic decisions being taken. Any decision making will also take into account our market, customers, supply chain impacts and safe operating practices for our employees.

Q How is Tata Steel furthering its commitment to decarbonisation and sustainable operations?

Tata Steel is committed to the Tata Group's stated objective of achieving Net Zero emissions by 2045, as part of the group-wide Project Aalingana (embrace). Under this project the Tata Group is focused not just on the decarbonisation of businesses and value chains; but also applying a systemic, circular economy approach to reduce resource use and waste; and preserving and restoring the natural environment.

Tata Steel's approach and pace of decarbonisation will be calibrated for each location based on the local regulatory framework, government support, and the willingness of customers to pay for higher-cost green steel.

The IJmuiden steelworks of Tata Steel Nederland already rank 3rd in the 2022 CO_2 intensity benchmark for Blast Furnace based steel producers, published by the World Steel Association. Even so, Tata Steel Nederland has a public commitment to reduce its CO_2 emissions by 5 Megatons by 2030. In July 2022, it entered an Expression of Principles with the Ministry of Infrastructure and Water Management, and the Ministry of Economic Affairs and Climate in the Netherlands. It is committed to transitioning in a phased manner out of blast furnace operations to steel making using Direct Reduced Iron technology and electric smelting, with an eventual transition to Green Hydrogen depending on availability and economics. It is currently engaged with multiple technology and engineering partners to complete detailed evaluation and engineering, implementation planning and costing of the project.

Tata Steel Nederland is also undertaking a comprehensive project to reduce dust and other fugitive emissions from its plant to make it future ready. It has committed to spend €300mn in Roadmap+ investments, including an ongoing de-NOx investment in the pellet plant (largest environment installation in a pellet plant in the world), covering bunkers and transport systems and installing dust screens, and upgraded coal filters. These projects are currently under implementation and part of the planned capital expenditure in the Company.

In Europe, we have also already launched low carbon steel products. Zeremis® Carbon Lite, launched in Tata Steel Nederland, is a steel with an allocated carbon footprint reduction of up to 100%. Several customers including Wuppermann, BILSTEIN, EMW Stahl Service, Arania, Permastore and Hardt Hyperloop have reached agreements to source this steel. In fact, underlining the demand for green steel in Europe, Tata Steel Nederland has already signed a memorandum of understanding with Ford to supply the carmaker with Zeremis green steel once the IJmuiden steelworks switches to green hydrogen-based steelmakingWe offer similar Carbon Lite solution from our UK operations under the brand name Optemis™ Carbon Lite

In our India Steel operations, we adopt a two-pronged approach to decarbonisation, focussing on Carbon

In Europe, we have launched Zeremis® Carbon Lite and Optemis™ Carbon Lite, low carbon steel products, having allocated carbon footprint reduction of up to 100%.

Direct Avoidance (CDA) and CO_2 Capture and Use. We have implemented several initiatives as test and incremental cases including conducting a trial of continuous Coal Bed Methane (CBM) injection, hydrogen injection in blast furnaces, operating a carbon capture and utilisation plant at pilot scale, and increasing scrap charge in our blast furnaces. As stated earlier, we are working to establish a state-of-the-art scrap utilising electric arc furnace (EAF) based long products steel plant in Ludhiana, with a minimal carbon footprint and a capacity of 0.75 MnTPA.

Tata Steel in India is also deeply committed to reducing freshwater consumption, developing sustainable supply chains, and embracing circular economy principles. We are maximising effluent treatment and increasing the usage of treated water from sewage treatment plants in Jamshedpur and through storm water recovery at Kalinganagar. Tata Steel is also looking to both maximise the usage of scrap in our existing blast furnace based operations (in addition to setting up electric arc based facilities) as well as maximising solid waste utilisation within our own operations and through the sale of by-products. We have launched Tata Aggreto and Tata Nirman, India's 1st branded steel slag products. Furthermore, we remain dedicated to the United Nations Sustainable Development Goals (SDGs) with a particular focus on greenhouse gas (GHG) emissions, specific fresh-water consumption, and circular economy targets. We are also committed to enriching our portfolio of green products.

We are happy to share that in recognition of our efforts, Tata Steel has been recognised by worldsteel as a Sustainability Champion for the sixth consecutive time


Steel Recycling Plant, Rohtak, Haryana

Q Can you shed light on the economics and timelines of the green hydrogen project, focusing on the pilot injection directly into the blast furnace in India?

In India, Tata Steel has embarked on a ground-breaking experiment that is still in its early stages. The Company initiated a trial, the first-of-its-kind globally, at its Jamshedpur Works, injecting a record-high quantity of hydrogen gas directly into one of its Blast Furnaces.

This trial provided us with valuable data and information, helping us plan for the next level of scale. Our goal is to determine how much of the Pulverised Coal Injection (PCI) can be substituted with hydrogen. Encouragingly, we have observed that injecting hydrogen yields a net benefit, reducing the coke rates by about 10% to 15%. We are carefully evaluating the implications of any change on the overall process, particularly regarding the energy balance and the constituents within a blast furnace.

The significance of the trial lies in its contribution to the steel industry's journey towards green and sustainable steelmaking. By injecting hydrogen gas into the blast furnace, Tata Steel aims to reduce fossil fuel consumption and consequently lower CO_2 emissions from the steelmaking process. The eventual adoption of this technology at scale and its wide implementation will be dependent on how quickly the cost of hydrogen reduces to more competitive levels.

Q As the global reporting landscape shifts towards sustainability reporting, what actions is Tata Steel taking towards fulfilling this requirement?

Tata Steel has historically taken a leadership position in transparently and comprehensively reporting on its performance in relation to ESG (Environmental, Social, and Governance) parameters. In 2015-16, Tata Steel transitioned from compliance-based to governance-based reporting and published the country's 1st Integrated Report despite there being no statutory mandate and has continued on this journey of improvement of its disclosure standards each year. We believe that a sustainable finance framework, effective and transparent reporting, and comprehensive disclosures will not only aid our investors and stakeholders, but also help us to accelerate the transition to a more sustainable long-term future.

We are actively involved in aiding the growth of national and global disclosure standards and their subsequent adoption. We are active within the IFRS Foundation which is responsible for the development of disclosure standards through the International Accounting Standards Board (IASB) and International Sustainability Standards Board (ISSB). Tata Steel has adopted the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD), has undertaken independent assessment of its Physical and Transition Climate risks and published a Climate Change Report on a consolidated basis, aligned with the recommendations of TCFD, as part of Tata Steel's Integrated Report for FY2022-23. We have taken the lead in the Indian Steel Industry for environmental certification of our products and published GreenPro certification for Steel Rebars (Tata Tiscon), Tubes (Tata Structura, Tata Pipes, Tata EzyFit), Steel Doors and Windows (Tata Pravesh) and Ground Granulated Blast Furnace Slag (Tata Aggreto). Tata Steel in Europe is also the first steel manufacturer to become an approved Environmental Product Declaration programme operator in Europe. Tata Steel also conducts Life Cycle Assessment for a range of products across multiple geographies, which aligns with Tata Steel's commitment to be a benchmark in sustainability disclosures and to provide customers with product-specific sustainability information.

We have also released our first Business Responsibility and Sustainability Report (BRSR) this year, on a consolidated basis, providing an in-depth analysis of our corporate social responsibility and sustainability initiatives, and an insightful overview of our efforts during the past year. We have also undertaken assurance for key ESG indicators for all major Tata Steel Group entities in India and Europe for the first time.

Q What actions were taken in the area of Research & Development by Tata Steel during the past year?

During the year, we set up a Centre for Innovation in Mobility at the Indian Institute of Technology (IIT) Madras Research Park focused on developing futuristic application technologies in automotive, railways, and hyperloop. We signed a Memorandum of Agreement with TuTr Hyperloop which aims at collaborating to develop and deploy Hyperloop technology at scale. We established a Centre for Innovation in Mining and Mineral Beneficiation at the Indian Institute of Technology (Indian School of Mines), Dhanbad. We are working with BHP to study low carbon, iron and steelmaking technologies. The partnership with Aarav Unmanned Systems (AUS), a Bengaluru-based drone solutions startup, aims to improve the efficiency, safety, and productivity of open-cast mining operations. We are also working with C-MET Thrissur, an autonomous society of MeitY, Government of India, and Digital University Kerala, to pioneer ground-breaking graphene technologies. Our New Materials Business (NMB) intends to swiftly translate research ideas into market-ready products through collaboration with a diverse community of scientists, researchers, start-ups, and industrial organisations.

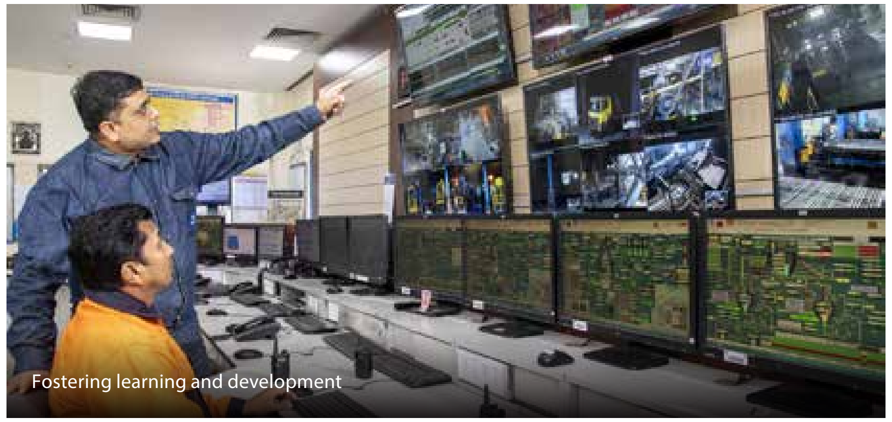
In Europe we have developed a material database, Aurora Online that has been recognised by our automotive OEMs for data accuracy and has applications in computer simulations to avoid surprises while forming parts and/or crash testing. The business is working on novel paint curing technologies, bio-based or inorganic insulation materials as well as recycling options for existing PIR (Poly Iso Cyanurate) based composite panels. Our European and India businesses are collaborating on development of high-strength coated steels and new primary coating like MagiZinc®, use of digital, AI and solar and alternative energy technologies.


Graphene facility, Tata Steel Jamshedpur

Q The Company asserts the employees to be its most valuable assets. What are the strategic measures the organisation has introduced to support employee development?

We adhere to a "People First" philosophy. Our focus is on nurturing our workforce, fostering a conducive environment that inspires our employees to realise their full potential and maintaining a high level of engagement.

In the past year, we initiated agile behavioural assessments and employee referral programs to leverage internal talent and strengthen our cultural ethos. Our internal talent marketplace, 'Step Up', offers employees with projects and mentoring opportunities matching their experience and aspirations, thereby fostering a dynamic, skills-focussed ecosystem. We have introduced "Virtual Reality" and simulation-based training to enhance experiential learning. We added 16 new Schools of Excellence (SoEs) in various areas including Mining, Engineering & Projects, Operations, and Digital domains.


Fostering learning and development

To ensure high quality learning experiences, we partnered with reputed content providers and introduced new learning platforms, enriching the upskilling journey for our employees. Our Industry-leading policies and concerted efforts earned us the "Great Place to Work" certification by the Great Place to Work® Institute for the sixth consecutive year. Our pioneering role in fostering an inclusive workplace that values human capital was recognised with the "GOLD" award for the second consecutive year by the India Workplace Equality Index (IWEI), 2022 and acknowledgement by the World Economic Forum as a Global Diversity, Equity & Inclusion Lighthouse.


Care for community

Q How do the CSR initiatives and outreach activities contribute to the growth and empowerment of the communities where we operate?

The communities we operate in, are an integral stakeholder as well as critical to ensuring the sustainability of our operations. Our aim is to create significant social impact and contribute to their growth and development through our CSR initiatives and outreach programmes.

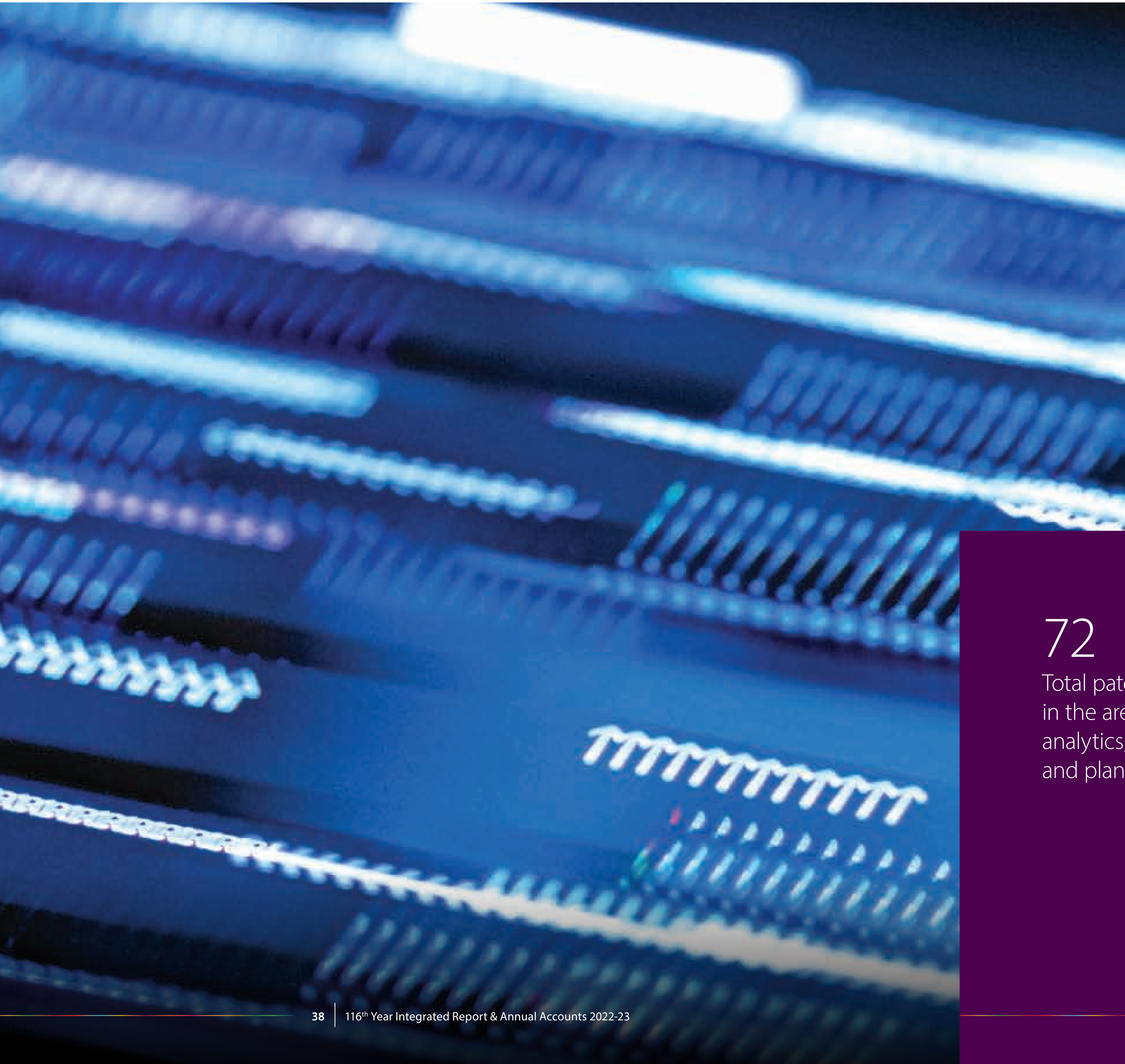
We seek to actualise national change models that effectively address the country's core development objectives. By partnering with communities, we focus on environmental sustainability, health and well-being, education and learning. By fostering change-makers within communities, we empower them to shape their progress and bring about transformative societal change.

Our CSR initiatives in India, encompass healthcare, safe drinking water, livelihood generation, education and sports, environmental conservation, preservation of tribal art and culture, and community development. We engage with government authorities, NGOs to designing effective programmes that are aligned with community aspirations. We measure the impact of our programmes through periodic impact assessments and evaluations. We also encourage feedback from stakeholders to continuously improve our programmes and maintain transparency.

In FY2022-23, we expanded our focus areas to address post-COVID realities, promote climate convergence, enhance entitlements, and raise awareness among businesses. We scaled up our existing signature and proximate impact programs, strengthening our relationship with communities. We reached over 3.15 million lives in FY2022-23 which was the highest ever, and saw new focus areas emerge in addition to our established efforts - (a) we understood the most enduring post-pandemic deficits amongst communities and designed solutions - foundational learning programmes addressing learning gaps for 2,00,000+ children in primary schools, non communicable disease screening programmes which promoted health seeking behaviour and setting up permanent market places like Johar Haat for marginalised artisans who otherwise do jot have access to markets; (b) we designed community embedded responses to climate change through conservation programmes for 4 species, (c) we enhanced capabilities for more than 25,000 individuals to access their entitlements and (d) created social immersion experience for more than 550 business students and managers to lay a strong foundation for responsible business leadership. Our efforts were recognised by the Government of India, Ministry of Corporate Affairs, with the National Award for Excellence in CSR and the National Award for Contribution in Education.


Sports is a way of life at Tata Steel

In the case of Tata Steel Nederland, our work with communities focuses on the region of Tata Steel in IJmuiden (IJmond region). The engagement with the communities focuses on reducing the environmental impact on our direct surrounding and neighbours, ensuring dialogue and communications with key communities and strengthening relations with them. As stated earlier, the Roadmap + programme includes an extensive set of investments in various installations at IJmuiden that should bring about a significant reduction in emissions, dust, odour and noise. In order to engage with the community, Tata Steel Nederland publishes an annual printed report on progress of measures, a quarterly online and printed dashboard showing the progress of measures, including current affairs and trend in complaints, live events, interactive panel discussions, walk-in hours at the community information desk, site visits and internal awareness programmes amongst others. To ensure strong relations and extensive interactions with the community, we have had meetings of senior Tata Steel Nederland management with local government leaders, regional ministers, and local representatives of the Wijk aan Zee community in the 'Dorpsraad' (Village Council) and with representatives of local neighbourhood councils from the IJmond region gathered in the 'Burentafel' ('Neighbour table'). A monthly survey is held amongst inhabitants of Wijk aan Zee community to measure sentiment, primarily around hindrance issues. A quarterly printed newspaper, is delivered door-to door to inhabitants in the region and includes latest news and information on Tata Steel Nederland, highlights local events and includes updates of the environmental measures from the Roadmap+ programme.



Our Strategy

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Pushing the frontiers of innovation

72

Total patents granted in the areas of digital, analytics, sensorisation and plant automation

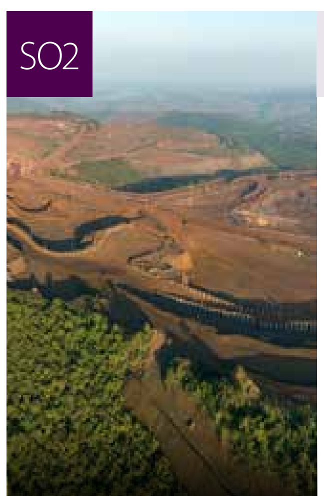
Innovation has always been a driving force for Tata Steel as it continues to push the frontiers of the steel industry. Embracing digitalisation and Industry 4.0, we are progressing towards digital steelmaking by 2030. Integrating tools such as narrow AI, we are redefining steel production, enabling real-time data analysis and process optimisation. Remote operation has also become a reality, allowing our teams to monitor and control operations from command centers, increasing efficiency and safety. Leveraging the power of collaboration, we are partnering with start-ups, research institutions and academia to undertake path-breaking projects in advanced mobility and setting up a centre of excellence for mining. In the process, we aspire to continue shaping the future of steelmaking for years to come.

Our strategic objectives ensure alignment of our business goals with our Vision and Values. ESG principles are integrated with all aspects of our business.

Our building blocks

Strategy Roadmap 2030

At Tata Steel, we aspire to be future-ready structurally, financially and culturally, in our pursuit to be the most valuable and respected steel company in the world. Following are the strategic objectives that Tata Steel aims to achieve across geographies:

Strategic Objectives	Focus Areas	KPIs	Goals
SO1 	**Leadership in India**		
	Increase capacity of India operations through organic and inorganic growth	Crude steel capacity	**40 MnTPA capacity by 2030**
	Attain and retain leadership position in chosen segments (current and new)	Market share	**Enter new segments and sustain #1 position in existing chosen segments**
SO2 	**Consolidate position as global cost leader**		
	Continue to invest in raw material security	Captive coal (%) Captive iron ore (%)	**Maintain cost leadership at market price of raw materials**
	Cost improvement and value enhancement through structural interventions in India and International operations and Shikhar25 continuous improvement programmes	Value accrual	**Cost reduction and value enhancement**
SO3 	**Attain leadership position in adjacent businesses**		
	– New Materials Business – Services and Solutions – Commercial mining	Revenues	**Enhance revenue from adjacent businesses**
SO4 	**Leadership in sustainability**		
	Benchmark in CO_2 emissions	CO_2 emission intensity: tCO_2/tcs*	**Net Zero by 2045**
	Benchmark in specific water consumption	Specific freshwater consumption: m^3/tcs*	**<1.5 m3/tcs specific freshwater consumption by 2030 in India**
	Value creation using Circular Economy business models	Capacity of Steel Recycling Business (SRB): MnTPA	**>5 MnTPA capacity of Steel Recycling Business by 2030**
		Value created from Industrial By-products Management Division (IBMD) business	**Increase EBITDA of by-products business by 2.4 times by 2030 (over 2020)**

*tonne of crude steel

Strategic Enablers

SE1	Best place to work for in manufacturing in India
SE2	Top 5 in technology in steel industry globally
SE3	Digital leader in steel industry globally
SE4	Foster a culture which makes Tata Steel future-ready

Our ESG goals serve as the foundation of our sustainability journey as we aim to reduce our carbon footprint, accelerate the adoption of renewable energy, prioritise workplace safety, foster an inclusive culture, and uphold ethical business practices.

Driving responsible actions

Environment

Climate Change

Long-term Goal
Net Zero emissions for the Tata Steel Group by 2045.

Circular Economy

Short-term goal
Achieve material efficiency of 99% at all Indian steel making sites by 2025

Long-term goal
- Sustain material efficiency at 100% at all Indian steel making sites by 2030
- Increase Tata Steel's Industrial By-product Management Division's EBITDA by 2.4 times over FY2019-20 by 2030
- Build a 5 MnTPA recycling business in steel and other business in India by 2030

Dust Emission

Short-term goal
Achieve specific dust emission intensity of 0.43kg per tonne of crude steel in India by 2025

Long-term goal
Achieve benchmark status specific dust emission intensity in India by 2030

Biodiversity

Short-term goal
Cover 100% sites under Biodiversity Management Plans across India, UK and Netherlands by 2025

Long-term goal
Strive for no net loss of biodiversity in designated areas of influence in India by 2030

Product Sustainability

Short-term goal
Cover 100% of steel making and downstream sites under Life Cycle Assessment in India by 2025

Long-term goal
Disclose environment performance of 100% of products in India by 2030

Water

Short-term goal
Achieve specific freshwater consumption of 2.0m³/tcs across all steel making sites in India by 2025

Long-term goal
Achieve specific freshwater consumption of <1.5 m3 per tonne of crude steel across all sites in India by 2030

Social

Workforce Diversity and Inclusion

Short-term goal
Achieve 25% diversity in workforce for Tata Steel Limited by 2025

Long-term goal
- Increase diversity in job with persons from non-western background to 14% for Tata Steel Nederland by 2027
- Women in vocational technical positions to grow to 5% for Tata Steel Nederland by 2027
- Women in decision-making positions to increase to at least 30% for Tata Steel Nederland by 2027
- Tata Steel UK to aim to have 25% women employed across the business

Safety

Long-term goal
Achieve zero harm for Tata Steel Limited by 2030

Local Community Development

Long-term goal
Reach >10 million lives per annum through Corporate Social Responsibility initiatives by 2030

Governance

Supply Chain

Short-term goal
Coverage of 100% critical supply chain partners for Environment, Social and Governance risk assessment for Tata Steel Limited by 2027

Long-term goal
Integrate Environment, Social and Governance performance of critical supply chain partners in procurement decision-making for Tata Steel Limited (Assessment & coverage in line with Responsible Steel guidance) by 2030

ResponsibleSteel Certification

Short-term goal
Achieve 'Certified Site' certification for all existing steel making sites in India by 2025

Long-term goal
Achieve 'Certified steel' certification for all sites in India by 2030

R&D and Technology

Long-term goal
Be amongst top 5 in technology in steel industry globally by 2030

Embracing the global call for holistic development for people and the planet, we, at Tata Steel, have aligned our operations and CSR activities with the United Nation's Sustainable Development Goals to ensure a better future.

Embracing shared goals for sustainable development

The United Nation's Sustainable Development Goals (SDG) provide a common 2030 sustainable development agenda for nations across the world with 193 countries coming together in agreement on a comprehensive and ambitious development agenda for people and planet. Tata Steel has always been a leader in contributing to the achievement of goals which have been codified under the SDGs through its operations, products, people and community welfare practices.

Through our business processes and Corporate Social Responsibility initiatives, primarily in and around the areas of our operations, we contribute to 15 out of the 17 Goals, prioritised through an intensive and multi-pronged approach considering National/Regional context, current company contribution and opportunity to create greater impact. A total of 68 targets have been prioritised across the 15 Goals.

Linkage of the prioritised SDG Goals with the six capitals of the <IR> framework caters to value creation for our stakeholders and the business as we respond to the legitimate needs and stakeholder interests, with an intent to create a sustainable impact.

Our strategic objectives and enablers are balanced across all stakeholders in the entire value chain, resulting in long-term sustainability for the organisation.

68 targets

Prioritised across 15 Goals

1 No Poverty

Relevant targets 3/7

IR Capitals linkage

TSL SO/SE linkage SE4

1.1 Agriculture and allied activities

Households covered through improved agricultural practices (nos.)

FY21	24,903
FY22	48,420
FY23	63,698

Increase in average household income of farmers (₹)

FY21	61,062
FY22	86,246
FY23	1,07,860

1.2 Skill development

Youth skilled and gainfully engaged through various courses (nos.)

FY21	172
FY22	353
FY23	926

72 youth skilled and supported for self-employment

1.3 Community enterprises

Women engaged in micro-enterprises (nos.)

FY21	275
FY22	273
FY23	1,182

Increase in additional income of women entrepreneurs (₹)

FY21	28,800
FY22	29,000
FY23	36,000

Capitals Financial Capital | Manufactured Capital | Intellectual Capital | Human Capital | Natural Capital | Social and Relationship Capital

2 Zero Hunger

Relevant targets 4/8

IR Capitals linkage

TSL SO/SE linkage SE4

2.1 Maternal and Newborn Survival Initiative

3.3% of under-5 children across Kolhan division, Jharkhand identified with Severe Acute Malnutrition

58% of the identified Severely Acute Malnourished children taken out of it

2.2 Agriculture and allied activities

Increase in harvested major crop yield (quintals/acre)

	Yield through conventional method	Yield through SRI (system of rice intensification)	Increase in yield
FY21	13.66	21.37	7.71 ↑
FY22	14.98	22.86	7.88 ↑
FY23	13.65	21.15	7.50 ↑

2.3 Skill development

Indicators explained in SDG 1

2.4 Community Enterprises

Indicators explained in SDG 1

3 Good Health and Well-being

Relevant targets 4/13

IR Capitals linkage

TSL SO/SE linkage SE4

3.1 Maternal and Newborn Survival Initiative

44% of the identified underage married girls in Kolhan division, Jharkhand, successfully delayed pregnancy

14,595 out of 29,719 identified high risk cases among women and children identified in East Singhbhum, Seraikela -Kharsawan and West Singhbhum in Jharkhand and in Keonjhar district in Odisha, cured

3.2 Public health

13% of eligible population in certain districts of Jharkhand and Odisha screened for Non-Communicable Diseases in the panchayat

2,148 households in certain areas of West Bokaro and Meramandali, covered with indoor residual spray for prevention of Vector Borne Diseases

People reached through outreach healthcare services

FY21	33,134
FY22	95,998
FY23	2,54,522

4 QUALITY EDUCATION

Relevant targets 8/10

IR Capitals linkage

TSL SO/SE linkage SO1 SO2 SE4

4.1 Education Signature Programme

140 Panchayats from Jharkhand and Odisha attaining and declaring themselves as Child Labour Free Zones

66 Resource Centres being run in community partnership

4.2 Model Schools

30 Model Schools constructed, equipped, and handed over to the Government of Odisha

4.3 Akanksha

Children from Particularly Vulnerable Tribal Group engaged under the learning curriculum

	No. of Children	% of girls
FY21	237	51%
FY22	214	51%
FY23	336	55%

0% drop out rate

4.4 Community Enterprises

Explained in SDG 1

4.5 Skill development

Girls among youth enrolled in skill courses

	Total enrolments	Female learners
FY21	386	80
FY22	1,038	334
FY23	2,430	910

Girls among total youth skilled and placed

	Youth placed	Girls placed
FY21	34	14
FY22	66	44
FY23	497	339

4.6 Computer Skills & English learning

Youth/Children being covered through Computer & English courses (nos.)

FY21	656
FY22	1,944
FY23	2,830

4.7 Disability linked initiatives (SABAL)

Persons with Disability linked to livelihoods (nos.)

FY21	2
FY22	5
FY23	43

4.8 Green School Project

16,757 children reached directly through schools

45 schools brought under the project

4.9 Pre-Matric Coaching

Children covered through pre-matric coaching (nos.)

FY21	1,315
FY22	3,731
FY23	5,651

4.10 Jyoti Fellowship

5,608 Jyoti Fellowships provided (3,645 girls)

526 Schools Reached

4.11 Masti Ki Pathshala

1,631 children of Jamshedpur affected by worst forms of child labour covered through Residential and Non-residential bridge course

4.12 School Infrastructure

56 school infrastructure projects completed

4.13 Tata Steel Scholars

Female scholars among total scholars

	No. of scholars	No. of females
FY21	99	30
FY22	117	37
FY23	128	34

4.14 Employee Training

Employee training (in person days) ESG Factsheet ↗

Employee training (person-days/ employee/year) ESG Factsheet ↗

5 GENDER EQUALITY

Relevant targets 4/9

IR Capitals linkage

TSL SO/SE linkage SE4

5.1 DISHA Programme

101 social issues taken up by women leaders in certain districts in Jharkhand and Odisha

212 women leaders representing in various decision-making institutions (Panchayati Raj Institution)

639
women participated in rural institutions

7 community led initiatives (We for Change) undertaken

52 issues raised by women in Gram Sabha and decisions taken

5.2 Maternal and Newborn Survival Initiative

Explained in SDG 3

5.3 Gender equality at workplace

Female employees in workforce ESG Factsheet ↗

Female employees in management positions in workforce ESG Factsheet ↗

Male and Female Median Salary BRSR Page No. 191 ↗

6 CLEAN WATER AND SANITATION

Relevant targets 8/8

IR Capitals linkage

TSL SO/SE linkage SO4 SE3 SE4

6.1 Water Conservation in the community

14,797
lives reached through water conservation activities

478 water harvesting structures

Water recharge potential (million ft³)

FY21	4.5
FY22	9.1
FY23	50

Land treated through soil and water conservation (Ha)

FY21	214.76
FY22	246.64
FY23	420.17

6.2 Drinking Water Systems

No. of lives reached through drinking water projects

FY21	80,230
FY22	1,25,182
FY23	1,58,068

No. of drinking water structures created/repaired

FY21	793
FY22	853
FY23	989

6.3 Water Conservation within the organisation

Total freshwater consumption ESG Factsheet ↗

Specific freshwater consumption ESG Factsheet ↗

7 AFFORDABLE AND CLEAN ENERGY

Relevant targets 2/5

IR Capitals linkage

TSL SO/SE linkage SO4

7.1 Energy intensity and Renewable Energy

Renewable power	BRSR Page No. 206 ↗
Specific energy consumption	ESG Factsheet ↗


Floating Solar Panels at Tata Steel Kalinganagar

8 DECENT WORK AND ECONOMIC GROWTH

Relevant targets 7/12

IR Capitals linkage

TSL SO/SE linkage SO2 SO4 SE

- **8.1** Agriculture and allied activities
- **8.2** Skill development
- **8.3** Community enterprises

Explained in SDG 1

- **8.4** Disability linked initiatives (SABAL)
- **8.5** Jyoti Fellowship
- **8.6** Tata Steel Scholars
- **8.7** Masti Ki Pathshala
- **8.8** Education Signature Programme

Explained in SDG 4

8.9 Employee representation, turnover and productivity

% workforce covered through formal trade unions	ESG Factsheet ↗
Turnover per employee per year	ESG Factsheet ↗
Employee productivity	ESG Factsheet ↗

8.10 Workplace safety

Lost Time Injuries	ESG Factsheet ↗
Lost Time Injury Frequency Rate	ESG Factsheet ↗
Fatalities	ESG Factsheet ↗


Empowering youth

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Relevant targets 4/8

IR Capitals linkage

TSL SO/SE linkage SO2 SO3 SE2 SE3

9.1 Development Corridor

- 36 panchayats have developed Gram Panchayat Development Plans where corridor fellows ensured organisation of Gram Sabhas through active participation of villagers
- 12,000+ individuals linked to various development schemes and Government initiatives through the efforts of standing committees

9.2 Infrastructure

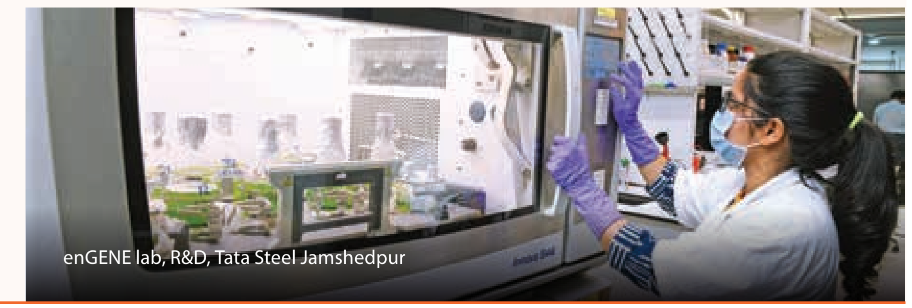
- 2,04,082 lives reached through infrastructure projects
- 1,032 infrastructures created/renovated

9.3 Research and Development (R&D)

R&D Spend	ESG Factsheet ↗
R&D and technology professionals	ESG Factsheet ↗
Patents granted	ESG Factsheet ↗

9.4 Employment

Number of Employees	BRSR Page No. 142 ↗
New employees hires	ESG Factsheet ↗
Contract workforce	ESG Factsheet ↗


enGENE lab, R&D, Tata Steel Jamshedpur

10 REDUCED INEQUALITIES

Relevant targets 2/10

IR Capitals linkage

TSL SO/SE linkage SE1 SE4

- **10.1** Agriculture and allied activities
- **10.2** Skill development
- **10.3** Community Enterprises
- **10.4** Disability linked initiatives (SABAL)
- **10.5** Masti Ki Pathshala
- **10.6** Education Signature Programme
- **10.7** DISHA Programme

Explained in SDG 1 SDG 4 SDG 5

10.8 Development Corridor

Explained in SDG 9

10.9 Samvaad Ecosystem

- 50% of Regional Samvaad conducted independently by network in respective geographies
- 4 hotels adopted tribal cuisines in their menu
- 2 platforms created through Samudaay Ke Saath for dialogue on films made on or by Adivasi communities
- Rhythms Of The Earth band visible on 5 national platforms
- 3 market editions of Johar Haat
- Two common tribal languages are introduced in public schools of 12 blocks
- 3 Tribal sports academies established
- 12 papers written and published by Samvaad Fellows
- 96 youth leaders engaged through Tribal Leadership Programme (TLP)
- 10 social issues addressed by the youth TLP network

10.10

Diversity Mix (% of employees who belong to categories of - Affirmative Action/Women/ PWD/LGBTQIA+) ESG Factsheet ↗

11 SUSTAINABLE CITIES AND COMMUNITIES

Relevant targets 8/11

IR Capitals linkage

TSL SO/SE linkage SE1 SE4

11.1 Samvaad Ecosystem

Explained in SDG 10

11.2

Emission Intensity - Dust, SOx, NOx — ESG Factsheet ↗

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Relevant targets 8/11

IR Capitals linkage

TSL SO/SE linkage SO4

12.1 Johar Haat

72 tribal artisans

3 editions of Johar Haat

Sales generated ₹9 lakh (approx.)

12.2 Water Conservation

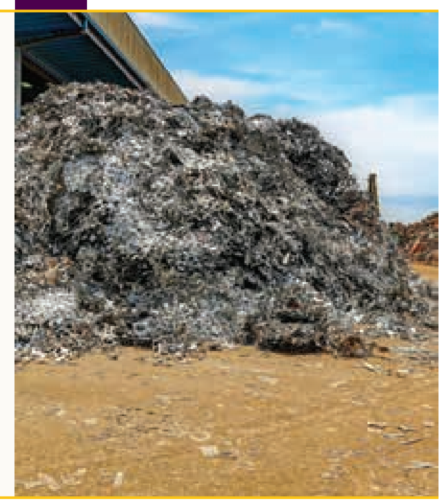
Explained in SDG 6

12.3 Waste management

Solid waste generation, utilisation and disposal — ESG Factsheet ↗

Steel scrap recycling — ESG Factsheet ↗

No. of critical supply chain partners assessed on Responsible Supply Chain Policy — ESG Factsheet ↗



13 CLIMATE ACTION

Relevant targets 3/5

IR Capitals linkage

TSL SO/SE linkage SO4 SE3

13.1 Green School Project

Explained in SDG 4

13.2 Water Conservation

Explained in SDG 6

13.3 Greenhouse Emission

Total Greenhouse gas emission and Greenhouse gas emission intensity

Climate Change Report ↗

ESG Factsheet ↗

15 LIFE ON LAND

Relevant targets 8/12

IR Capitals linkage

TSL SO/SE linkage SO4

15.1 Water Conservation

Explained in SDG 6

15.2 Biodiversity Management Plans

Total sites covered under Biodiversity Management Plans — ESG Factsheet ↗

17 PARTNERSHIPS FOR THE GOALS

Relevant targets 2/19

IR Capitals linkage

TSL SO/SE linkage SO4

17.1 Collaborations with technology providers, startups and academia

No of collaborations with technical institutes and other external agencies — ESG Factsheet ↗

17.2 Collaborations with NGOs and other social agencies for community development initiatives

No. of collaborations with NGOs — ESG Factsheet ↗

With increasing infrastructure development, growing urbanisation and a drive towards sustainable solutions, the steel industry is poised to unlock significant opportunities, creating a favourable outlook for the sector.

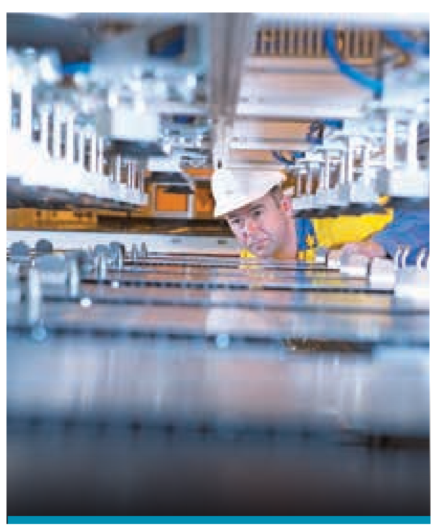
Growth catalysts for future

India a bright spot

40 MnTPA

Expected capacity for Tata Steel by 2030

India, one of the fastest growing major economies, is likely to become the third-largest economy in the world by 2030. The steel industry will have a major role to support this growth. Increased investments in infrastructure will be a major contributor to the growth of India's domestic steel demand. Infrastructure investment will not only increase steel consumption but also bring the supply chain cost down for steel, thereby creating a virtuous cycle. The domestic manufacturing push under Atmanirbhar Bharat is also expected to aid the growth of steel industry in India. Additionally, India's demographic dividend coupled with rapid urbanisation will stimulate the steel demand in the Country.
As a result, the current low per capita steel consumption is expected to grow rapidly. Tata Steel with its robust expansion plans of doubling capacity to 40 MnTPA by 2030 and strategic raw material cost advantage, is well positioned to leverage this growth opportunity.



Bringing international synergies

Europe is expected to have a carbon border tax mechanism before India. As a result, the transition to greener steel is also expected to be faster. Tata Steel shall have first-hand experience of this transition through its operations in Europe. This experience can then be leveraged for transitioning in India in terms of process and technology transfer. Another important area of synergy is unified strategic procurement for India, and Europe. This has potential to reduce costs and improve supply chain reliability further.

Colour coated coils at Tata Steel Meramandali

Adding value through customer centricity

Urbanisation

A key driver of steel across nations

Customer expectations are rapidly changing and accordingly the nature of steel demand and the channel to reach customers is also evolving. Rapid urbanisation in India demands faster construction. As a result, modularisation, amenable to the fast pace of construction and better aesthetics is crucial. Rapid increase in per capita income is also driving the growth of automotive, white goods and consumer goods demand.

Globally, focus on sustainability has shifted consumer demand in areas of mobility, energy efficient construction and renewable power. A culture of customer-obsession and technology-led product innovation will enable Tata Steel to be the supplier of choice for discerning customers.

Leading the way with digital

3

Manufacturing units are in the Global Lighthouse Network

Changes in demography and stringent safety norms supported by more economical automation technologies will facilitate remote operations through Digital Twins. Repetitive tasks shall be replaced by artificial intelligence powered machines. Tata Steel has taken multiple initiatives in this direction. While initial research on Industry 5.0 is in progress, significant steps to scale-up Industry 4.0 are being taken. Tata Steel is one of the few enterprises with three manufacturing sites in the Global Lighthouse network by World Economic Forum - Jamshedpur and Kalinganagar in India, and IJmuiden in the Netherlands. The nature of consumption too is being influenced by technology. Digital commerce is rapidly growing even in heavy industries like steel. Tata Steel continues to grow its digital footprint through Aashiyana and DigECA for individual home builders and small businesses, respectively. BaanClickBuild digital application from Tata Steel Thailand is used for scaling online retail sales in Thailand. Supply chain visibility solution - COMPASS is another digital initiative being deployed extensively for partners in India, while a similar tool Nexus is deployed for partners in Europe.

Driving operational excellence

Sustainability a catalyst for change

Tata Steel Jamshedpur is the first site in India to receive the certification

While climate change poses significant challenges for the steel industry, it also presents an opportunity to lead the way through cutting-edge research and innovation. Tata Steel has identified focused interventions across hydrogen fuel technology, carbon capture and use, and reduction in specific water consumption, among others, across its operating sites. Tata Steel Jamshedpur is a national benchmark and Tata Steel IJmuiden is a global benchmark in CO_2 emission, with other sites also working towards best-in-class performance with the existing asset footprint. Tata Steel Jamshedpur plant has become the first site in India to receive ResponsibleSteel™ certification. Tata Steel Nederland BV on the other hand, has made initial investment of 65 million Euros to design a new hydrogen-based steel production plant, planned to be operational by 2030. Tata Steel is also focussing on circular business model and is setting up scrap based electric arc furnace, while planning to scale its steel recycling business in India.

Hilumin® for EV batteries

Innovation and technology to be key differentiators

To meet the changing consumer demands and the growing focus on sustainability, businesses need to innovate in processes, products, and business models. This necessitates a robust technology change management process. In this regard the VIVA (Ventures, Innoventure and Alliances) team, which was formed to bring outside-in innovations, has made significant headway in creating ecosystems with academia, industry bodies, research institutes and start-ups. The Innovent team specifically works on unique ideas for consumers by understanding their changing needs. We also work with start-ups to promote quick innovation and gain an advantage in different parts of operations. Our Carbon Capture pilot plant with 5 tonnes per day capacity is an example of driving innovation through partnerships. Another notable initiative is Dhurvi Gold-a soil conditioning solution developed from Basic Oxygen Furnace slag in partnership with external partners. Tata Steel Europe on the other hand, has been working on product innovations such as MagiZinc® for solar energy applications, Hilumin® for EV batteries and Zeremis for green steel products.

Creating a diverse and inclusive workplace

Culture as a source of competitive advantage

Top Employer

Recognised by India Workplace Equity Index for LGBTQ+ inclusion

A strong culture provides employees with a purpose-driven work environment. Tata Steel has always fostered a culture of continuous improvement, safety, ethics, environment consciousness and community development for decades, through robust internal processes and focussed initiatives. In addition, we also strive to create a culture of innovation, agility and strategic orientation. Our application of Agile Ways of Working (AWOW) across strategic projects, is a significant step in this direction. Tata Steel promotes an inclusive and diverse culture across functions. We have been recognised as Top Employer for LGBTQ+ inclusion, by India Workplace Equality Index (IWEI), in the past and joined the Global Parity Alliance (GPA) by the World Economic Forum as one of the founding members. Tata Steel UK sponsors notable local events which promote community spirit and raise much-anticipated funds for good causes and charities in the local area. Relative to national and industry statistics, TSUK's gender pay gap continues to be at the lower end.

Fibre Reinforced Polymer Park, Tata Steel Jamshedpur

New growth levers – shaping tomorrow

New materials and applications are becoming viable in both established and emerging industries due to advancements in technology and major trends in the market. This creates opportunities for growth and development in different sectors. Our adjacent businesses are well placed to leverage their competencies to unlock these opportunities. The idea is to create businesses that complement the steel business. Currently, we are operating in high-potential and technology-intensive new materials viz. fibre reinforced polymer composites, medical materials, and graphene. Besides, Services and Solutions is also reporting multifold growth in recent years, through Pravesh and Nest-In solutions. Pravesh provides home solutions, while Nest-In provides modular construction solutions, using steel as the primary input material. Tata Steel Europe extensively works with partners to provide construction solutions that are efficient, customised and green. Lightweight composite floor deck that creates flexible open spaces is one of many such examples.

At Tata Steel, we have deployed a structured and uniform Enterprise Risk Management framework to proactively identify, assess, monitor and mitigate risks across the Company. This framework is essential in driving business resilience in a VUCA (Volatile, Uncertain, Complex, Ambiguous) world.

Safeguarding our future growth

1 Financial Risks

Tata Steel has ₹84,893 crore of debt as of March 31, 2023 and aspires to nearly double its capacity in India, to 40 MnTPA by 2030. The plan is to deleverage further and pace the growth in line with internal accruals. However, high cost of borrowing due to tightening of policy rate cycle coupled with geopolitical and energy crisis in Europe may impact our capex and deleveraging plans. The company is exposed to currency volatility. In addition, the evolving climate change regulations and disclosure standards could reduce access to capital and increase the cost of funding.

Mitigation Strategies

- Balance between growth and deleveraging
- Focus on driving operating efficiency and cash generation
- Robust capital allocation strategy
- Improvement in ESG disclosures
- Development of a sustainable financing framework
- Forex hedging to manage currency volatility

2 Macroeconomic and Market Risks

The prolonged inflationary pressures and dynamic macro-economic scenario may have an adverse impact on global steel demand. Changing customer preferences are triggered by adoption of newer grades of steel and sustainable steel products.

Mitigation Strategies

- Redistribution of sales mix, at the geography/segment level, to balance demand supply requirements
- Focus on Value-Added Products (VAP) to drive differentiation
- Diversified portfolio of product offerings beyond steel

3 Regulatory Risks

The regulatory landscape in the metals & mining industry is becoming stringent owing to factors such as geopolitical conditions, changing trade patterns, enhanced focus on Environment Social Governance (ESG) aspects. Non-adherence to such stringent regulatory ecosystem may impact business operations and reputation.

Mitigation Strategies

- Focus on Research & Development for technology transformations as a proactive approach towards regulatory compliances
- Investment in capacity building and training of resources for creating awareness on emerging regulations and applicable compliances

4 Operational Risks

Rising uncertainty in extreme weather conditions, natural disasters, equipment failures create disruptions to manufacturing processes. Also, Tata Steel UK has specific issues of ageing assets. This may have the potential to impact the Company's operations, safety, and customer service levels.

Mitigation Strategies

- Setting up of Asset Management Development Centre (AMDC) for enabling predictive analytics to identify potential failures and operational downtime
- Robust disaster plan and standard operating processes
- Prioritisation of capital expenditure in Tata Steel UK for high-risk assets nearing end-of-life
- Evaluation of all scenarios about the future configuration of the TSUK business

5 Safety Risks

Steel industry is inherently prone to hazards affecting workmen's health and safety which may adversely impact business continuity and reputation.

Mitigation Strategies

- Committed to zero harm by strengthening safety management and governance mechanism to bring safety-focussed culture
- Adoption of various robotic and technical solutions to eliminate man-machine interface
- Set up of Practical Safety Training Centre for improving risk perception among workforces

6 Community Risks

There are growing expectations of the communities proximate to our operating locations. Moreover, there is pressure of local communities due to concerns over emissions from our coal-based facilities in Europe. Inability to address expectations may lead to loss of reputation, fines and license to operate/business continuity.

Mitigation Strategies

- Multiple structured forums for dialogue with communities
- Commitment towards addressing societal challenges through Corporate Social Responsibility initiatives
- Tata Steel Nederland BV is actively pursuing measures through 'Roadmap Plus' programme to reduce emissions and address concerns of communities at IJmuiden

7 Commodity Risks

Geopolitical developments, changes in market dynamics and volatility in raw material prices may pose risks to availability of raw materials, that may lead to higher costs/cash outflows and working capital.

Mitigation Strategies

- Changing prices of coal and iron ore generally reflect through adjustments in steel prices
- Implementation of group-wide commodity hedging using financial instruments
- Diversified coal sourcing to ensure reliability of supplies and mitigate geographical concentration risk

8 Supply Chain Risks

The supply chain network is adversely impacted by evolving geopolitics-related disruptions. Also, emerging ESG norms may have an adverse impact on supply chain performance. Dependence on common logistics infrastructure resources like ports and railways, poses capacity and availability constraints.

Mitigation Strategies

- Long-term contracts, strong hedging strategy for shipping and bunkers
- Implementation and enforcement of Responsible Supply Chain Policy Framework
- In India, we have long-term partnership agreements with Dhamra and Paradip ports and are developing our own port – Subarnarekha. Our focus is on improving rake availability by investing in private freight train schemes of Indian Railways

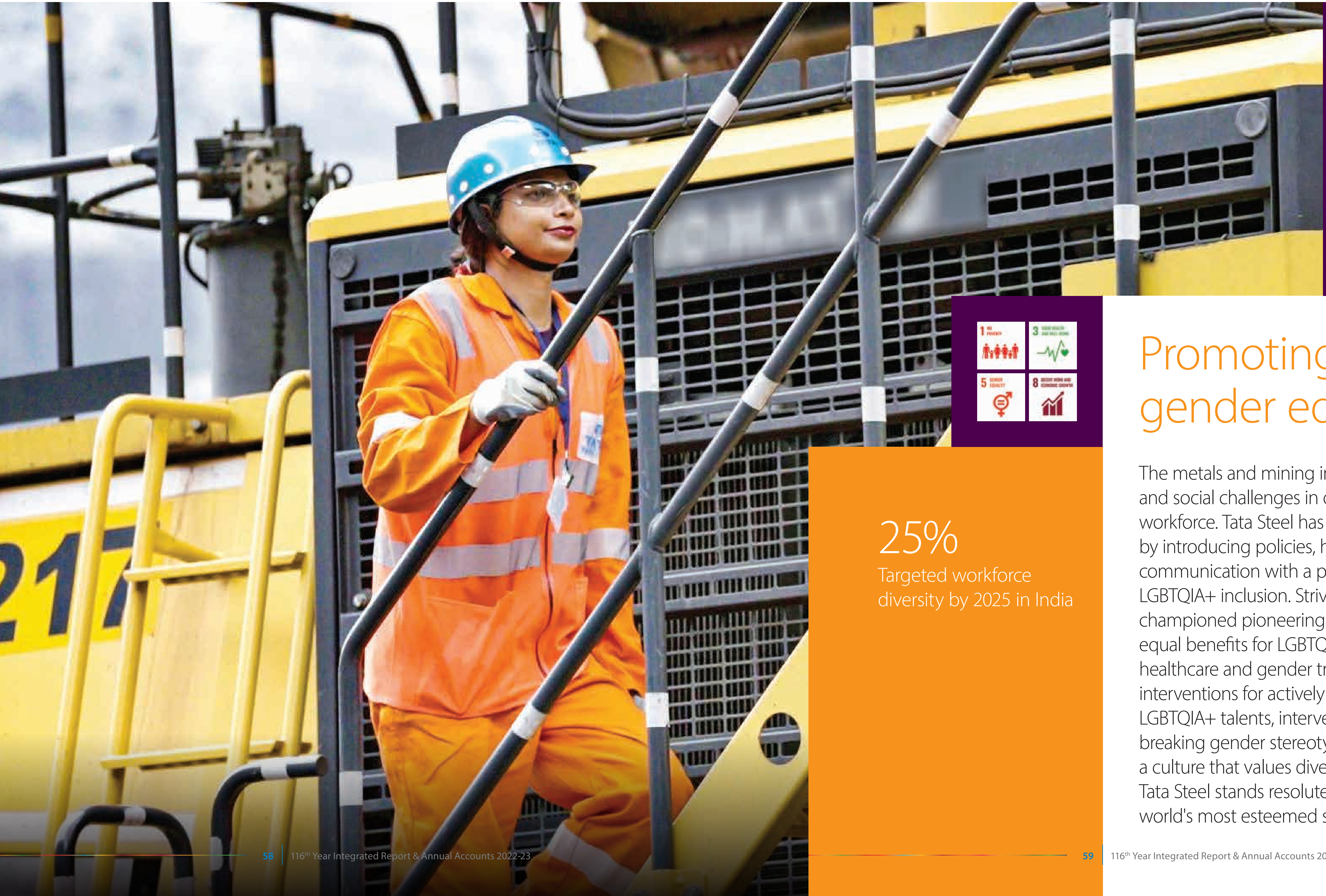
9 Information Security Risks

The Company's increased reliance on digital technologies brings exposure to cyber-attacks that may affect business operations.

Non-compliance to stringent IT legislations and regulations may lead to imposition of penalties and adverse impact on the Company's reputation.

Mitigation Strategies

- Adoption of strong IT security measures
- Zero Trust Architecture for validation at every stage of digital interaction
- Implementation of policies and procedures to ensure integrity of cyber security interventions



Stakeholders and Materiality

Stakeholder Engagement 60

Materiality 64

Promoting gender equality

25%

Targeted workforce diversity by 2025 in India

The metals and mining industry presents many cultural and social challenges in developing a gender-inclusive workforce. Tata Steel has risen to these challenges, by introducing policies, hiring practices, and external communication with a profound commitment to LGBTQIA+ inclusion. Striving to break barriers, we have championed pioneering initiatives such as providing equal benefits for LGBTQIA+ partners, including healthcare and gender transition support, structured interventions for actively scouting opportunities for LGBTQIA+ talents, interventions for educating and breaking gender stereotypes for employees. Fostering a culture that values diversity, equity, and inclusion, Tata Steel stands resolute in its pursuit of becoming the world's most esteemed steel organisation.

Our stakeholders define us, shape our journey, and guide our purpose. Their insights navigate challenges, uncover opportunities, and build an inclusive, sustainable future.

Aligning aspirations with business goals

Investors and Lenders

Providers of financial capital, essential to fund growth and transition to a sustainable steel company

Value proposition

- Consistent returns on investments
- Highly profitable and best-in-class assets in India with an integrated value chain
- Focus on deleveraging and funding profitable growth in India
- Better disclosures, transparency and credibility of financial and non-financial disclosures

How we engage

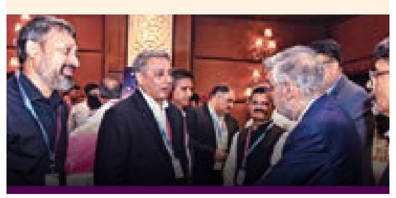
- Annual Report, media updates or earnings call on Company's performance
- Investor and analyst meets
- Periodic meetings including one-on-one or group meetings
- Shareholder Meeting(s)

Emphasis areas

- Focus on strong operating and financial performance (targeting investment grade financial metrics)
- Focus on highlighting ESG commitments and disclosure

Customers

Provide us an opportunity to build long-term mutually beneficial collaborative relationships which ensure that Tata Steel attains and retains market leadership in chosen segments (current and new)



Value proposition

Strong brands, differentiated products, services and solutions, engineering support, partnering for growth

How we engage

Various physical and digital platforms to connect with customers, influencers and channel partners

Emphasis areas

- Focus on development of enriched portfolio of high-end and downstream products and solutions
- Leveraging digital tools to enhance customer experience across routes to market
- Focus on extending market differentiating value-added services to discerning customers
- Ensure sustainable practices across supply chain (channel partners) through implementation of Responsible Supply Chain Policy
- Increasing sale of low carbon steel

Vendor Partners

Provide us operational leverage to optimise value chain, be cost competitive, sustainable and exceed customer expectations

Value proposition

Building capabilities through skill development, growth opportunity, safe operations and opportunities to innovate

How we engage

- Vendor meet
- Vendor satisfaction survey, Vendor Capability Advancement Programme
- 'PROCARE' Helpdesk Service for addressing issues/queries
- Leadership Meetings: CEO to CEO connect with Strategic Suppliers

Emphasis areas

- Embed sustainability in supply chain and promote responsible sourcing and circular economy
- To work with our vendors to help us achieve Tata Steel's ESG objectives

Government & Regulatory Bodies

Ensuring compliance and business continuity in line with changing policies and to partner with agencies to create positive business ecosystem

Value proposition

Regular interaction with governments to engage on industry concerns on existing/ future policies and regulations to advance ease of doing business

How we engage

- Working with the government to develop policies and regulations that enable growth of the industrial sector and steel sector in particular
- Advocating for new policies/amendments in existing regulations at the national and regional levels to create and sustain an environment conducive to the development of India
- Interacting with think tanks and sectoral experts to enable understanding of complex issues and global best practices

Emphasis areas

- Promote ease of doing business
- Create a simplified, stable, and predictable regulatory environment
- Provide incentives for business expansion and improving global competitiveness
- Provide reliable infrastructure to reduce operational costs, enhance efficiency and facilitate market access
- Partner towards economic growth and the nation's development
- Regulatory landscape for low carbon steel making

Employees

Key to the success of our business; their efforts are instrumental in delivering our strategies and for sustained business growth

Value proposition

Fair wages, joint consultation system for working together, self-supervised structures, robust Reward & Recognition schemes, opportunity for learning and growth and focus on employee well-being

How we engage

- Monthly online meet with the CEO & MD and informal meets with the senior leadership on a regular basis
- Employee Engagement Survey
- Capturing Employee Net Promoter Score
- Joint forums between employee unions and management

Emphasis areas

- Health & Safety
- Attracting and retaining diverse talent
- Providing inclusive and positive work environment
- Local sourcing of labour
- Welfare practices for non-officers

Community

Conducive working environment ensuring social support, amity and peace

Value proposition

- Enable lasting betterment in the well-being of communities in the operating region through regional development models prioritising the excluded and those proximate to business operations
- Addressing core development gaps at a national scale through replicable models of development

How we engage

- A range of Proximate Community Development models with programmes touching all major aspects of life in the operating region
- Large-scale signature themes focussing on key national development challenges creating aspirational development models
- Public consultations prior to business expansion

Emphasis areas

- To ensure safety in operating sites so that health and safety of communities is not compromised
- Sustain community outreach activities in areas where we operate
- Actively support communities through initiatives encompassing public health, household nutrition, access to and conservation of water, household sanitation, holistic education, stable livelihoods, nurturing sporting talent, enabling a life of dignity for PwDs, creating necessary public infrastructure and amenities, enabling grassroots leadership

Media

Reaching out to the society and various stakeholders to communicate the brand's vision and initiatives and drive corporate equity

Value proposition

Disclosing and sharing relevant information and updates with the public

How we engage

- Press communication: Press releases, press meets, conference calls, podcasts
- Response management for media queries
- Interviews of Senior Leadership
- Thought leadership and thematic articles
- Media events and sports engagement initiatives
- Familiarisation visits to manufacturing and raw material sites

Emphasis areas

- Health, safety, and human rights
- Diversity, Equity & Inclusion
- Environment footprint – carbon, water, and energy
- Sustainability – processes and products
- Circular economy, Innovation and technology
- Focus on operating and financial performance
- Business developments
- Steel Industry outlook/dynamics - global and domestic

Industry Bodies

Industry bodies are important to develop networks and enable consensus building to present a unified and mutually agreeable perspective to the government on various policy interventions

Value proposition

Sector specific and industry-wide collaboration on key policy issues related to mining, manufacturing, trade, finance, sustainability, etc.

How we engage

- Participating in conferences and seminars organised by industry bodies
- Participation in national and regional committees and sub-committees to deliberate on important issues impacting the industry

Emphasis areas

- Manufacturing and mining related issues impacting operations such as regulatory clearances, auctions, labour, logistics, Production Linked Incentives, etc.
- Trade and Finance issues including Free Trade Agreements (FTAs), level playing field, demand creation, tariff and non-tariff barriers, GST, IBC, etc.
- Sustainability and low-carbon transition pathways on issues related to environment, climate change, water, etc.

At Tata Steel, we make concerted efforts to prioritise the concerns of our key stakeholders. We use the Materiality Assessment approach to engage with all our stakeholder groups, in order to understand their key issues and focus areas.

Prioritising issues key to value creation

We have conducted periodic materiality exercise since FY2012-13, covering key areas, such as economy, environment, community, supply chain, governance, people, human rights, amongst others, and have used the outcome to align our business strategy, strategic objectives and long-term plans. These material topics have helped us identify Environmental, Social and Governance (ESG) risks and opportunities for the Company.

We have refreshed our Materiality Assessment in FY2022-23 and undertaken the assessment on a consolidated basis, through a structured external stakeholder consultation process, undertaken by an independent agency and aligned with international best practices.

We have followed the approach of double materiality in our Materiality Assessment, as below:

Impact Materiality	Financial Materiality
– Considers impacts on people and the environment – Determined by the scale, scope and irremediable character	– Considers the effects on the financials of the organisation – Determined by risks and opportunities

Tata Steel's Materiality Assessment has been conducted in accordance with the guidance provided by key standard setting bodies, including Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) and the Integrated Reporting <<IR>> Framework, covering both general standards and sector specific standards related to iron and steel industry, metals and mining Industry.

The first step in the Materiality Assessment was identification of key stakeholders. As per the AA1000 Stakeholder Engagement Standard, the Company have engaged with the following stakeholders:

- Senior Management
- Investors (debt and equity)
- Employees
- Contractual Workforce
- Community
- Suppliers
- Customers
- Media
- Regulatory Bodies
- Industry Bodies
- Non-government organisations

Approach to Materiality Assessment

Step 1

Defining purpose & scope
Tata Steel has conducted the materiality exercise on a global level, covering all key geographies.

Step 2 Step 3

Identify potential topics & categorisation of the topics
Key issues were also prioritised based on financial materiality.

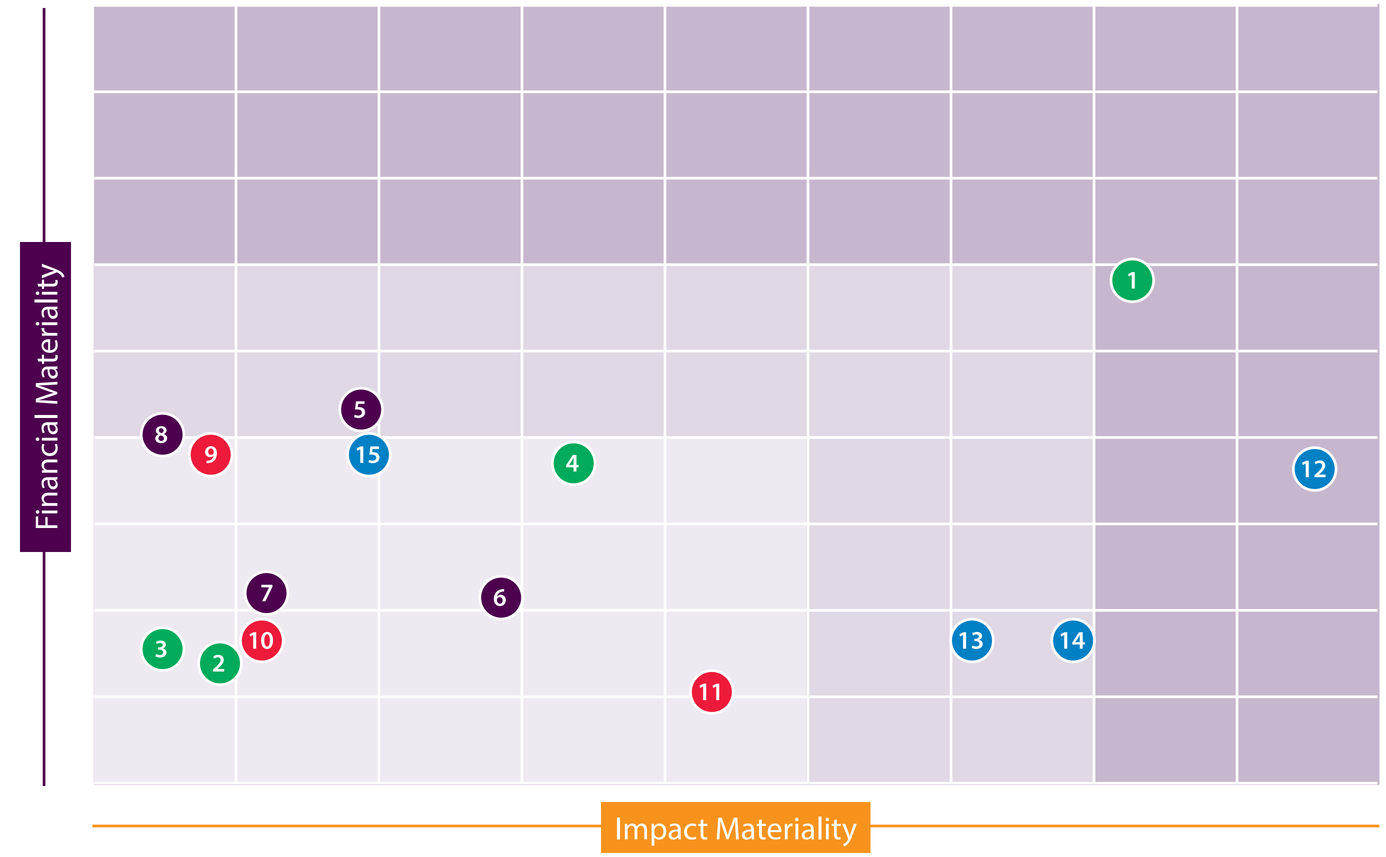
Step 4 Step 5

Identifying impacts and importance and developing materiality assessment questionnaire
A total of 28 topics were included in the questionnaire.

Step 6 Step7

Analysis of responses and identification of high priority material topics

High priority materiality issues (FY2022-23)



Based on the independent analysis, the following high priority Material Issues have been identified from the set of material topic listed for Tata Steel on a consolidated basis:

Environmental

1 Greenhouse Gas Emissions and Climate Change Management
2 Circular Economy/ Recycling of By-products
3 Water Consumption and Effluent Discharge
4 Energy Efficiency/ Energy Management

Operational

5 Occupational Health and Safety
6 Air Pollution/Air Quality Management
7 Biodiversity
8 Research and Development/ Technology, Product and Process Innovation

Social

9 Supply Chain Sustainability
10 Employee Well-being and Development
11 Community Support and Corporate Social Responsibility (CSR)/ Building Thriving Communities

Governance

12 Corporate Governance
13 Business Ethics, Integrity and Transparency
14 Stakeholder Engagement
15 Risk Management

1 Greenhouse Gas Emissions & Climate Change Management

Approach
Tata Steel has set an ambitious target to achieve net zero emissions by 2045. Tata Steel has published its strategy to mitigate Climate Change related risks in its Climate Change Report as a part of Tata Steel's Integrated Report for FY2022-23.

KPIs
Greenhouse Gas Emissions – Scope 1, Scope 2 and Scope 3, Emission intensity per tonne of crude steel

Capital linkage

SDG linkage

Tata Steel Meramandali

2 Circular Economy/ Recycling of By-products

Approach
Tata Steel is looking at two approaches for value creation from waste and by-products:
a. Maximise the usage of scrap in steelmaking
b. Maximise revenue from sale of by-products.

KPIs
Total steel scrap recycled (internal and external), total solid waste generated, total solid waste utilised

Capital linkage

SDG linkage

3 Water Consumption and Effluent Discharge

Approach
We are taking a holistic approach to water management by minimising water requirement and simultaneously reusing effluent water after treatment by setting up effluent treatment plants. Tata Steel is also reusing treated municipal wastewater and has water harvesting infrastructure across multiple locations.

KPIs
Total fresh water consumption, Total effluent discharge volume

Capital linkage

SDG linkage

4 Energy Efficiency/Energy Management

Approach
Tata Steel is committed to energy conservation and energy efficiency in all areas of operation using best available technologies to enhance energy efficiency and by deploying renewable energy projects.

KPIs
Total energy consumption, specific energy consumption, renewable energy consumptions

Capital linkage

SDG linkage

Capitals: Financial Capital | Manufactured Capital | Intellectual Capital | Human Capital | Natural Capital | Social and Relationship Capital

5 Occupational Health and Safety

Approach
Tata Steel's safety and health responsibilities are driven by our commitment to zero harm to the people we work with, and the community at large.

KPIs
Lost-time Injury, Lost-time Injury Frequency Rate, Fatalities

Capital linkage

SDG linkage

6 Air Pollution/Air Quality Management

Approach
We are committed to identifying, assessing and managing our air emissions to ensure healthy air quality, by investing in upgradation of pollution control equipment, installation of 'De-NOx' facilities, installation of new dust extraction.

KPIs
Stack SOx emission, stack NOx emission, stack dust emission

Capital linkage

SDG linkage

7 Biodiversity

Approach
Tata Steel aims at integrating biodiversity into our business ecosystem by committing to conserve, enhance and restore biodiversity in all of our operations and across the supply chain. We aspire to achieve No Net Loss of Biodiversity.

KPIs
Total sites covered under Biodiversity Management Plans (BMP), Total area covered under BMP

Capital linkage

SDG linkage

8 Research and Development/ Technology, Product and Process Innovation

Approach
Tata Steel aspires to be among the top 5 global technology leaders in the steel industry and has consistently used technology and innovation to build a rich portfolio of future ready products and is actively engaged in the development and pilot of various low carbon steelmaking technologies.

KPIs
Total collaborations/memberships of academia and technical institutes, Total number of patents filed & granted, Total number of new products developed

Capital linkage

SDG linkage

Automation Centre, Tata Steel Jamshedpur

9 Supply Chain Sustainability

Approach
Tata Steel has formulated Responsible Supply Chain Policy to address sustainability in supply chain and regularly assesses its supply chain partners on the Policy and organises training and awareness sessions.

KPIs
Scope 3 emissions, Active supplier base, Local suppliers – no. & volume, Affirmative Action suppliers – no. & volume, Supplier assessments, supplier awareness and training

Capital linkage

SDG linkage

10 Employee Well-being and Development

Approach
Tata Steel recognises that people are its primary source of competitiveness and designs management practices to enrich the quality of life of its employees, develop their potential and maximise their productivity. Additional details of Tata Steel's employee well-being initiatives are provided in the Company's Business Responsibility and Sustainability Report.

KPIs
No. of employees, employee productivity, employee training, workforce covered through formal trade unions, employee gender ratio, employee diversity mix

Capital linkage

SDG linkage

11 Community Support and Corporate Social Responsibility (CSR)/Building Thriving Communities

Approach
Tata Steel firmly believes in the health and welfare of its people, the community and society are intrinsic to its approach to business.

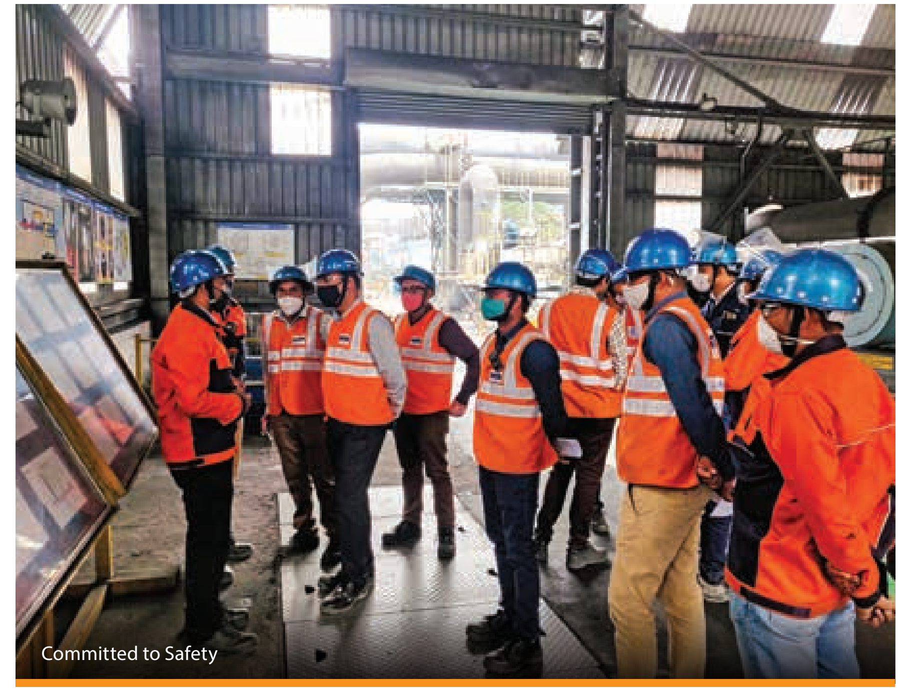
Tata Steel engages in open and transparent dialogue with members of the community to understand their concerns and tries to address them through various initiatives. Further details of Tata Steel's Corporate Social Responsibility (CSR) activities and community engagement is provided in the Company's Business Responsibility and Sustainability Report.

KPIs
Lives reached through CSR, CSR spend and various CSR initiatives of the Company

Capital linkage

SDG linkage

Capitals: Financial Capital | Manufactured Capital | Intellectual Capital | Human Capital | Natural Capital | Social and Relationship Capital



Committed to Safety

12 Corporate Governance

Approach
Tata Steel has laid a strong corporate governance foundation which is led by an active, well informed and independent Board and supported by Board committees. This is well supported by the Company's Ethical governance Framework and the Enterprise Risk Management practices of the Company.

KPIs
Board/committee governance,
Disclosures & Reporting,
Ethics & Compliance,
Risk management,
Succession planning & executive compensation

Capital linkage

SDG linkage

13 Business Ethics, Integrity, and Transparency

Approach
Tata Steel strives for global leadership in standards of ethics, based on the strong foundation of Tata Values and the Tata Code of Conduct (TCoC) and its principles underpinned by a formalised Management of Business Ethics Framework and commitment to transparency.

KPIs
Whistle-blower cases closed, Sexual harassment cases closed, Deployment of Anti-bribery and Anti-corruption policy, trainings on TCoC for Employees and Supply chain partners

Capital linkage

SDG linkage

14 Stakeholder Engagement

Tata Steel's Approach
At Tata Steel, we seek to balance the needs, interests and expectations of all stakeholders with those of the business through an integrated and inclusive process.

Tata Steel also undertakes regular Materiality Assessment to understand key issues for various stakeholder groups and incorporates them in its wider strategy.

KPIs
Stakeholder grievance management forums, stakeholder grievances addressed during the year

Capital linkage

SDG linkage

15 Risk Management

Approach
Tata Steel has put in place a well-defined Enterprise Risk Management framework based on international standards like Committee of Sponsoring Organisation ('COSO') of the Treadway Commission and ISO 31000.

KPIs
Identification, monitoring measurement, and mitigation plans for key risks

Capital linkage

SDG linkage

Value Creation

Financial Capital	72
Manufactured Capital	76
Intellectual Capital	80
Human Capital	86
Natural Capital	90
Social and Relationship Capital	96
Compliance and Ethics	112
Climate Change Report	114
ESG Factsheet FY2022-23	122
Awards	134

Launched

Zeremis® Lite and Optemis™ Lite

certificate based low carbon steel products in Europe

Forging sustainable steel

Aligned with Tata Steel's goal of achieving Net Zero emissions by 2045, we have created a bouquet of solutions. One such is the introduction of a certificate-based, low-carbon emission steel solution, Zeremis® with the potential to reduce CO_2e intensity by up to 100%. 'Zeremis' is a creative blend of 'zero' and 'emissions', which represents our collaborative journey with customers towards a circular world with zero carbon emission. Tata Steel is also planning to transition to hydrogen-powered Direct Reduced Iron (DRI) technology as part of its goal for carbon-neutral steelmaking in the Netherlands. Tata Steel also offers Carbon Lite solution from its UK operations under the brand name Optemis™ Carbon Lite. Further, it is setting up a scrap-based electric arc furnace steel plant at Ludhiana, Punjab, India.

SDGs impacted

7 Affordable and clean energy
8 Decent work and economic growth
9 Industry, innovation and infrastructure
11 Sustainable cities and communities
13 Climate action

Financial Capital

At Tata Steel, we are consistently driving optimal capital allocation to drive long-term sustainable returns for our stakeholders.

Material issues addressed

- Greenhouse Gas Emissions and Climate Change Management
- Energy Efficiency/Energy Management
- Stakeholder Engagement
- Business Ethics, Integrity, and Transparency
- Corporate Governance
- Risk Management

Strategic linkages

SO1 SO2 SO3 SO4

₹21,683 crore
Cash generated from operations

₹67,810 crore
Net Debt

Improvement savings

Tata Steel Limited
₹6,309 crore

Tata Steel Nederland
€112 Mn

Tata Steel UK
£52 Mn

Blast Furnace installation at Tata Steel Kalinganagar

At Tata Steel, while we generate financial capital through our business operations and financing activities, we strive to optimise returns for our providers of financial capital and maximise surplus funds. We invest our surplus in attractive growth opportunities in our core market and raise finance based on prevailing market conditions, seeking optimal cost and flexible terms. Our long-term investments are strategically focussed on business sustainability and growth while maximising returns for our providers of financial capital.

During the past year, despite facing challenges such as inflation, high interest rates, and commodity price volatility, we demonstrated a resilient financial performance. The consolidated revenues stood at ₹2,43,353 crore and consolidated EBITDA at ₹32,698 crore, with an EBITDA margin of c.13%. Consolidated Profit after Tax stood at ₹8,075 crore while cash flow from operations stood at ₹21,683 crore. Considering the performance, the Board recommended a dividend of ₹3.60 per fully paid-up equity share.

Adverse realisations stemming from elevated commodity prices and volatile steel prices had an adverse impact on our working capital. However, we effectively managed to maintain control over our debt levels on a gross basis through optimisation of cash flows and rigorous operational management. In India, our cost improvement initiatives through Shikhar25 yielded significant savings and value protection of c. ₹6,309 crore while in Europe, our Sustainable Profits Programmes generated savings of c. €112 million and c. £52 million for Tata Steel Nederland and Tata Steel UK respectively.

Aerial view of Tata Steel Kalinganagar

₹14,142 crore

Consolidated capital expenditure (FY2022-23)

In India, despite RBI increasing benchmark rates, we diligently kept our cost of capital in check through long-term/short-term rate arbitrage and a balanced mix of fixed and floating rate debt. To support our growth aspirations, we engaged in capital raising activities through a two-tranche NCD issuance at competitive yields, totalling ₹4,150 crore, which garnered strong investor interest. Additionally, we also ventured into overseas bond issuances for furthering our growth plans. By leveraging our longstanding relationships with lenders, we have been able to secure funds on favourable terms across our range of requirements.

Prudent capital allocation remained our central focus, with a key emphasis on striking a balance between growth ambitions and maintaining liquidity and a healthy balance sheet. We sought an optimal capital mix to fuel our growth aspirations. During the past year, we directed our financial capital towards strengthening our Indian operations and completion of the ongoing 5 MnTPA expansion at the Kalinganagar Plant and enhance our position in high-end value-added segments. Of the total consolidated capital expenditure of c. ₹14,142 crore, we allocated over c. ₹6,200 crore towards speedy completion of the ongoing Kalinganagar Project which included commissioning of value accretive 6 MnTPA Pellet Plant and Pickling Line & Tandem Cold Mill as part of the build of the 2.2 MnTPA Cold Rolling Mill Complex, aligning with our vision to become a 40 MnTPA company, in India, by 2030.

Furthermore, as part of our decarbonisation strategy, we allocated ₹2,600 crore towards the establishment of a 0.75 MnTPA Scrap and EAF based long products plant with a targeted completion by FY2024-25.

We also successfully completed the acquisition of Neelachal Ispat Nigam limited (NINL) at an investment of ₹12,100 crore and restarted operations within 3 months of its acquisition.

In Europe, we allocated a capital of €65 million for transitioning to steel production through Direct Reduced Iron process using green hydrogen, facilitated by an Expression of Principles on decarbonisation signed with the Dutch Government for our IJmuidden plant. We have also undertaken the blast furnace relining project at the cost of c. €125 million. Furthermore, at Tata Steel Nederland BV we are diligently building a strong cash reserve position to facilitate our green transition.

Looking ahead to the current financial year, with a planned capital expenditure of ₹16,000 crore, we plan to accelerate capital expenditures to complete Kalinganagar expansion and pursue downstream projects in India that create additional value.

As for the debt deleveraging, we prioritised deleveraging over the last few years and brought down the gross debt by ₹40,767 crore over FY 2020-21 and FY2021-22, with the gross debt of ₹75,561 crore outstanding as on March 31, 2022. We intend to strike a balance between growth and deleveraging. Accordingly, we allocated large capital towards the acquisition of NINL and towards growth capital expenditure in India. Allocation of capital for growth, coupled with higher volatility in earnings & working capital requirements resulted in the consolidated gross debt of Tata Steel to increase in FY2022-23 to ₹84,893 crore as on March 31, 2023, with strong credit metrices. However, we intend to resume and continue deleveraging efforts in the current financial year, with a target of reducing debt by US$1 billion. Additionally, we plan to release more working capital through inventory liquidation and enhance internal cash flow.

Also, the amalgamation of eight group companies into Tata Steel Limited, which is underway, is expected to create operational efficiencies, reduce cost and generate financial synergy in the coming years.

For our UK operations, during the last year, we effectively addressed the future funding risk stemming from asset-liability mismatches in the British Steel Pension Scheme (BSPS) through an insurance buy-in of up to 62% of the BSPS liability. The remaining 38% has also been transferred to the insurance company in Q1 FY2023-24.

Our disciplined approach to managing financial capital saw the international rating agencies reaffirm the Corporate family ratings, 'BBB-' by S&P and 'Ba1' by Moody's. Both agencies revised their outlook from "Stable" to "Positive." Domestic rating agencies too reaffirmed an AA+ rating, indicating a strong credit profile and robust operating performance.

On the sustainability front, aligning with the carbon neutrality and leadership in ESG ambitions, in India, we use a carbon-adjusted internal cost of capital of US$ 40 per tonne of CO_2 for capital project appraisals. This strategic approach will ensure alignment between capital allocation and our long-term decarbonisation strategy. Moreover, we are exploring avenues to raise green financing to support investments in sustainability-related initiatives.

Overall, our financial performance and capital management strategies are geared towards maximising returns, driving growth, and ensuring the long-term sustainability and success of our business.

SDGs impacted

6 Clean Water and Sanitation, 7 Affordable and Clean Energy, 8 Decent Work and Economic Growth, 9 Industry, Innovation and Infrastructure, 11 Sustainable Cities and Communities, 12 Responsible Consumption and Production, 13 Climate Action

Manufactured Capital

Aligned with our growth aspiration, we are continuously expanding crude steel capacity, both organically and inorganically.

Material issues addressed

- Circular Economy/Recycling of By-products
- Occupational Health and Safety
- Research and Development/ Technology, Product, and Process Innovation
- Risk Management

Strategic linkages

SO1 SO2 SO4 SE

35 MnTPA
Steel making capacity (consolidated)

30.65 MnT
FY2022-23 Production (consolidated)

Production numbers for consolidated financials are calculated using crude steel for India, liquid steel for Europe and saleable steel for South East Asia

Tata Steel Minerals Canada

We are geographically one of the most diverse steel players with operations in India, the Netherlands, the United Kingdom, Thailand and Canada. The geographical spread of downstream units is further diversified with presence in countries such as USA, France and Germany.

Despite the widespread presence, we are continuously striving to optimise performance across locations. Safety of our people and reliability of our assets are at the core of the manufacturing capital and is delivered through multiple initiatives. Also, the culture of continuous improvement in the organisation is visible across the value chain from mining, ironmaking, steelmaking to the rolling mills, downstream units and supply chain facilities. While we are pursuing an aggressive growth target through both organic and inorganic routes, we are also focussing on benchmarking performance of the existing assets. Tata Steel has shown unwavering commitment to this in past few years.

Raw materials

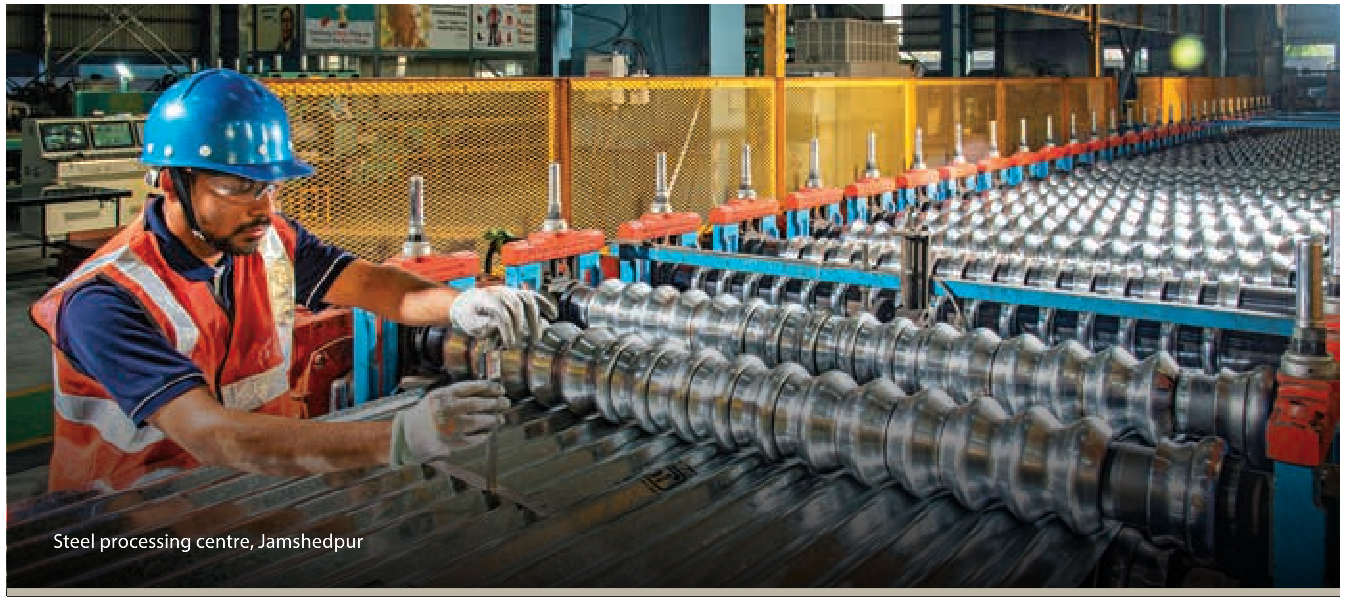
Our mining operations play a critical role in maintaining cost competitiveness and insulate Tata Steel from the volatility of market prices of iron ore and coking coal. Raw Materials Division provides necessary iron ore security for operating the steel units at Jamshedpur, Kalinganagar and Meramandali from six operating iron ore mining facilities viz. Noamundi, Katamati, Joda East, Khondbond, Vijaya II and Koida. In view of our aspiration to double Indian crude steel capacity in the next decade, capacity enhancement of captive iron ore mines also needs to be planned to remain self-reliant. Accordingly, Gandhalpada and Kalamang iron ore mines are planned to commence mining operations in coming years. Execution of the lease deed of Kalamang West (Northern Part) Iron Ore Mines in December 2022, is a step in this direction.

Additionally, Tata Steel owns iron ore assets in Labrador and Northern Quebec regions of Canada.

Apart from iron ore, coal is another important raw material which has an impact on steel value chain cost structure. Around 22% of coal required for the Indian operations is fulfilled by our mines of West Bokaro and Jharia divisions. State-of-the-art washing plants in Jharia and West Bokaro help us in leveraging technology to use our natural resource of coal efficiently by washing raw coal to produce clean coal suitable for blast furnace operations.

Leveraging the pillars of innovation, technology, and operational excellence, we have made good progress in the areas of sustainability, environment management, safety, digitalisation, and diversity & inclusion. We have undertaken various initiatives in the domain of automation and digitalisation of mines and beneficiation plants as well as logistics, including local area and wide area networks for digital communication and data transfer. Sensorisation and automation of plant and mining equipment has enabled automatic data capturing using Internet of Things. Investment in digital infrastructure has resulted in real-time data transmission, enabling remotely controlled operations of equipment like conveyors and pumps and centralised monitoring of plants and mine operations. Deployment of Suraksha Card, video analytics, online safety management plan, and digital mine mapping using drone survey and GIS-based technologies, etc. have resulted in significant improvements in our ability to manage assets with better efficiency.

100%
Iron ore requirements is met through captive mines



Steel processing centre, Jamshedpur

Steel manufacturing

We are one of the largest steel producers in the world with an annual crude steel capacity of approximately 35 MnT including both India and overseas operations. Tata Steel India Capacity stands at 21.6 MnTPA with operations at Jamshedpur and Gamharia in Jharkhand and Kalinganagar and Meramandali in Odisha. During the year, we completed the acquisition of Neelachal Ispat Nigam Limited (NINL) with a crude steel production capacity of 1 MnTPA. Tata Steel has restarted the unit within three months of its acquisition, which is testament to the agility and focus on turning around acquired assets. NINL will play a critical role in our long product growth aspirations as it gets transformed into a state-of-the-art long products complex within the current decade. In the flat products area, Tata Steel's phase II expansion at Kalinganagar is progressing as per plan. In the year under review, the new state-of-the-art Pellet plant at Kalinganagar has started operations, enhancing our raw material mix.

The downstream operations growth is also commensurately planned with the upstream capacity expansion. Pickling Line Tandem Cold Mill at Tata Steel Kalinganagar successfully rolled out its first Full Hard Cold Rolled coil in FY2022-23. This will help cater to the production of high-strength cold-rolled products to meet the requirements of auto customers. With acquisition and integration of Tata Steel BSL Limited, we have emerged as the second-largest tubes manufacturer in the country with 1 MnTPA capacity. Tata Steel is also making significant investments in The Tinplate Company of India Limited to double its production capacity and The Indian Steel and Wire Products Limited to install rolling mill in a phased manner. Tata Steel Long Products Limited has Steel Processing Centres (SPCs) located in different parts of India, which convert billets into finished products closer to the markets. Our network of service centres cater to the requirements of our customers, such as construction companies and auto OEMs as we supply them with ready-to-use processed steel.

Under our European business, the total crude steel production capacity stands at 12 MnTPA including operations at the Netherlands and the United Kingdom. The downstream operations extend in about 12 countries across the globe such as France, Germany, the United States, Belgium, Sweden, Spain, and Turkey among others. We supply high value, high quality products through our European operations for various segments like automotive, construction, packaging and engineering. The European operations have also taken strides towards sustainability by using greener manufacturing technologies.

In South-East Asia, Tata Steel Thailand is primarily focussed on long-products - rebars and wire rods, with three manufacturing sites in central and eastern parts of the country. The annual crude steel capacity for Tata Steel Thailand is 1.7 MnT between the three plants. Tata Steel Thailand has significant plans to increase scrap usage in production. In FY2022-23, Tata Steel Thailand got its highest volume of better value in use scrap grades.

Supply chain

Our supply chain management is responsible for planning, sourcing, delivery, and logistics of more than 100 MnT of materials including raw materials, finished goods, and by-products with a diverse global portfolio. Annually, more than 60 MnT of Raw Material comprising of 200 grades from 54 sources located across the globe is planned, scheduled and transported to 22 internal consumption centres. On the delivery side, 20 MnT of finished goods consisting of ~20,000 Stock-Keeping Units (SKUs) from ~65 production units (inclusive of SPCs) is delivered to a diverse group of customers. All material movements are enabled through combination of 7 ports, 24 stockyards and 37 Steel Processing Centres.

The size and complexity of this is further expected to increase with expansion. The integration of the supply chain functions has led to a greater focus on end-to-end margin management in raw materials and finished goods through synergies between hubs. We are also working on using integrated IT solutions to optimise logistics and planning. The goal is to ensure reliability in supplies and delivery at an optimal cost. Our focus is also on infrastructure building to address the future readiness. Slurry pipeline, captive port development, private rakes and best-in-class stockyards for raw materials and finished goods are some of the key infrastructure strengthening projects in progress.

NINL

plant restarted within 3 months of acquisition

Enabling sustainable supply chain

A brief profile of our manufacturing/mining assets:

Raw Materials

Asset/Location	Production FY2022-23 (MnT)
Iron Ore	
Noamundi (Jharkhand) & Katamati (Odisha)	15.2
Joda (Odisha)	11.3
Khondbond (Odisha)	6.3
Vijaya II (Odisha)	2.4
Labrador & Northern Quebec (Canada)	1.6
Coking Coal (Clean) - Own + Purchased	
West Bokaro (Jharkhand)	5.1
Jharia (Jharkhand)	0.68

Steel Manufacturing

Asset/Location	Production FY2022-23 (MnT)
India	
Jharkhand	
Jamshedpur	10.65
Ghamaria	0.71
Odisha	
Kalinganagar	3.37
Meramandali	4.95
NINL	0.2
Netherlands	
Ijmuiden	6.33
United Kingdom	
Port Talbot	3.02
Thailand	
NTS Plant, Chonburi Province	
SISCO Plant, Saraburi Province	1.2
SCSC Plant, Rayong Province	

SDGs impacted

8 DECENT WORK AND ECONOMIC GROWTH | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 13 CLIMATE ACTION | 17 PARTNERSHIPS FOR THE GOALS

Intellectual Capital

Our intellectual capital encompasses our wealth of knowledge, expertise, patents and technological advancements, driving innovation, operational efficiency and creating the organisation fit for the future in a sustainable way.

₹859 crore
R&D spend

107
New products developed

Material issues addressed

- Greenhouse Gas Emissions and Climate Change Management
- Air Pollution/Air Quality Management
- Energy Efficiency/Energy Management
- Circular Economy/Recycling of By-products
- Research and Development/ Technology, Product, and Process Innovation
- Risk Management
- Sustainability

Strategic linkages

SO1 | SO2 | SO3 | SO4 | SE

A culture of fuelling innovation

At Tata Steel, we aspire to be among the top 5 global technology leaders in the steel industry. We have consistently used technology and innovation to build a rich portfolio of future-ready products. New products developed by the Company are aimed towards attaining and retaining leadership in the chosen segments such as automotive, construction and oil & gas. Technology-led environment leadership is focused towards low-carbon transition, reducing dependence on freshwater consumption, maximising value from waste, establishing circular economy and developing techno-economic solutions to use low-grade raw materials.

Developing disruptive sustainable products and processes is our primary R&D focus, and we developed cutting-edge steel products during the year, including cryogenically treated bearings for automotive segments, and API X65 sour grade steel for Hydrogen transport. During the year, 'Column Flotation' - an advanced flotation technology, was implemented, which helped improve fine coal yield by 5%. Additionally, several technology development programmes focused on decarbonisation have been launched across different technology-readiness levels.

Tata Steel also continued trials at its HIsarna pilot plant in IJmuiden. The HIsrana technology is more efficient than the current process because it no longer requires pre-processing of the ores and metallurgical coal. HIsarna, along with the Carbon Capture Storage and Utilisation technology can lead to significant reduction in emissions. Tata Steel intends to build a second larger demo plant in India.

In line with the strategic goal to generate 'value from waste', in FY2022-23, we commercialised a first-of-its-kind process technology that uses steelmaking slag and low-grade ore to produce a high-value product 'High Phosphorus Pig Iron' (HPPI). The technology has been developed over the last 10 years and has been granted three patents. HPPI finds use in pig iron foundries and value-added products such as in sacrificial anodes, aluminium smelters, etc.

Continuing the work on monetisation of Intellectual Property developed in-house, we have set up a 25,000 tonnes per annum production facility in Jamshedpur for Dhurvi Gold – a soil conditioner made from steelmaking slag.

Innovations recognised

As a testimony to our priorities and relentless efforts in the field of innovation, Tata Steel featured among the top 50 innovative manufacturing companies in India at the CII Industrial Innovation Awards 2022. It was also recognised as Asia's IP elite 2022 by IPBC, the world's pre-eminent IP business event.

Enabling technology-led environment leadership


'MaterialNEXT', a flagship open innovation programme organised by Tata Steel

Research and Development infrastructure

154
Patents filed

307
Patents granted

We leverage our in-house capabilities as well as external expertise through strategic collaborations, to accelerate the deployment of breakthrough technologies at scale. In FY2022-23, we established a Centre for Innovation in Mobility at Indian Institute of Technology, Madras Research Park, where work will be carried out on multi-material solutions for light-weighting, vehicle tear-down and advanced mobility solutions, such as hyperloop. We entered into Memorandum of Understanding with TuTr Hyperloop for development and deployment of Hyperloop technology and with Indian Institute of Technology (Indian School of Mines), Dhanbad to establish a Centre for innovation in Mining & Mineral Beneficiation. We onboarded multiple start-ups during the year and 34 fully-funded trials were conducted across the steel value chain. We entered into strategic collaborations with 8 start-ups. The 3rd edition of 'MaterialNEXT', Tata Steel's flagship open innovation event, registered more than 150 active ideas from more than 45 academic/research institutes.


R&D building, Tata Steel Jamshedpur

Key new product developments

In line with the vision of becoming the best-in-class manufacturer and preferred choice of steel mills, we developed high-value products across segments, including advanced high-strength steel for automotive grades for bulk trailer application. In the Lifting & Excavation and Engineering segment, we developed steel for telescopic boom arm application for JCB and steel with impact toughness guarantee at -48°C, for arctic region transformer covers. Tata Steel also secured approvals for Chromium-free secondary coating for fuel tanks for Bharat Stage VI compliant two-wheelers.

In order to maintain the leadership position in the rebar segment, Tata Steel developed high strength, high ductility 6 mm air cooled rebars, with superior weld shear strength for welded wire mesh application. For the first time in India, we developed rebar to cater to the requirement of high strength corrosion resistance.

Tata Steel in UK is involved in the World Auto Steel E-Mobility Project that aims to deliver a fully designed and analysed autonomous vehicle utilising the latest steel grades in development, aimed at a 2035 launch. The project has completed the design phase and will be publicly launched later this year.

New Materials Business (NMB)

NMB was set up with the vision to create knowledge-intensive businesses by exploring opportunities in materials beyond steel, to counter the cyclicality of the steel business.

Set up in 2018, the business currently has three verticals

Composites

It is playing the role of an integrator in an otherwise fragmented industry by driving sustainable lightweight solutions in industry, infrastructure and railway sectors. The business has been continuously enriching its basket of offerings by developing new products such as, silicon carbide lined pipes for Flue Gas De-sulphurisers. Group synergy has also been leveraged by the business to offer world-class solutions to Indian Railways and was awarded an order for complete seating system for 23 trainsets and complete interior furnishing solutions for 16 trainsets of the Vande Bharat Express.

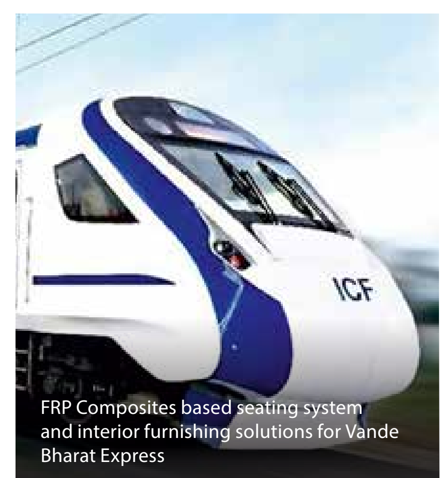
Graphene

Graphene enriched WONDRA range of products in thermoplastics, dispersions and elastomers technology platforms are witnessing strong market traction and application in energy & filtration is under incubation. Leading the Graphene revolution in India, the business, in collaboration with Government of India and Government of Kerala, has established the first Indian Innovation Centre on Graphene at Kochi.

Medical Materials Business

Driven by the vision to create affordable and global standard health technology solutions for India, the business in FY2022-23, established ISO 13485:2016 certified production facility of Hydroxyapatite to 2,000 TPA scale. The business commercialised four grades of Hydroxyapatite during the year.

Value-added products of Hydroxyapatite in the form of granules, blocks and bone cements are currently at customer site for testing and analysis. Upscaling and validation for Collagen, Gelatin and Amino acid formulations were also completed during the year.



FRP Composites based seating system and interior furnishing solutions for Vande Bharat Express

Way forward

Tata Steel is looking to accelerate innovation and technology leadership through strategic collaborations with various research and industrial organisations. We are also exploring partnerships with start-ups and grow adjacent revenue streams by commercialising in-house intellectual property through innovative products in new markets to achieve exponential growth in new materials, with world-class technologies and products.

TQM and Shikhar25

The Total Quality Management (TQM) way of working is embedded in the culture of Tata Steel. As we are growing in size, spreading to multiple locations and venturing into new business areas, we have placed renewed focus on uniform deployment of TQM and to keep the initiatives up to date. To make the operations efficient and reliable and its products and services competitive, we placed equal impetus on sustenance, improvement and innovation.

The Shikhar25 programme, a multi-dimensional and cross-functional initiative, is an EBITDA-focussed improvement programme to bring key structural changes across the value chain. Shikhar25's governance structure is made up of cross-functional teams called 'IMPACT Centres' across the Tata Steel group. Currently, there are 50 IMPACT Centres deploying TQM techniques for improving operational efficiency, process improvements, product mix optimisation, waste reduction and recycling, energy efficiency and revenue maximisation. The process includes benchmarking of operating performance indicators and identifying enablers to achieve best-in-class yield, energy efficiency, throughput and quality. During the year under review, the Shikhar25 programme achieved performance improvements of ₹6,309 crore (including ₹4,299 crore of value protection initiative).


Power Supervisory Control and Data Acquisition (SCADA), Tata Steel Kalinganagar

Tata Steel receives the coveted JRDQV award

With increase in complexity due to multilocational functionality, it was also important to be agile enough to learn, evolve and transform faster and to keep pace with the changing business needs. The impetus was on driving value by enabling global optima and resource synergy for the Tata Steel group, resulting in an estimated synergy benefit of c. ₹446 crore.

The well-entrenched Shikhar25 programme is leveraged extensively to drive digital initiatives across the value chain. During the year under review, the Company, through its Shikhar25 programme, achieved performance improvements of nearly ₹1,202 crore via Industry 4.0.

Tata Steel runs similar programmes in the Netherlands and UK and the estimated benefits in FY2022-23 were €112 million and £52 million respectively.

Tata Steel's participation and recognition in the Tata Group level Tata InnoVista competition over the last few years has been exemplary. In FY2022-23, we registered our best performance by bagging 6 out of 15 awards. To take its innovation journey to the next level, "Tata Steel InnoVista", an in-house platform, was launched to showcase innovations within the Company's own Value Chain. Tata Steel was also awarded under the categories of Business Innovation and Potential Innovation, in the International Quality Innovation Award organised by China Association of Quality.

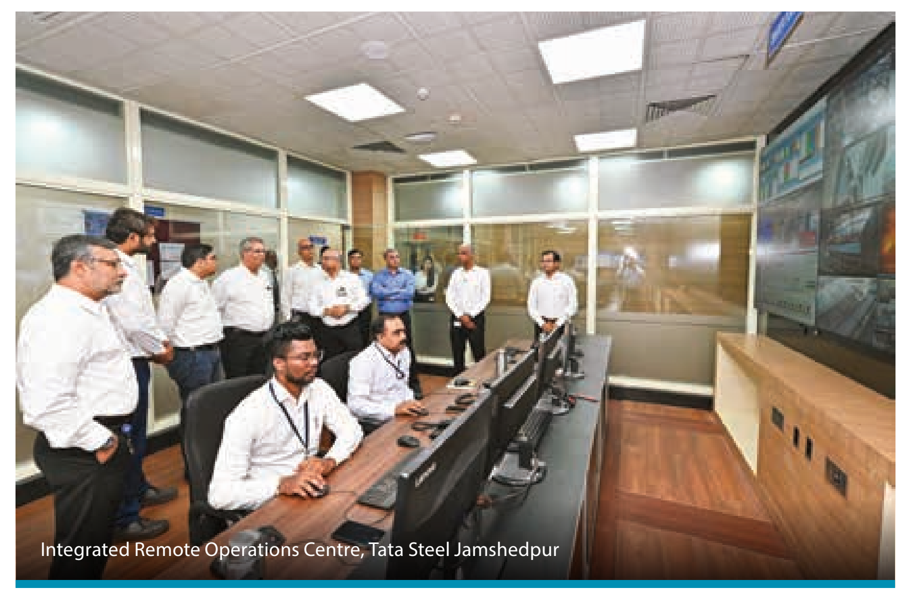
Tata Steel received the coveted 'JRDQV Award' and was recognised as 'Benchmark Leader' under the flagship Tata Business Excellence Model Assessment of the Tata Group.

Industry 4.0 - Knowhow and Capabilities

In our three phased digital transformation journey (Cloud, Data, Artificial Intelligence), significant investments made in the first two phases are paying rich dividends. Enabling location-agnostic work has helped us create a safer workplace and better working conditions for employees, fostering collaboration and driving synergy. Tata Steel's Narrow Artificial Intelligence capabilities continue to support its connected operations and business platforms through improvements in yield, energy, throughput and quality. Intangible benefits are being delivered through a personalised talent marketplace for the Company's employees and a hyper-personalised experience for its online customers, enhancing customer and employee engagement. Video analytics solutions are helping us capture potential safety hazards to enable proactive interventions and help deliver our committed goal of Zero Harm. These are being powered by 250+ Artificial Intelligence/Machine Learning models deriving insights from over 3 Petabytes of data.

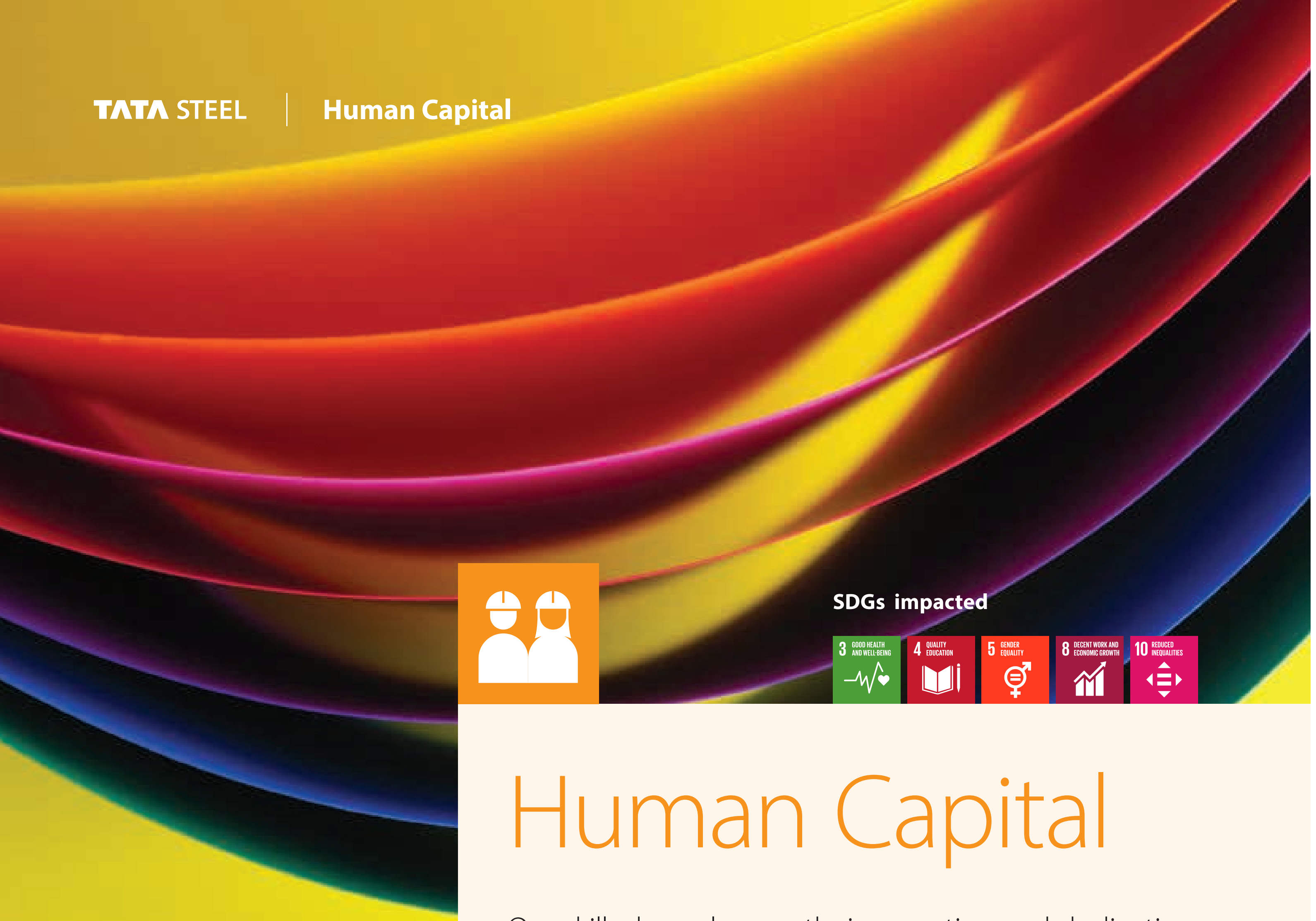
During the last year, we filed for nine patents (taking the total to 129) and were granted four patents (taking the total to 72) in the areas of digital, analytics, sensorisation and plant automation.

We are one of the first enterprise users of the latest Large Language Models (like ChatGPT) in a private and secure cloud, to unlock insights from internal data sources. We are also actively experimenting and future-proofing our business through investments in key emerging technologies such as the Metaverse and Private 5G networks, to build a truly connected enterprise. It is our core belief that the benefits derived from these technologies will be essential to compete and grow in the marketplace of the future.


Integrated Remote Operations Centre, Tata Steel Jamshedpur

Protecting privacy and data security

Protecting personal and financial information, using it only for the mentioned purpose and handling it responsibly, are of utmost importance to Tata Steel. We have built internal controls, policies and security measures, designed to keep this information safe and we require that third parties, such as our suppliers and vendors, preserve our high standards and protect data. Customers need to know what we are doing with their personal information and we strive to provide them with clear, user-friendly explanations of our privacy practices, including how we collect, share, use and protect their information and what choices they can make to limit the sharing of personal information. We also let customers and other stakeholders know in case of any material changes to our privacy policy. We safeguard personal information through a wide range of technological, administrative, organisational, and physical security measures. In addition, our Code of Conduct and related policies for ethical business conduct include specific guidelines about how employees should safeguard confidential information. We have a formal privacy incident management process in place to respond to any suspected or actual incident involving unauthorised access to personal information, its availability or an impact to its integrity. We notify impacted individuals of privacy breach incidents in accordance with the applicable laws. We are always investing in enhanced data privacy and security solutions to safeguard information.



SDGs impacted

3 Good Health and Well-Being | 4 Quality Education | 5 Gender Equality | 8 Decent Work and Economic Growth | 10 Reduced Inequalities

Human Capital

Our skilled employees, their expertise, and dedication are vital for achieving operational efficiency, innovation, and sustainable growth. We strive to nurture and empower our people competence to strengthen our competitive advantage and foster a culture of excellence.

18.95%
Diversity mix (Tata Steel Limited)

100+
Transgender Talent

0.57
LTIFR in FY2022-23

Global Lighthouse 2023
Recognised by World Economic Forum for Diversity, Equity & Inclusion

Material issues addressed

- Employee Well-being and Development
- Occupational Health and Safety
- Stakeholder Engagement
- Business Ethics, Integrity, and Transparency
- Risk Management
- Supply Chain Sustainability

Strategic linkages

SO4 SE

Fostering a culture of innovation and high performance

At Tata Steel, leveraging human capital is a key business imperative and the principle of always putting people first guides the Company's policies. Our constant endeavour is to foster a work culture that promotes collaboration, innovation, high performance and agility. This has led us on a path of a new world of possibilities, requiring us to work on a new set of challenges for a future-ready workforce.

A culture of firsts

We have 100+ years of strong legacy of working in alliance with our various stakeholders. To encourage open communication, diverse thinking, and advocacy, a new union was formed and recognised at Tata Steel's Kalinganagar facility for the first time. We strongly believe that this historic move will further strengthen our culture of working together.

Promoting diversity and inclusion

With an intent to break the barriers, provide equitable opportunities to historically excluded groups, and catapult them to the mainstream, Tata Steel has maintained strong focus on Diversity, Equity, and Inclusion. We recruited 1,100+ diverse talents, which includes a focussed hiring effort of bringing more than 100+ transgender talents into the organisation - a one-of-its-kind and pioneering initiative.

Tata Steel has been recognised as Global Diversity, Equity & Inclusion Lighthouse 2023 by World Economic Forum. We also have been recognised as one of the "Gold Standard" Organisations by the India Workplace Equity Index and have been adjudged as the "winner" by "SHRM HR Excellence Awards 2022" in the category of "Excellence in Diversity & Inclusion".

Creating workplace of tomorrow

Employee empowerment

To bring further alignment with the cultural ethos of the organisation and to leverage our internal talent, we introduced 360° feedback, an agile behavioural assessment and Employee Referral Programme.

We have been consistently working towards enabling career growth and learning opportunities for our people. StepUP, our Artificial Intelligence driven internal talent marketplace has been facilitating people with projects and mentoring opportunities as well as providing scope to take up full-time roles, where people with the right skillset can seize the opportunity and have a chance at horizontal mobility. Ongoing learning and capability development practices were expanded in terms of reach and coverage, and new initiatives were launched to keep up with the rapidly evolving skilling needs. 16 new Schools of Excellence (SoEs) were added in areas such as Operations, Maintenance, Mining, Engineering & Projects, and Digital domains, taking the total number of ongoing SoEs to 41. Some of the older SoEs graduated to the 'Advanced' level in their journey to create experts in various domains.

Learning experience

Tata Steel has initiated partnerships with renowned content providers and new learning platforms to offer more choices to learners and enhance their upskilling experience. The conscious adoption of 'Virtual Reality and simulation-based training' has enabled experiential learning for our employees. Vendor skill development was also given greater focus, with almost 1,00,000 assessments being carried out across all locations in India. The courses at our Academy in the Netherlands are highly ranked in the Keuzegids, an independent consumer guide. With all these efforts and many more, almost the entire employee base was impacted through one or more learning interventions.

Tata Steel has been investing in optimising business processes and systems through automation, mechanisation, and digitalisation. This has helped improve the overall productivity from 850 tonnes of crude steel/employee/year to 885 tonnes of crude steel/employee/year for Tata Steel Limited.

As we look ahead, we are confident that our talented and dedicated workforce will enable us to achieve our goals and make a positive impact on our customers, community, and the world.

For our continuous commitment towards a progressive people-first approach, Tata Steel has been recognised as a Great Place to Work for the 6th consecutive year by Great Place To Work®.

Human rights

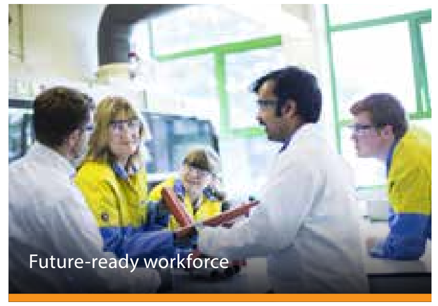
Tata Steel is committed to responsible mining and manufacturing and has pledged to uphold the human rights and interests of all vulnerable communities, including the indigenous communities, in the proximity of its value chain. The Tata Code of Conduct, lays down the principles and standards that should govern the actions of the Company and its employees and emphasises Tata Group's commitment to labour standards and Human Rights. Tata Steel has adopted the Business and Human Rights Policy and institutionalised a governance structure for the deployment of the Policy.

An Apex Business & Human Rights Committee has been formed to oversee Human Rights commitments.

Tata Steel has engaged an independent third party to conduct human rights due diligence of its entire value chain, which aims to understand issues related to human rights and locate the affected vulnerable groups.

Key commitments on Human Rights

1. Constituting a governance structure to oversee human rights commitments.
2. Integrating an approach that respects and protects human rights in strategy & risk frameworks.
3. Fostering an understanding of human rights across all rights-holders of the business.
4. Advocating protection of human rights from adverse impacts from or caused by business.



Future-ready workforce

5. Setting up a fair, transparent, and consultative remediation framework to address adverse human rights impacts.
6. Disclosure on human rights performance in line with national and global reporting frameworks.

Key rights-holders

Six categories of rights-holders:

1. Tata Steel's personnel covering any person working for, or on behalf of the Company.
2. Tata Steel's Contract workforce.
3. Communities impacted by the Company's operations.
4. Consumers/customers of the Company's products and services.
5. Employees of value chain partners such as suppliers/ vendors, dealers, distributors, sales representatives and franchisees.
6. Family members of Tata Steel personnel.

Prioritising safety

Tata Steel's safety and health responsibilities are driven by our commitment to zero harm to the people we work with, and the community at large. We endeavour to achieve this objective through a robust safety management system framework and a sound safety governance structure.

Our organisation has a strong system of governance that is overseen by the Safety, Health, and Environment Committee of the Board.

Enabling a culture of safety

Safety priorities

We have identified six key long-term safety strategic priorities which have been described in detail in the Business Responsibility and Sustainability Report. As part of the Safety Excellence Journey, we have launched several initiatives with an objective to "Achieve Zero Harm" in Tata Steel India by 2030.

With an objective to improve the risk perception of the workforce, a Practical Safety Training Centre has been established at Jamshedpur. The Safety Leadership Development Centre in Jamshedpur is fully operational and covers both our employees and those of our contractors. We are currently in the process of extending these facilities to Kalinganagar and Meramandali. Additionally, Felt Leadership 2.0 was launched to enhance the safety leadership competency of our officers.

Tata Steel places significant emphasis on the use of digital tools and technology for reducing safety exposure and risks, including standardising technological interventions for critical equipment such as Electric Overhead Travelling Cranes, Conveyor Belts, and Wagon Tipplers in India, use of robots for dross removal at zinc baths in Netherlands and access control at hazardous locations, while also improving the maturity of digital and technological projects.

Contractor Safety Management

'Contractor Safety Management Standard', which governs contractor safety at Tata Steel, has established guiding policies and procedures on safety responsibilities for contractors and their employees.

In the Netherlands, Tata Steel operates a safety platform called the "IJmond Safety Platform," which includes participation from 53 vendor partners. Through this platform, management and vendor partners collaborate to develop an annual plan, which outlines agreed-upon actions to be taken throughout the year.

Process Safety Management

Process Safety Management focuses on eliminating incidents with the potential to result in multiple injuries/fatalities, as well as causing substantial economic, property and environmental damage, both within the steel manufacturing units and across surrounding communities.

To create a safer, more resilient, and sustainable organisation, identification of the top five risks across all departments of Tata Steel in India was completed, and implementation of strategic risk mitigation plan is in progress. The Process Safety School of Excellence - a 3-tier capability development (learner, practitioner, expert) system, has been developed to enhance process safety competency of employees. It will be extended for employees at all locations.

Occupational Health

To build a culture of health & well-being, Tata Steel has taken several initiatives like periodic medical examination, regular follow-up of high-risk cases, mental well-being programmes, theme-based health awareness campaign, doctor online programme, outdoor physical fitness programme, yoga & pranayama programmes, amongst others. Tata Steel was recognised by World Steel Association for Excellence in Occupational Health Management in World Steel Safety & Health Recognition Program 2022.

SDGs impacted

6 CLEAN WATER AND SANITATION · 7 AFFORDABLE AND CLEAN ENERGY · 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE · 11 SUSTAINABLE CITIES AND COMMUNITIES · 12 RESPONSIBLE CONSUMPTION AND PRODUCTION · 13 CLIMATE ACTION · 15 LIFE ON LAND · 17 PARTNERSHIPS FOR THE GOALS

Natural Capital

Our manufacturing process is reliant on various natural resources and also has its own impact on the environment. We are continuously balancing sustainable practices and resource efficiency to preserve precious resources and minimise our ecological footprint.

#3
Worldwide Rank of the IJmuiden steelworks of Tata Steel Nederland in the 2022 CO_2 intensity benchmark

2.21 tCO_2
Greenhouse gas emission intensity per tonne of crude steel

Net Zero
by 2045

Material issues addressed

- Greenhouse Gas Emissions and Climate Change Management
- Air Pollution/Air Quality Management
- Water Consumption and Effluent Discharge/Water Resource Management
- Energy Efficiency/Energy Management
- Circular Economy/Recycling of By-products
- Biodiversity
- Risk Management
- Supply Chain Sustainability

Strategic linkages

SO4 SE

Preserving resources, sustaining the nature

Steel, with a resource-intensive manufacturing process, generates emissions and effluents, impacting the nature. We are conscious of our ecological footprint and strive to use efficient production routes, minimise waste generation and mitigate the negative impact on the environment by relentlessly optimising the use of the natural resources, reducing emissions and encouraging circular economy.

To manage our natural capital, we are investing in various environmental projects such as air emissions control equipment installation, use of scrap in steel making, freshwater consumption minimisation, and explore opportunities in circular economy.

Our operational excellence mantra is 'Prevent, Reduce, Recover, Reuse and Recycle'. We continue our pursuit of establishing best-in-class facilities and ensure ecosystem healthiness.

Air emissions

Integrated steel manufacturing operations generate emissions into air, primarily in the form of dust and gaseous emissions such as Sulphur dioxide and Nitrous oxides.

Specific dust load is the key environment performance indicator for Tata Steel and at all our operating sites and we have the necessary infrastructure, best of the monitoring technologies and capabilities to constantly track the specific dust load on a real-time basis.

We have conducted 'Source Apportionment' studies at our Jamshedpur Works and in the radius of 20 kilometers to identify key sources and their contribution to the overall ambient air quality in the region with an aim to develop air quality management plans to improve the ambient air quality.

We are in the process of taking every possible step to reduce the air impact of our operations through "Responsible Production and Consumption". At the process level, lot of initiatives have been implemented across all sites, primarily with a focus on upgradation of the existing air pollution control equipment and redesigning the control equipment at a level that is lower by 50% to 80% than the prevailing prescribed norms. This has resulted in significant reduction of stack dust load at all sites in India.

67%
Estimated reduction in specific stack dust emissions since FY2004-05 at Tata Steel Limited.

Strive towards sustainability leadership

Align with its strategic objective of 'Leadership in sustainability', Tata Steel has adopted policies intended to help it become the international benchmark in stack dust emission by 2030 and is currently developing strategies and conducting feasibility studies, as below:

- Installation of Air Pollution Control Equipment (APCE) for benchmark performance
- Improvement or de-bottlenecking of existing APCE
- Implementation of best available technology for APCE for new facilities

In our IJmuiden operations, in April 2022, we commissioned several new slag pits with a mobile covering to reduce dust. Currently, the entire converter slag flow is cooled under a cover and a thick mist curtain ensures that as much dust as possible remains in the pit and that any dust that is released precipitates immediately. This process is designed to reduce dust emissions by approximately 80%.

Tata Steel Nederland's nitrogen oxide emissions have already been reduced by approximately 20% over the past two decades. Tata Steel is putting up a new DeNOx installation at the Pelletising Plant, which is part of Tata Steel Nederland's multi-year Roadmap+ investments of c. €300M. The DeNOx installation is expected to reduce Tata Steel's total nitrogen oxide emissions at IJmuiden by c. 30%, compared to 2019, upon commissioning in 2025. As part of the Pellet Plant, Tata Steel has introduced a new technology that has not yet been applied on this scale elsewhere in the steel industry.

Water management

Steel plants require substantial water for cooling, dust suppression, cleaning, temperature control (heat treatment), transport of waste materials (ash, sludge and mill scale), among others. Water is a key material issue for Tata Steel in India and we are committed to conserving water. Our European operations are based out of coastal locations and have access to adequate water supply.

Tata Steel is looking to minimise fresh water withdrawal from rivers while maximising the recycling of treated waste effluents within the plants. We are also reusing treated municipal wastewater and have water harvesting infrastructure across locations, helping reduce dependence on rivers, and enhance water security.

Over the last two decades, various upgradation and improvement projects in the water system were initiated at all our Indian sites to minimise water consumption. Best of the available technologies were adopted to reduce, recover, recycle and reuse the treated wastewater. We reuse the treated effluents for low-end applications like coke quenching, blast furnace slag granulation, steel slag quenching, sinter/pellet mixing, gas cleaning plant, horticulture, and dust suppression among others.

Major initiatives taken by Tata Steel (in India) in FY2022-23 to minimise its specific freshwater consumption and reduction of effluent discharge include:

- Enhancing water recovery through augmentation of Central Effluent Treatment Plant from 4 million gallons per day (MGD) to 9 MGD at Jamshedpur
- Increasing recovery of treated water from Sewage Treatment Plants at the township of Jamshedpur
- Increasing storm water recovery and reduction in freshwater consumption at production units in Kalinganagar
- Maximising use of treated effluent at Blast Furnace 2, Direct Reduced Iron Plant, Sinter Plants and auxiliary consumption at Meramandali

Tata Steel aspires to set global steel industry benchmark in specific freshwater consumption to less than 1.50 m^3/tonne of crude steel by 2030 for its Indian operations. The roadmap is being prepared in collaboration with expert agencies, to be future ready to deal with water stress. Initiatives to achieve the goal include enhancing recovery recycling reuse of wastewater, eliminating losses in the processes, adopting dry process like gas cleaning plant in the blast furnaces and steel melting shops, process-level benchmarking and improvements and enhancing rainwater harvesting.

Conserving precious natural resources

59%

Reduction in specific fresh water consumption since FY2004-05 at Tata Steel Limited

Product sustainability

We strive to use the Life Cycle Assessment (LCA) tool effectively to evaluate and communicate our products' environmental performance across its lifecycle. Our LCA studies are done in accordance with WorldSteel LCA methodology, guided by ISO14040 and ISO14044 standards. Aligning with the goal to cover all steelmaking and downstream sites under LCA, this year, we have completed the LCA study for downstream facilities at Khopoli and Sahibabad and Cold Rolling Complex at Tarapur, covering 8 different product categories. In FY2022-23, Tata Steel published its first Environment Product Declaration (EPD) for Steel Rebars, for facilities in Jamshedpur works as well as other Steel Processing Centers. This was followed by EPD for Steel structural hollow section, under the brand Tata Structura, manufactured at Tata Steel Tubes Division and other different production units. EPD was published for Steel Hot Rolled Coil, covering all manufacturing locations across Jamshedpur, Kalinganagar and Meramandali. Furthermore, Tata EzyFit, which is a brand of innovative tubes for windows and doorframe section, received GreenPro certification. We have also carried out a LCA study for one of our Fibre Reinforced Polymer products to understand its life cycle environmental impact.

Ensuring product sustainability

In the coming years, we aim to receive eco-labels (GreenPro) and disclose environmental performance transparently, for our key products manufactured across various sites to support our customers with product related sustainability information.

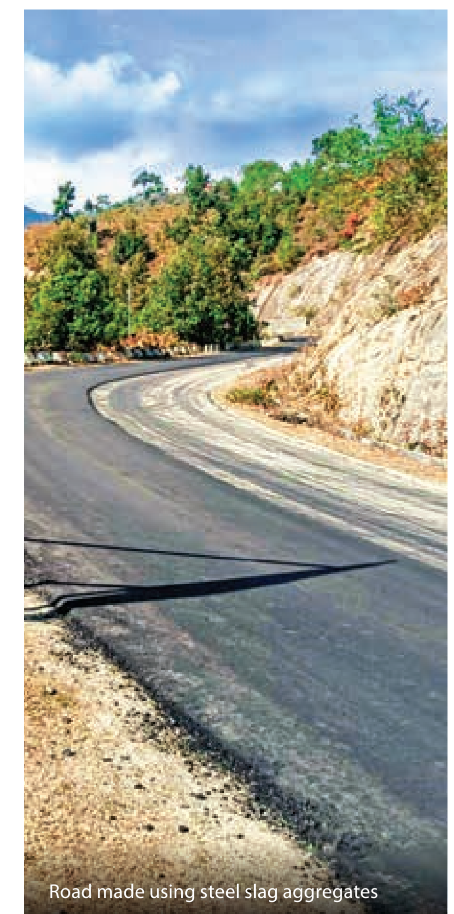
At our European operations, we developed the Product Assessment Carbon Indicator tool. The tool streamlines the process of undertaking life cycle studies of products and enables an understanding of greenhouse gas emission hot spots and trade-offs in the steel product value chain, which can be used to inform new product developments and optimise existing manufacturing routes. The tool has been used to support collaborative projects with customers and to support sharing and learning opportunities for emissions reduction over the product's life cycle from manufacturing through use and finally end-of-life (e.g. working with an automotive OEM to examine all aspects of material selection including material type, steel grade, gauge and aspects of formability and part design, the use of the tool in understanding the trade-off between benefits in use from improving motor efficiency versus embodied emissions associated with different grades of electrical steels, etc.). The tool has been recognised by the worldsteel Association, with a Steelie award for Excellence in Life Cycle Assessment.

GreenPro

Certification received for the Tata Ezyfit brand

Solid waste management

In the endeavour to develop a sustainable ecosystem for by-product management, we have been striving to create value from wastes by adopting 3R (Reduce, Reuse & Recycle) principles of circular economy. Tata Steel handles c. 15 MnTPA of by-products across 25+ product categories comprising more than 250+ stock keeping units in India. These value-added by-products serve as key raw materials to various industries like cement, chemical, construction etc. In FY2022-23, Tata Steel achieved 100% solid waste utilisation at Jamshedpur, Kalinganagar and Meramandali units.



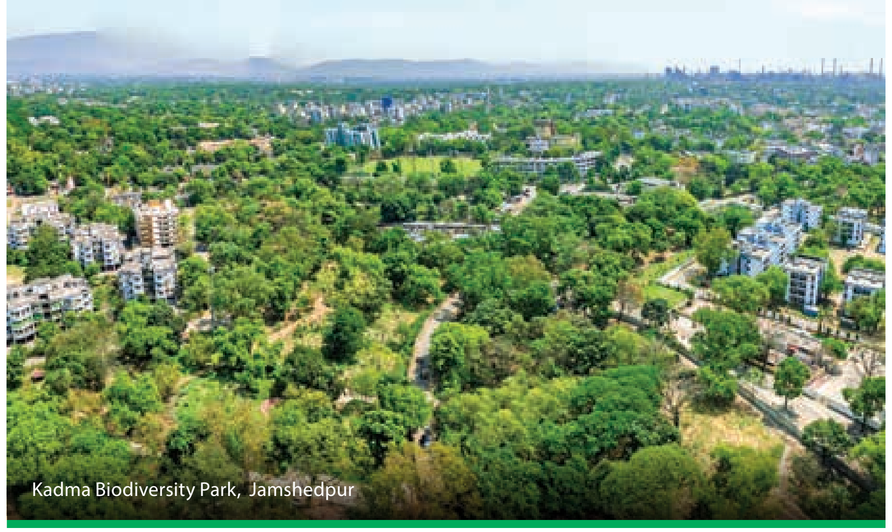
Road made using steel slag aggregates

Bringing innovation in sustainability

Over the years, Tata Steel has taken several initiatives to harness by-products. Tata Aggreto and Tata Nirman, India's 1st branded steel slag products, are being extensively used in construction applications as sustainable alternatives to natural aggregates. In a first-of-its-kind initiative, steel slag was used to construct the road connecting Sino-India border in Arunachal Pradesh by the Border Roads Organisation, under Project Arunank. The technology of accelerated weathering (steam aging facility) of steel slag, developed in-house, has been successfully deployed at the Kalinganagar plant.

Tata Steel focuses on establishing a resource circulation system at the organisational level. Some of the key circularity initiatives include Ladle Furnace slag briquetting at Jamshedpur and consumption in steel shops as replacement of lime and conversion of steel sludge to pellets and reuse in iron making at Meramandali. Tata Steel has also developed a robust pipeline of eco-friendly light construction products such as paver blocks, autoclaved aerated concrete blocks, and interlocking blocks, manufactured using iron and steel slags.

In another milestone, Tata Steel has set up an External Processing Agent based facility for production of Dhurvi Gold, a new crop nutrient product, based out of steel slag. The product is a sulphur-rich nutrient soil conditioner, favourably impacting soil characteristics, thereby resulting in good growth, quality and economic yield across crops.



Kadma Biodiversity Park, Jamshedpur

Biodiversity management

Tata Steel has made significant efforts to persistently improve and enhance its performance in biodiversity conservation and significantly reduce its impact on the ecosystem. Our Indian operations are not located in any of the identified biodiversity hotspots or protected areas.

During FY2022-23, we developed the Biodiversity Management Plans (BMP) for Tarapur and Sahibabad sites and have developed BMPs for 17 locations across India till date. Tata Steel plans to cover 100% sites to assess the impact and dependence of direct operations on biodiversity by 2025. We have planted over 4 lakh saplings of native species across all locations. Tata Steel has also set up the Kadma Biodiversity Park, spread across 13.5 acres, where 5,650 trees and 4,650 shrubs have been planted. The park has a 2.3 kilometres walking trail, a yoga and meditation zone, bird watching areas, rainwater harvesting ponds, lily ponds, butterfly zones and fruit and bamboo orchards. The park houses several clusters of native species of trees planted as groves. It also has bird and squirrel nests, deep forest areas, grass lands and an information centre for flora and fauna.

At our UK operations, we are guardian to large areas of natural habitat, including several Sites of Special Scientific Interest (SSSI). In addition to meeting our responsibilities for protected sites, we also look for opportunities to encourage biodiversity on other landholdings and thereby contribute to protecting the natural heritage of UK's landscape. Former blast furnace cooling lagoons at our Shotton site are now a haven for wildlife. From attracting 12 nesting pairs of common tern in 1970, with the creation of a small raft on the lagoon, the area has since become home to one of the UK's largest colonies of this vulnerable bird species and has seen over 20,000 chicks fledge successfully. The site has been a nature reserve for 50 years and a designated SSSI since 1990.

4 lakh

Saplings of native species planted across locations in India

Circular economy

Steel is amenable to recycling and producing steel from ferrous scrap entails a lower carbon footprint as opposed to producing it through virgin route. Tata Steel's first-of-its-kind scrap collection and processing unit at Rohtak was commissioned in 2020 and the plant clocked c. 280 KT of scrap dispatch in FY2022-23.

The Company's Steel Scrap Recycling Business aims to replicate the Rohtak model across India by setting up 8-10 fully mechanised scrap processing facilities, with a combined capacity of 5 MnTPA by 2030. Steel Recycling Business (SRB) has leveraged the power of digital technology to set up robust supply chains, as the collection and aggregation of scrap for the recycling plant entails reverse logistics. FerroHaat, a digital app, was launched to source steel scrap from the scrapyards.

0.75 MnTPA EAF based steel plant is being set up at Ludhiana, Punjab at an investment of ₹2,600 crore to make steel by recycling scrap

MoU with the Punjab Government for an Electric Arc Furnace (EAF) plant in Ludhiana

Tata Steel has also signed an MoU with the Punjab Government and has started work to set up a 0.75 MnTPA electric arc furnace based long products steel plant at Ludhiana. The proposed plant will use steel scrap instead of iron ore. The investment is part of Tata Steel's commitment to investing in a circular economy and transitioning to low-carbon steelmaking through the steel recycling route. It is a step aligned to the Company's goal of achieving Net Zero carbon emission by 2045.

There has also been a dedicated effort to increase scrap charging in our steel melting shops, which is one of the key enablers for reduction in carbon footprint. Continuous efforts have been directed towards augmenting the infrastructure for scrap management and processing, in order to increase the scrap charge for our India operations.

At our steelmaking sites in the Netherlands and the UK, we already use high proportion of ferrous scrap in our ore-based steel production processes, consistently achieving approximately 17% recycled content in our steel.

Tata Steel in UK has also been instrumental in setting up the national infrastructure to create an end market for steel packaging at the end of its life. All local authorities now collect steel packaging at the kerbside, contributing to the UK's high recycling rates for packaging steel and demonstrating that steel is a sustainable packaging material while providing valuable feedstock for our furnaces.

SDGs impacted

Material issues addressed

- Water Consumption and Effluent Discharge / Water Resource Management
- Community Support and CSR / Building thriving Communities
- Stakeholder Engagement
- Business Ethics, Integrity, and Transparency
- Risk Management
- Supply Chain Sustainability

Strategic linkage

Customers

SO1 SO3 SE

Suppliers

SO2 SO4 SE

Communities

SO4 SE

Social and Relationship Capital

Our unwavering focus on fostering long-term connections with customers, suppliers, and communities lies at the heart of our business sustainability and forms an integral part of our core strategy.

83.8*	3.15 mn+*	211*
Customer satisfaction index	Lives impacted through CSR activities	Supply chain partners assessed

*(Tata Steel Limited only)

Nurturing relationships for sustainable growth

Growing with our customers

FY2022-23 turned out to be a year where we have focused on elevating our relationship with customers to the next level in line with theme for the year 'Vision Next – strive to own the future'. Despite the global headwinds, we remained steadfast in the belief that customer focus alone can result in superior performance. Digital initiatives and platforms served as a major backbone in achieving a new customer base, enabling more customer centric engagements, and easing the order flow.

Customer Meet

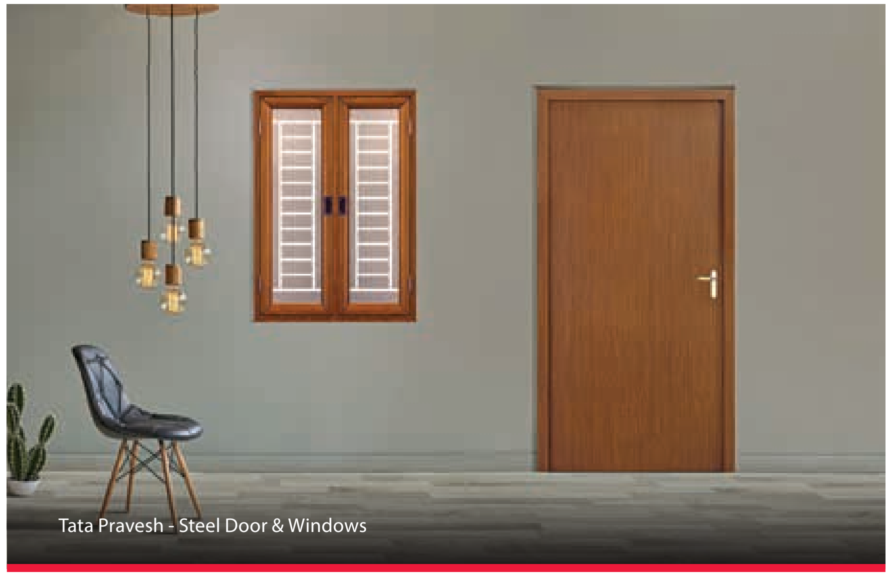
Working with Business to Business (B2B) customers

We continued our efforts to enhance our relationship with automotive OEMs and their large value chain partners. Considering the changing business requirements and to serve the customers better, Tata Steel focussed on fast-growing Light Commercial Vehicle segment, technical services offerings such as Vehicle Teardown and Benchmarking Services, Early Vendor Involvements on upcoming models amongst others and broadening supply chain capabilities through new processing partners. Further, our flagship initiative for weight and cost reduction - VAVE (Value Analysis & Value Engineering) and supply chain visibility through COMPASS platform have enhanced value driven engagements with customers.

In servicing non-automotive segment (Industrial Products, Projects & Exports), we have entered into a MOU with a key Oil & Gas player for the development of hot rolled steel for green hydrogen pipeline. Customer Service Teams with key customer accounts continued to play a pivotal role. VAVE initiatives for Lifting & Excavation segment also helped in customer value creation. As part of the digital initiatives, we have increased onboarding of customers on COMPASS platform covering ~ 67% of sales, while continuing to add new customised features. We have also collaborated with various academia and industry bodies to increase usage of flat steel products in construction segment in India. Knowledge summit "Wired2Win" for Wire Rod customers was relaunched for enhancing customer connect through networking and cross market knowledge sharing. In partnership with our overseas customers, first ever Electronic Bill of Lading for exports into Turkey was pioneered.

Tata Steel offers branded products uniquely positioned to meet the application needs of B2ECA (Business to Emerging Corporate Accounts or MSME) customers and we reach our MSME customers through a pan-India distribution network. Multiple engagement initiatives in a phygital manner have been undertaken on the ECAfez Qualithon platform. Some key offline initiatives include, customised microsegment meets like 'Ducticon' (ducting & heating, ventilation, and air conditioning customers) & 'Panorama' (panel customers). Knowledge exchange & capability building initiative, 'insIITe', was held in collaboration with IIT Mumbai. Online initiatives like Skilling India, Tech Talk and Safety First have helped improve the knowledge base of customers by connecting over 500 MSME customers online.

We have been working on customised solutions for our long products customers. In FY2022-23 four 'Building Bonds' and eight 'Converse to Construct' events were organised to facilitate the interactions of channel partners, end-customers and influencers with the senior leadership of Tata Steel. Similarly, four 'Igni8: The Spark', monthly webinar sessions were conducted, success stories of channel partners and shared segment specific knowledge in collaboration with academia and Industry experts were showcased.


Tata Pravesh - Steel Door & Windows

Working with retail (B2C) customers

Tata Steel brand offerings (Tata Tiscon, Tata Saktee, Tata Kosh) to the retail consumers have attained respect and recognition by virtue of their quality. Tata Tiscon, under the Golden Home Consumer initiative, connected with 26,000+ consumers. 500+ Ask Experts camps were conducted across India to provide guidance in home construction to individuals. "Stories of Joy" – a consumer testimonial series was curated with 30+ stories released in FY2022-23.

Our Flagship galvanised brands, Tata Shaktee (Galvanised Corrugated Sheets) and Tata Kosh (Branded Galvanised Product) organised the 3rd edition of Nexplore, the Annual Dealer Meet where top 250 dealers and fabricators were engaged. As part of our 'Farmers Day' celebrations, 22,000 farmers were connected directly through Kissan Diwas Meets, reaching out to 74 million people. 51,000 prospective consumers were directly reached out to daily by the "Gaon Gaon Shaktee ki Chaon" campaign. In addition to this, Tata Steel connected directly with nearly 15,000 fabricators, 8,000 dealers, 600 sub-dealers and 1 lakh consumers respectively, and additionally reached out to 84 lakh people through the social media platforms.

Our two solutions offerings – Tata Pravesh (Steel doors and windows) and NEST-IN (smart steel based modular construction solution) have consolidated their position as the market leader in a very competitive market. During the year under review, Tata Pravesh offered services through Authorised Service Centre – SmartCare, doubling our presence to 14 in FY2022-23. Additionally, Tata Pravesh expanded its Privileged Dealer network to 470 outlets.

The Nest-In brand has implemented the Salesforce Customer Relationship Management platform for end-to-end monitoring & control and a 360-degree customer view. A QR-code authentication for assurance of genuine products and augmented reality for select projects was introduced. The online lead generation model and new leads resulted in 60% increase in new customers. Nest-In has also upgraded to delivering luxurious and premium Nestudio.


Nest-In – A steel-based modular construction solutions brand by Tata Steel

Collaborating for greener products

Tata Steel's subsidiaries in the UK and Sweden are collaborating actively with CompETe partners (a collaboration to create a high-performance compact electric drive unit) for automotive customers. We are working on both ultra-thin non-grain-oriented electrical steel and 2D and 3D models for assessing the high-speed motor rotors' structural integrity.

Tata Steel is also working on unique technologies such as Hardt Hyperloop, a high-speed, sustainable transportation system for people and goods in the Netherlands.

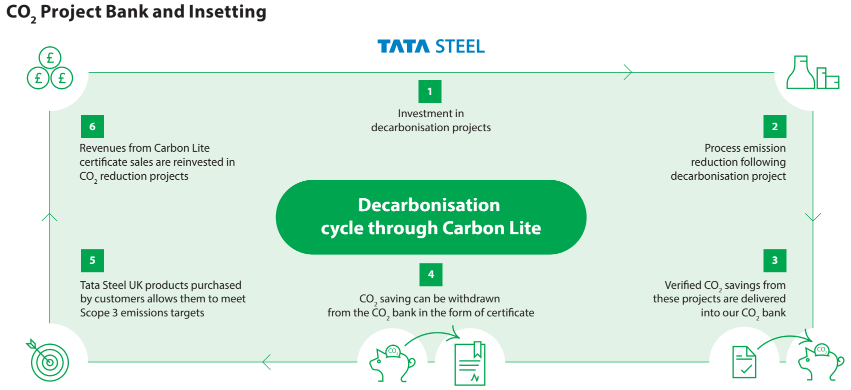
Hyperloop – A high-speed, sustainable transportation system

Transforming to become a leading producer of clean, green and circular steel

Tata Steel Nederland has started offering lower CO_2 steel under the Zeremis® Carbon Lite brand since July 2022. We have constituted new agreements with Wuppermann, BILSTEIN, EMW Stahl Service and Arania to supply them with Zeremis® Carbon Lite steel with an allocated carbon footprint reduction of up to 90%. This will enable customers to make greener end products such as kitchens, robotic storage systems and passenger cars. We aim to offer large quantities of high-quality green steel by 2030 and additional Zeremis green steel products will follow in the near future. Tata Steel also offers Carbon Lite solution from its UK operations under the brand name Optemis™ Carbon Lite.

Tata Steel is also offering the opportunity to secure green steel from the upcoming hydrogen-based steelmaking route in the Netherlands and has signed a MoU with Ford within the year.

CO_2 Project Bank and Insetting



Managing relationship with suppliers

Supplier management at Tata Steel focusses on performance enhancement of vendor partners to meet organisation's growing and varying needs, achieved through various cross-functional initiatives, as below:

Supplier Relationship Management programme

The program aims to enhance Tata Steel's relationship with its strategic vendors for promoting innovation. In FY2022-23, Tata Steel collaborated with 6 strategic vendor partners to conduct 'Technology Day' sessions focused on cutting-edge technologies and processes related to quality, delivery, productivity, safety, digitalisation and sustainability. It also focuses on technology transfer and establishing OEM workshops to promote local manufacturing through 'Make in India' initiative (e.g. Manufacture Mag C bricks & Tap hole sleeves and refurbish critical import spares).

Senior Leadership Connect with strategic and key suppliers

Tata Steel has a structured leadership connect programme ('CEO to CEO Connect') to help strengthen its relationship and gain insights into the suppliers' future growth plans and key focus areas. Through these interactions, strategic and long-term collaborative ideas are discussed which are subsequently implemented and rolled out. In FY2022-23, Tata Steel conducted such interactions with 11 strategic partners across all geographies.

Supplier Meet

Indeginisation & localisation

In FY2022-23, indigenisation and localisation in the supply chain has continued to be a focus area for Tata Steel with indigenisation of ₹724 crore across raw materials, bulk items and maintenance, repair and operations spares using Agile Way of Working methodology. We have also leveraged our relationships with vendor partners to facilitate technology transfer, assist in setting up manufacturing facilities closer to our production centres and collaborate closely with local and Micro, Small and Medium Enterprise vendor partners, to establish manufacturing, refurbishment, or service centres. The key indigenisation initiatives which have been taken up in FY2022-23 are the Refurbishment of Crop shear & Down Coiler wrapper roll, Indigenous Sourcing of Impact crusher for flux, increased percentage of indigenisation of thermal coal and increased local sourcing for critical refractories and rolls.

Focused engagement with raw material suppliers

Developing partnerships through long-term projects in the imported coal value chain is critical for reducing the overall cost of production. Understanding of strategic plans of key suppliers and creating mutually beneficial products have helped maximise the coal supply with higher Value-in-Use. Due to the Russia-Ukraine war, Tata Steel has stopped procuring coal from Russian suppliers and started sourcing replacement coal from both incumbent suppliers and new suppliers in North America, Australia, and Indonesia. This has facilitated supply chain security and inventory optimisation, leading to the efficient management of complex multi-site operations. We have engaged in specific collaborations with our raw material suppliers, leading to the development and trialling of new products as part of our product/source diversification initiatives, signing of long-term agreement for domestic supply of thermal coal and development of steelmaking sludge based pellets by utilising hazardous waste. We have also signed Memorandum of Understanding with strategic suppliers for decarbonisation projects.

Vendor Development & Vendor Capability Advancement Programme (VCAP)

Tata Steel's Vendor Development Programme and VCAP aim to support suppliers to foster a culture of continuous improvement, resulting in a competitive vendor base. During FY2022-23, we initiated 20 vendor development programmes across various locations. We have implemented projects to improve the ease of doing business, digitalisation projects such as setting up agile payment mechanisms at all locations and Vehicle Tracking system at Meramandali. We worked closely with our vendor partners to improve their productivity, safety, delivery, and quality performance through a structured approach, leading to their capability enhancement, value creation and operational improvements. In FY2022-23, we organised multiple VCAP sessions and trained a total of 251 vendors partners, impacting 5,000+ contracted workforce, on problem solving, sustainability, operating practices and safety best practices. To support local communities and encourage the inclusion of marginalised sections of society, we helped develop entrepreneurial capabilities by creating positive differentiation through our Affirmative Action Programme. In FY2022-23, the business volume of such vendors has grown to approximately ₹112 crore, 62% increase over FY2022-23.


Improving delivery performance

Green Warehousing

Leveraging inland waterways for steel transportation

Green warehousing

To minimise the environmental impact of our warehousing operations, we have installed a 3.2 MW solar plant at our Jamshedpur Central Warehouse. Additionally, we have replaced 10 diesel-operated trucks (used for last-mile delivery to operating units) and 2 diesel-operated forklifts in the warehouse with electric-powered ones in FY2022-23. In FY2023-24 we plan to convert another 10 diesel-operated trucks to greener fuels. As a result of our green warehousing initiatives, we have successfully reduced our environmental footprint by approximately 3,000 $MtCO_2e$. Tata Steel Halmstad and Naantali Service Centres in Sweden and Finland respectively are already fully Scope 1 and Scope 2 carbon neutral operations.

Surface transportation

Tata Steel has deployed 69 CNG/LNG/ Electric Vehicles (EV) based vehicles in short lead road circuit to reduce its CO_2 footprint. This is being ramped up to almost double in FY2023-24. Also, in road transportation, we are exploring benchmark practices to enable real time CO_2 measurement which will help us in reducing Scope 3 emission. In addition, we strive to improve operational efficiency in our supply chain operations (e.g. travel distance and idle weight optimsation) to further reduce the carbon footprint.

Material circularity

In our commitment towards material circularity, we have joined hands with our suppliers and implemented various initiatives to refurbish our capital equipment, increasing their lifespan and preventing unnecessary waste. In a first-of-its-kind initiative in India, we have successfully recycled 12,000 tonnes of used refractories. Through the refurbishment of critical imported spares in India, we have been able to reduce 200 $MtCO_2e$ in FY2022-23 with a plan to further reduce CO_2 emissions by 25% in FY2023-24.

Deploying EVs for steel transportation

Supply chain sustainability

Tata Steel is among select few companies to measure end-to-end Scope 3 emissions for all modes of transportation. Several initiatives are being taken across shipping, logistics and with vendor partners to reduce Scope 3 emission for a future-ready sustainable supply chain.

Shipping

Tata Steel is the first and only steel producing signatory to the Sea Cargo Charter to measure and reduce environmental impacts of global seaborne trade. We have re-baselined and validated our CO_2 footprint measurements as per the latest International Maritime Organisation guidelines and partnered with IHS Markit, for appropriate reporting. In ocean trade, we have limited the deployment of vessels having higher CO_2 emissions and moved to energy efficient vessels. Tata Steel deployed 10 vessels powered by Alternate fuels (Biofuel), 7 for carrying raw materials from Singapore to the East Coast of India and 3 for movement of finished goods in Europe. We plan to increase it to 50+ biofuel/LNG based shipment in FY2023-24 across India and Europe. Cargo movement via coastal and river waterways is being ramped up to shift movement to greener mode of transportation. Recently, Tata Steel completed its first multimodal shipment of 960 MT of TMT bars from Haldia to Agartala. The barge traversed through Indo-Bangladesh protocol route and discharged the material at Ashuganj port in Bangladesh.

Responsible Supply Chain Policy (RSCP)

Our RSCP aims to sensitise the supply chain partners on the need for adhering to the four ESG principles of responsible supply chain i.e. Fair Business Practices (G), Health & Safety (S), Human Rights (S) and Environmental Management (E). We had identified 465+ critical partners across all categories of Procurement in India. For FY2022-23, we have assessed 211 critical suppliers under RSCP. The vendor development team has taken up joint improvement projects on the opportunities of improvements identified during the assessment, which led to an improvement in the sustainability performance score of 81 vendor partners. Tata Steel has onboarded all 40 Steel Processing Centres (SPCs) in the journey of RSCP after a detailed awareness session, who have been assessed and initiatives are being deployed against the same. Tata Steel has codified the rules for employment at SPCs for fair and unbiased selection. Rainwater harvesting system has been deployed at most of the SPCs and stockyards.

In FY2022-23, 4 SPCs (processing 1 MnTPA, ~55% volume) have moved to Furnace oil and 4 SPCs (processing 0.6 MnTPA, ~32% volume) to Low Sulphur Heavy stock /CNG based operations. Further, the SPCs currently on Coal / Furnace oil will also be taking a transition to Low Sulphur Heavy Stock/CNG based operations thus ensuring the entire 1.8 MnTPA is processed through alternate fuels. Solar panel coverage is being enhanced across the SPCs and stockyards.

Tata Steel Nederland, as a member of the International Responsible Business Conduct agreement known as the "Metaalconvenant", is implementing the Organisation for Economic Cooperation and Development (OECD) due diligence guidelines and addressing the ESG risks in supply chain for purchased raw materials and important semi-fabricated products such as alloys and metals. In FY2022-23, we have formed a community of practice for sharing and learning between the relevant categories.

Way forward

We will continue working with our suppliers to improve their sustainability performance, reduce our supply chain risks and increase visibility in our upstream supply chain. We will drive further innovations in our supply chain in the areas of new and emerging technologies, digitisation, and advanced safety practices.

Nurturing sustainable communities

Tata Steel's overarching vision to be the global steel industry benchmark for value creation and corporate citizenship is underpinned by a resolve to "work with tribal and excluded communities". Tata Steel's Corporate Social Responsibility (CSR) initiatives aim to create deep-rooted social capital through Tata Steel Foundation which has a diverse 1,000+ strong force of professionals who together with communities implement various development programmes:

1. The Maternal & Newborn Survival Initiative (MANSI+) is a decade long lifecycle health programme.

2. Promoting Tribal Identity continues for 9th season in the Samvaad Ecosystem through work on tribal culture. Johar Haat (a space dedicated to bring the best of art, craft, cuisine and talent from tribes across India) and Rhythms of the Earth (a platform for preserving and promoting tribal music) launched.

3. Foundational Learning and Numeracy model was rolled out to more than two lakh children to address COVID induced deficits. Children from Masti Ki Pathshalas are connected to internships to improve overall personality and confidence.

Promoting livelihoods through agriculture

4. Communities are supported to earn their livelihoods through agricultural and allied activities, as well as through basic infrastructure, community-based water ecosystems and household level nutritional gardens.

5. Development Corridor programme has enabled preparation of Village Development Plans and ensured that marginalised citizens receive benefits from linkages to Government schemes.

6. Through SABAL, Persons with Disabilities (PwDs) are supported in capability building, entitlements linkage and platform for expression.

7. Efforts are also taken for building women leadership within communities, nurturing young sports talent through grassroots training, providing state/national/international platforms and connecting them to excellence centres.

1,000+

Strong force of professionals implementing various development programmes

Tata Steel Chess Tournament

Globally, in Europe, Tata Steel UK and Nederlands are also working towards contributing to the local community's social and economic well-being. The community partnerships are built on three main aspects i.e. environment, health & well-being, and education & learning. Some of the initiatives include community outreach programmes to promote sports like the Richard Burton 10k running event, and Kids of Steel mini-triathlons. The 85th edition of the Tata Steel Chess Tournament was organised in Netherlands in January 2023. We also organise events like Girls' Day to introduce girls to technology and conducts site visits at Tata Steel in IJmuiden.

Development programmes undertaken in FY2022-23 and their impact

Signature programmes

The goal is to actualise national change models which address core development gaps in India. Over 1.78 million lives have been impacted through our Signature programmes in FY2022-23.

Promoting maternal and new-born health

For survival of women and children before, during, and after childbirth

Impact

- 7.87 lakh+ women and children reached through MANSI+
- Sexual and reproductive health knowledge enabled through RISHTA to 22,300+ adolescents
- Institutional delivery enabled for 86% of high-risk pregnancies identified
- 58% of under-5 children with severe acute malnutrition identified and treated

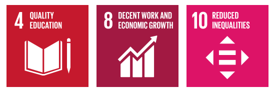
SDG linkage

Promoting education

Through a revitalised public education system

Impact
- Over 7.5 lakh children's lives impacted through Education Signature Programme
- 30,516 children reached through learning programmes
- 2,46,867 children reached through Foundational Literacy and Numeracy
- 15,425 children brought back to school

SDG linkage



Promoting tribal identity

Through SAMVAAD Ecosystem which mainstreams the tribal culture.

Impact
- Samvaad ecosystem reached 1.39 lakh+ people
- 2,702 participants from 158 tribes across 24 states and UTs
- 33,560 tribal language learners across 572 centres of 130 blocks
- 26 publications in tribal languages
- 210 tribal healers reached, 227 healing practices documented, 5 herbal gardens created
- 43 lakh+ income generated by 169 tribal artisans

SDG linkage

Encouraging community-led development

In the vibrant Jamshedpur Kalinganagar corridor

Impact
- 56 Panchayats organising regular Gram Sabha meets
- 73 social schemes and govt. initiatives leveraged to 12,000+ individuals
- 144 Village Development Plans developed by panchayats
- 50% functional panchayats with key standing committees
- 39 Corridor Fellows engaged across 71 panchayats

SDG linkage

Proximate Community Development (PCD) Programmes

Build regional change models which enable lasting betterment in the well-being of communities, prioritising those who are excluded and proximate. Over 1.10 million lives have been impacted in FY2022-23.

Promoting livelihoods through agriculture and agri-allied based activities

Ensuring increase in aggregate real annual income for marginalised households

Impact
- 63,698 households with improved agricultural practices with average increase in income of ₹1,07,860
- 6,145 farmers engaged across 373 farmer institutions
- 9,067 farmers leveraged with government schemes
- 1,740 acres under irrigation coverage benefitting 3,417 households

SDG linkage

Promoting livelihoods through youth skill development

For a sustainable career path with stable income enhancement

Impact
- 2,759 youth gainfully engaged post completion of long and short-term courses
- 6,300+ youth from proximate geographies connected with Model Career Centre for capacity building
- 72 youth trained in entrepreneurial capabilities

SDG linkage

Augmenting public healthcare capacity

Ensuring public healthcare capacity meets national standards

Impact
- MoUs signed with authorities of 5 districts in Jharkhand (Gumla, Simdega, West Singhbhum, East Singhbhum and Seraikela Kharsawan) for upgradation of district hospitals

SDG linkage

Empowering rural women

With a platform that provides access to economic resources

Impact

- ₹36,000 additional income enabled annually for 1,182 women, through 104 microenterprises
- 300 handicraft artisans from cooperatives linked across 5 markets with an annual turnover of 30 lakh. 25% average increase in annual income of these artisans

SDG linkage

Promoting water conservation

Developing community managed water ecosystems

Impact

- 50 mn cubic feet ground water recharge potential created
- 478 water harvesting structures created
- 495 community institutions formed to manage these water resources
- 420 hectares of land treated through soil and water conservation measures
- 1,58,068 lives from proximate households gained access to drinking water

SDG linkage

Promoting health through nutrition

Prioritising nutrition of women and children at the household level

Impact

- 14,685 kitchen gardens developed to fight nutritional deficiency, reaching 61,625 lives
- 6,850 pregnant women, mothers and adolescent girls reached through nutritional awareness sessions
- 662 malnourished children identified and followed up jointly with Anganwadi workers

SDG linkage

Improving public health

Ensuring that the burden of vector borne, and non-communicable diseases ceases to be a public health problem

Impact

- 666 youth trained on Vector Borne Disease (VBD) control
- 2,148 households covered with indoor residual spray for prevention of VBDs
- 7,452 women trained on self-breast examination
- 13% of the eligible population in panchayats, screened for Non–Communicable Diseases

SDG linkage

Supporting Persons with Disability (PwD)

By fostering self-reliance and a life of dignity for all PwDs

Impact

- 9,081 PwDs reached through SABAL
- 95% block saturation for disability certification attained in Noamundi and 35% in Jagannathpur

SDG linkage

Eliminating worst forms of child labour

in Jamshedpur through Masti Ki Paathshala

Impact

- 1,631 slum children reached and 381 children mainstreamed to different schools
- 65 slums in Jamshedpur covered through this initiative
- 46 residential and non-residential facilities functioning under Masti Ki Pathshala, with Tata ClassEdge systems.

SDG linkage

Promoting education through scholarships and special coaching

Facilitating education of rural children

Impact
- Jyoti Fellowship - 5,608 SC/ST students (65% females)
- Tata Steel Scholars - 128 children
- Akanksha Programme (PVTG community) - 336 children (55% females)
- Green School Project (environment awareness) - 16,757 children from 45 schools

SDG linkage

Building women leadership

To have an effective voice in community decision making

Impact
- 1,700+ women enrolled as a part of the DISHA project which is an effort to develop 6,000 women leaders
- 1,122 women participated in Gram Sabha

SDG linkage

Promoting sports

Identifying and developing sporting talent in rural youth

Impact
- 3,502 children/youth trained in sporting activities
- 1,506 trainees participated in different regional, state and national sporting events

SDG linkage

Creating rural infrastructure

For improved living standards

Impact
- 887 necessary public infrastructures created/renovated for community usage, reaching 1,90,497 lives
- Over 26,700 public infrastructures created/ renovated for community usage, reaching more than 2 lakh lives

SDG linkage

Embedding a societal perspective in key business processes and products

Employee volunteering

To address social issues in the communities we operate in

Impact
- 18,494 volunteering hours clocked
- 287 social issues addressed

SDG Linkage

Social immersion

By engendering a cadre of business leaders who embody a societal perspective in their business decisions

Impact
- Building transformational future leadership by sensitizing future leaders towards vulnerability of proximate society and developing emotional intelligence in them, through rural immersion.

SDG linkage

Not applicable

At Tata Steel, we prioritise operating with integrity, transparency, and adherence to all applicable laws and regulations. By upholding the highest standards, we ensure trust, sustainability, and success in our operations.

Setting benchmarks

Compliance

Steel, in general, is a highly regulated industry in India with a good weight of laws, measures and protocols that govern its operations. Tata Steel by virtue of its sheer scale and diverse operations, is subjected to multifarious regulations which requires a rigorous understanding of complex legal and regulatory landscapes. Within this highly regulated sphere, compliance emerges as the quintessential watchtower, fostering a culture of accountability, safeguarding the Company's integrity and fortifying stakeholder trust. Compliance at Tata Steel is rooted in the Company's code of conduct which unequivocally mandates adherence to the law of the land.

The Compliance function assumes a critical importance within the organisation. By closely monitoring legislative changes, and best practices, the function helps the organisation anticipate and adapt to evolving compliance requirements. It assists us to mitigate the risk of potential litigations, hefty penalties, and punitive action by identifying the potential gaps in compliance, assessing their implications on organisational performance and reputation, and recommending corrective measures. We maintain transparency and communication with stakeholders informing them of our unwavering commitment to operate within the confines of the law.

The Compliance Framework adopted by the Compliance Function is a nuanced and all-encompassing approach to compliance and is the bedrock of our control mechanism. The framework overcomes the limitations of siloed compliance efforts, fostering a unified and synergistic approach and acts as a catalyst for continuous improvement.

Within the context of aligning and integrating compliance goals with our strategic objectives of profitability, capacity growth towards 40 MnTPA in India, achievement of benchmarks in sustainability and leadership in digitisation and productivity, the focus for the Compliance function will be:

1 Seamless implementation of the compliance framework across the Group fostering unified compliance practices

2 Develop robust mechanism for monitoring adherence to third-party compliance obligations ensuring regulatory adherence in external business relationships

3 Strengthen stakeholder engagement initiatives to nurture a sense of shared commitment

4 Enhancements to the Compliance Management System to improve oversight, streamline processes and manage compliance obligations in a comprehensive manner

5 Robust audit and risk management procedures to proactively identify potential areas of vulnerability

6 Realise assurance objectives through ISO certification


The Compliance Function has won its first "Compliance and Risk Management Legal Team of the Year" award at the 12th Annual Legal Era - Indian Legal Awards 2023.

The function is led by the Company Secretary and Chief Legal Officer (Corporate & Compliance), who is primarily responsible for overseeing and managing regulatory compliances. The function is adequately staffed with compliance managers tasked with establishing business and industry-specific standards across all organisational entities. The Tata Steel Internal Audit function conducts audits on various matters, including compliance requirements. Such audit findings are presented to the Audit Committee and the Board of Directors.

Ethics

Tata Steel remains firmly on the path of an agile growth trajectory with ethical business practices, which are anchored in our Core Values, the Tata Code of Conduct and its Core Principles. There has been consistent effort on structurally nurturing a future-ready culture via implementation of uniform governance framework across the geographies, strengthening of relationship with customers and supply chain partners, promotion of diversity & inclusion and effective implementation with technology and digitalisation. All of these contribute towards effective deployment of MBE (Management of Business Ethics) enabling organisational success.

The four pillars of MBE are:

1 Leadership

The Corporate Governance structure includes Board level committees and management level committees, which oversee the deployment of vigil mechanism in the organisation.

The Senior Leadership Team takes the lead in communicating the values and principles through various forums, addressing different stakeholders across divisions, and thereby ensuring open and transparent culture. The key themes covered in such messaging and communication are ethics, innovation, technology, agility, inclusivity, diversity and sustainability.

The Ethics Coordinators and Champions are recognised for the initiatives taken by them to enforce ethical culture in their respective areas by CEO & MD in the Annual meet. Employees are recognised as "Reputation champions" based on the exemplary behaviour being demonstrated at workplace.

2 Compliance Structure

A robust vigil mechanism has been ensured through various systems and processes for deployment of the Tata Code of Conduct and related policies in the organisation. The Whistle-Blower Policy for Directors and Employees & the Whistle-Blower Policy for Business Associates as well as the Policy on Prevention of Sexual Harassment are periodically reviewed and revised in accordance with regulatory requirements and changing workplace needs.

Tata Steel also has a third-party whistle-blowing helpline facility called 'Speak Up', which ensures stakeholders' confidence in the whistle-blowing process. Facilities available are 24X7 toll free number, web access, postal services, and email.

3 Communication & Training

The role of Communication is crucial in deploying the MBE framework across the organisation. There are various communication platforms, including round table discussions for employees, business associate meets for vendors, distributors, suppliers, transporters and service providers and mass meetings at shop floor for connecting with the frontline employees and contract workforce.

Training programmes are designed taking target audience into consideration through online, classroom and web-based mediums on topics such as Prevention of Sexual Harassment, Respectful Workplace, Third Party Due Diligence among others.

4 Measurement of Effectiveness

The effectiveness of the deployment of MBE framework is constantly evaluated using feedback of MBE survey and MBE Assessment (an internal process). The MBE perception Survey, a survey to capture feedback from various stakeholders was conducted in FY2022-23.

The organisation will continue to focus on strengthening the ethical culture across all its locations by continuously reinforcing the policies and guidelines through communication and training of all the stakeholders, building greater transparency, incorporation of strong corporate governance practices and leveraging technology.

Climate Change Report aligned with the recommendations of the Task Force on Climate Related Financial Disclosures

Committed to sustainable mining

Steel will continue to be a foundation material globally as the world transitions to a low carbon economy. It has wide scale applications for renewable energy, low-CO_2 transportation, large-scale hydrogen production and distribution, carbon capture, usage & storage, electric vehicles, sustainable buildings and delivering major infrastructure projects which will help nations to achieve their climate goals.

At the same time, it is important to recognise that the steel making industry is a hard to abate sector, as 70% of global production is through the blast furnace route which relies on coal. This traditional technology has had the benefit of cost competitiveness, energy efficiency (as coal is both a reductant and source of energy) and the ability to produce value added and differentiated grades of steel. Around 30% of global steel production uses the Electric Arc Furnace (EAF) and can use scrap as feedstock. This has less carbon intensity than the Blast Furnace route but consumes more electricity and is not yet able to produce the entire range of value-added grades of steel. Moreover, the majority of global scrap is generated in economically mature regions (like USA, Europe), with a history of significant legacy investments in infrastructure.

Steelmakers around the world are faced with the challenge of adopting a pathway towards reduction of the emission intensity of their produced steel. The pathways would have to be contextualised on the appropriateness of resource availability in relevant geographies, a just transition in the ecosystem and supply chain, and a viable technological solution that is financially sustainable. The financial investments required for progressing towards net zero will be very significant and require three critical enablers:

- availability of fiscal support to make the transition viable and affordable
- policy support towards infrastructure development for new energy
- the value chain's demand for low carbon greener steel products.

A number of the potential technology solutions are being evaluated for decarbonisation and are at various stages of development. It is expected that a bouquet of solutions would emerge over the next decade.

As a responsible corporate citizen, Tata Steel has always placed strong emphasis on environment, social and governance aspects while designing its corporate strategy across all its business operations. In the FY 2022-23 (Global Comment), the Company adopted the target to be net zero across its entire global operations by the year 2045. This is also in line with the Tata Group target as part of Project Alingana (embrace sustainability) and is an ambitious endeavour underlining the Company's strong commitment to sustainability. Tata Steel is seeking to put in place bespoke de-carbonisation plans for our steelmaking operations in India and Europe that are anchored around the demand for low carbon steel products in the individual geographies, the regulatory development in the region, availability of viable transition options and fiscal and policy support for the transition. Tata Steel continues to promote circularity and in addition to our electric arc based steel making facilities in Thailand that recycles steel scrap and have very low CO_2 emission intensity, in India too, the Company has taken the initiative to set up its first scrap based greenfield EAF steelmaking facility in Punjab. We will continue to look at expanding the same process route in other locations in India. The Company is currently working on the pathway towards its Net Zero target as it evaluates investment priorities towards stakeholder value creation, climate targets and growth in the long term.

A. Recommendations of the Task Force on Climate Related Financial Disclosures

After the Paris Agreement in 2015, it was recognised that in order for financial markets to price climate change related risks to support informed, efficient capital-allocation decisions, financial markets need accurate and timely disclosures from companies. Accordingly, in December 2015, the Financial Stability Board and the Group of 20 (G20) countries established the Taskforce on Climate Related Financial Disclosures (TCFD) to prepare a comprehensive framework on disclosures on physical and non-physical risks and opportunities associated with climate change. TCFD originally had 22 members comprised of preparers and users of financial disclosures, and members from both financial and non-financial companies across a range of countries and relevant areas of expertise and was chaired by Mr Michael Bloomberg. Tata Steel was one of the founder members of TCFD and is represented by its Executive Director and Chief Financial Officer on the Task Force.

Over a 2-year period, the Task Force engaged extensively with key stakeholders globally, and in 2017, TCFD issued its report detailing 11 voluntary recommendations, known as the TCFD framework. The disclosure recommendations are structured around four thematic areas that represent core elements of how companies operate: Governance, Strategy, Risk Management, and Metrices & Targets, covering the following areas:

Governance:
Board's oversight and role of the management in Climate Risk Management.

Strategy:
Climate-related risks and opportunities, including their impact and scenario analysis.

Risk Management:
Description of processes for identifying and assessing climate-related risks, managing them and their integration in the overall risk management.

Metrices & Targets:
Disclosure of the metrices used by the organisation to assess climate-related risks and opportunities, including Scope 1, Scope 2, and, if appropriate, Scope 3 emissions. The organisation must also disclose its targets and performance against those targets.

Since the release of the TCFD recommendations, support for TCFD has increased rapidly and TCFD now has 4,000+ supporting organisations across the public and private sectors representing over 70 industries in 101 jurisdictions with a combined market capitalisation of US$26 trillion. TCFD has also been supported by the governments of 11 countries. The International Sustainability Standards Board, under the IFRS Foundation, has also incorporated the TCFD Framework in its draft disclosure standards on climate which is scheduled to be launched in mid 2023.

As a founding member of TCFD, Tata Steel played a crucial role in the development of the TCFD standard. We are also one of the first companies in India to have adopted the recommendations of TCFD, pursuant to which we have undertaken extensive physical climate risk assessments and transition climate risk assessments using independent third party experts across all our major steelmaking sites in line with the recommendations, and incorporated them in our Enterprise Risk Management Framework.

The enclosed report is discussed under the four pillars of TCFD, i.e., Governance, Strategy, Risk Management and Metrices & Targets.

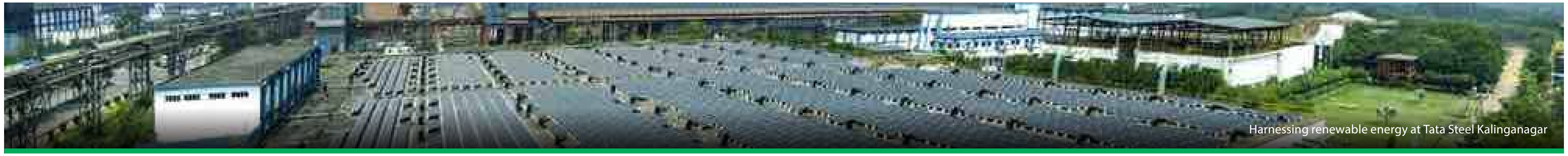
B. Governance

Tata Steel has adopted "Leadership in Sustainability" as one of its four long-term, strategic objectives. The management undertakes climate risk assessment and identification of potential mitigation actions through a cascaded process across the Company which are then reviewed by its Board of Directors. The Board has constituted specific committees (including executive directors representing the business) which take a comprehensive approach to assessing climate risks and impacts, and recommend appropriate strategies to deal with them:

- Corporate Social Responsibility and Sustainability Committee
- Safety, Health and Environment Committee
- Risk Management Committee

Within the oversight of the Board, Tata Steel's CEO & MD chairs the Apex Environment Committee, which develops the strategic objectives, reviews and monitors actions & performance, risks and mitigation plans and new initiatives. The operating teams then develop the strategy, evaluate options, engage with relevant internal & external stakeholders, pursue responsible advocacy to shape up policy in a proactive manner and implement projects. This has been further prioritised through the creation of a Centre of Excellence (CoE) for CO_2 reduction and mitigation which is chaired by a Vice President of the Company and has cross functional members from all parts of the organisation. Under Tata Steel's Agile Way of Working (AWOW) 10 de-carbonisation projects across steel making sites in India are reviewed quarterly by the CEO & MD and the senior leadership team.

Tata Steel's subsidiary companies have aligned themselves with Tata Steel's climate risk strategy. While the Boards of the respective companies set


Harnessing renewable energy at Tata Steel Kalinganagar

their respective sustainability goals, this is done within a common framework aligned to achieve Tata Steel's Net Zero ambition of 2045. The businesses in Europe have set themselves more accelerated decarbonisation targets given the climate regulatory framework in the European Union and the UK and societal priorities. The CEO&MD and ED&CFO of Tata Steel are also on the Boards of key subsidiary companies and facilitate the alignment of the ESG governance process across businesses and regions.

C. Strategy

Within the overall strategic framework of transition to low carbon business configuration, Tata Steel's decarbonisation pathway is nuanced in each geography based on local regulatory context, policy support, availability of competitively priced green energy and the associated delivery infrastructure and customers' willingness to pay for green steel.

India

Tata Steel currently has an installed capacity of 21.6 MnTPA of steelmaking in India across its production sites. These include three major sites Jamshedpur (11 MnTPA), Kalinganagar (3 MnTPA) and Meramandali (5.6 MnTPA), all of which consume iron ore and coking coal in blast furnaces to produce steel. In FY2022-23, Tata Steel completed the acquisition of Neelachal Ispat Nigam Limited (NINL), which neighbours Tata Steel's Kalinganagar site, has now ramped up production at NINL to 1 MnTPA, and is also reliant on blast furnace technology. Finally, through Tata Steel Long Products, Tata Steel operates 1 MnTPA of EAF technology to produce speciality long products at its Gamharia site in Jamshedpur and this too is fed by hot metal.

India is currently the second-largest steel-producing country in the world. The National Steel Policy of India envisages 300 MnTPA steel production in India by 2030, and local demand is expected to continue to increase 4-5 times of current levels by the middle of this century. Accordingly, Tata Steel has a stated ambition to double its steelmaking capacity in India to 40 MnTPA.

This growth trajectory poses its own decarbonisation challenges for the largely blast furnace based Indian steel industry. Currently, the constraint is the availability of competitively priced low carbon fuel (Green Hydrogen and Natural Gas) and the associated delivery infrastructure, to enable viability of such technologies at scale. The relatively low level of embedded steel within the country's steel intensive assets like infrastructure, automotive and consumer goods indicates a low rate of scrap recovery from the supply chain in the medium term as the end-of-life steel recovery will take some time to mature. On the other hand, local iron ore reserves present a more natural and viable input for steel making. Carbon capture and storage technologies are nascent while technology solutions for substitution of carbon in blast furnaces are at a pilot or concept stage. Finally, there is no regulated market or defined allocation of carbon credits to industry in India yet, which will have to be the first step towards creating an economic framework and the foundation for the investment thesis for de-carbonisation.

Tata Steel's transition strategy will seek to progressively reduce reliance on fossil fuels in India:

Short-term (upto 2025)

1. Entry into the steel recycling business to accelerate the transition to a completely circular economic model for steel in India.
2. Utilisation of higher amounts of scrap in its existing ore-based steelmaking process assets.
3. Relentless optimisation of the energy intensity and carbon intensity of existing assets through the adoption of best available technologies.
4. Improving quality of raw material (iron ore and coking coal).
5. Increasing share of renewable energy in the power mix.

Medium-term (2026 – 2030)

1. Capacity addition in India using the scrap-based Electric Arc Furnace (EAF) route.
2. Shifting from metallurgical coal to fuels with lower CO_2 emissions intensities such as natural gas/ coal bed methane.
3. Upscaling pilots of Carbon Capture Utilisation & Storage (CCUS) and Hydrogen-based steelmaking.
4. Piloting new technologies in partnership with academia on pilot projects which are currently at low Technology Readiness Levels (TRL).

Long-term (2031 – 2045)

1. Scale up of HIsarna direct smelting technology.
2. Adoption of a Direct Reduced Iron (DRI) route of ore-based production capable of operating with present day and future reductants. e.g., natural gas/coal bed methane or syngas from coal gasification or hydrogen.
3. Sustainable production, storage, and use of Green Hydrogen across the steel value chain.
4. CCUS dovetailing with existing processes.
5. Research on advanced materials.
6. Collaboration with technology companies & academia.

Tata Steel is entering into an agreement with Tata Power Renewable Energy Limited to set up solar & wind hybrid power to replace ~379 MW of Tata Steel's fossil fuel based power consumption, thereby enabling reduction of over 2 million tonnes of CO_2 emissions per annum.

As part of Tata Steel's long-term strategy, while ore-based steelmaking will remain the predominant means of production within Tata Steel's Indian operations, the Company has also taken a leadership position in setting up a scrap recycling business. The Company plans to set up modular EAF capacities to produce long-products facilities utilising scrap, as the scrap supply chain matures. The Company has already signed a Memorandum of Understanding with the Government of Punjab to set up a 0.75MnTPA EAF steel plant at Ludhiana, Punjab at an investment of ₹2,600 crore.

The two low-CO_2 candidate technologies for ore-based steel production that is likely to become scalable in the mid-term are: (i) retrofitting existing blast furnace-based facilities with CCUS and, (ii) DRI with green hydrogen, supplemented with the installation of EAF-type melting facilities for DRI. Tata Steel has identified both technologies as R&D leadership focus areas and is actively engaging with technology providers, academia and other companies on their development and scale-up.

The Company has successfully commissioned a pilot 5 tonne per day Carbon Capture & Utilisation (CCU) plant in Jamshedpur to capture CO_2 from un-combusted blast furnace gas. The captured CO_2 is being utilized for water treatment. Tata Steel has also undertaken a trial injection of hydrogen gas in 'E' Blast Furnace at its Jamshedpur Works in April 2023 using 40% of the injection systems, the first time in the world that such a large quantity of hydrogen has been continuously injected in a blast furnace over a period of 4-5 days. This will provide valuable insights into the potential of reduction of fossil fuel consumption and CO_2 emissions upon use of greener fuels in the blast furnace. Tata Steel is also evaluating the feasibility of investments in DRI production using either natural gas/ coal bed methane or syngas from coal gasification as a transitional technology until availability of green hydrogen.

Europe

Europe has taken the lead in the world both in terms of setting up a regulated carbon market to establish effective carbon emission pricing and also progressively reducing free emissions for industry to create incentives for de-carbonisation. The European Union has also announced implementation of legislation to price embedded carbon emissions in imported products at its borders, in order to prevent off-shoring of emissions. Several governments have adopted accelerated carbon emission reduction timelines, including financial incentives and penalties for industry linked to achieving them. All European steel makers are developing decarbonisation plans. The selection of technology and production routes will depend on enabling infrastructure, availability and pricing of green energy, fiscal support from governments and the willingness of markets and customers to absorb higher costs. Tata Steel is undertaking detailed engagement with local authorities and governments as we develop our transition pathways towards decarbonisation.

The Netherlands

The IJmuiden steelworks of Tata Steel Nederland BV (TSN) operates 2 blast furnaces with a steelmaking capacity of 7 MnTPA. They already rank 3rd in the global CO_2 intensity benchmark 2022 study for Blast Furnace based steel producers, published by the World Steel Association. TSN, as part of its long-term sustainability strategy, has made a public commitment to reduce its CO_2 emissions by 5 Megatons by 2030 and to be fully climate-neutral by 2045 via an accelerated transition process. TSN has been deeply engaged with the Dutch Government on the transition to low CO_2 steel making. TSN is committed to transition out of blast furnace operations (closing both blast furnaces and coke ovens) to steel making using DRI technology and electric smelting or any other viable and scalable technology, with an eventual transition to Green Hydrogen depending on availability and economics. It is also proposed that the electric smelting technologies will run eventually on green energy. TSN is currently engaged with multiple technology and engineering partners to complete detailed evaluation and engineering, implementation planning and costing of the project. As the technology selection, the project economics and discussions with the Government of Netherlands is finalised, the Final Investment Decision proposal along with the financing framework will be developed in a time bound manner.

Tata Steel Nederland is also undertaking a comprehensive project to reduce dust and other fugitive emissions from its plant to make it future ready. It has committed to spend €300m in Roadmap+ investment programmes, including an ongoing De-NOx investment in the pellet plant (largest environment installation in a pellet plant in the world), covering bunkers and transport systems and installing dust screens, and upgraded coal filters. These projects are currently under implementation and part of the planned capital expenditure in the Company.

In Europe, we have also already launched low carbon steel products. Zeremis® Carbon Lite, is a steel with an allocated carbon footprint reduction of up to 100%. Several customers including Wuppermann, BILSTEIN, EMW Stahl Service, Arania, Permastore and Hardt Hyperloop have reached agreements to source this steel. In fact, underlining the demand for green steel in Europe, Tata Steel Nederland has already signed a Memorandum of Understanding with Ford to supply the carmaker with Zeremis® green steel once the IJmuiden steelworks switches to green hydrogen-based steelmaking.

United Kingdom

Tata Steel UK has concentrated its steel making in a single site in Port Talbot which also operates 2 blast furnaces with a capacity of 5 MnTPA. While Tata Steel UK is in the midst of evaluating strategic options for its long-term future, it also continues to pursue technologies to reduce the carbon footprint of its existing facilities. Tata Steel's programme of improvements at its blast furnaces in Port Talbot will reduce the site's carbon footprint by about 1,60,000 tonnes of CO_2 a year. At its site at Corby, it has announced a £5 million investment in State-of-the Art electric induction furnaces which will reduce emissions from one of its tube mills by at least 2,000 tonnes of CO_2 a year. It also launched the Shotton Sustainability Commitment in 2022 to reduce the site's carbon footprint, develop and produce products & services that support sustainable construction, to protect and expand the biodiversity that co-exists on the site, and maximise material efficiency & achieve zero waste.

D. Risk Management

Tata Steel uses its Enterprise Risk Management process for managing climate change risks across the Company in an integrated and uniform manner. The process identifies and assesses business risks using a two-pronged approach, i.e., bottom-up and top-down, to ensure comprehensive risk identification and to minimise blind spots. Appropriate early warning


Shotton Works, Tata Steel UK

indicators and mitigation strategies are identified for review by the Risk Management Committee of the Board.

Tata Steel has also undertaken a detailed and systematic assessment of Physical and Transition risks in a Climate Risk assessment focusing on its key steel making sites in India, the Netherlands and the UK. The assessment was conducted by an independent third-party advisor and was fully aligned with the recommendations of the Taskforce on Climate Related Financial Disclosures. The physical assessment was undertaken in line with internationally accepted and open-source data repositories for baseline natural hazard data and Climate Change Scenarios. For the assessment of transition risks in Europe, Tata Steel undertook scenario analysis as per the Net Zero Emissions by 2050 Scenario (NZE) and the Stated Policies Scenario (STEPS) whereas in India, Tata Steel used a bespoke scenario that outlines what we believe to be a technologically, industrially & economically possible route forward to holding the increase in global average temperature to below 1.5°C. It forms Tata Steel's base scenario for analysis and its strategic considerations are based on this scenario.

Summary of Climate Related Risks for Tata Steel:

	Description	Impact	Entity	Mitigation
PHYSICAL RISK	Operational disruption in steel making facilities due to extreme climate (physical) events leading to loss in profitability	Operating cost, lost revenue & capex	TSL TSN TSUK	1. Natural Hazard and Climate Change Hotspot analysis for key operating locations covering major upstream mining sites, steelmaking facilities and ports that are part of the major supply chain networks. 2. Augment structural designs to avoid damage and disruptions due to high wind speed, where applicable. 3. Maximize water recycling within the plants, utilisation of treated municipal wastewater, rainwater harvesting and increasing storm water recovery to minimize dependency on freshwater demand in operations.
TRANSITION RISK	Development in climate change regulations and disclosure standards, reducing access to capital and increase in the cost of funding	Profitability	TSG	1. Tap the pool of sustainability linked financing for growth and decarbonisation investment. 2. Prepare and communicate the decarbonisation action plan to external stakeholders for achieving carbon emission reduction targets.
	Inability to address stakeholders' expectations (Regulatory, Community & Society, Customers etc.) regarding environmental impact may affect operations, lead to closure of select assets, cause reputational damage and lead to withdrawal of social license to operate	Business Operation asset closure	TSL	1. Implementation of key projects such as achieving zero effluent discharge, installation of pollution control equipment etc. 2. Strengthen online monitoring for real time detection of abnormalities.
			TSN	1. Roadmap 2030 and Roadmap+ Programmes, including the dust reduction programme and construction of the Pellet Plant De-Nox facility. 2. Asset integrity monitoring programme and failure reduction programme. 3. Assure compliance to Best Available Technology regarding stack dust measurements. 4. Set up and implement a transparent and regular engagement with the community to provide them with information, communicate action plans, understand their concerns and take appropriate action, and provide updates on the actions underway.
			TSUK	1. Asset integrity monitoring programme and failure reduction program. 2. Set up and implement a transparent and regular engagement with the community to provide them with information, communicate action plans, understand their concerns and take appropriate action, and provide updates on the actions underway.
	Increased carbon cost on account of compliance with global carbon regulations: (a) Impact on operational costs from direct carbon pricing (b) Impacts from carbon border taxes (c) Use of more expensive but green fuel to produce low carbon steel	Operating cost	TSL	1. Development of short, medium & long term decarbonisation plan in line with the anticipated market and policy landscape. 2. Aligning long term capital expenditure plan with the carbon emission target of the company. 3. Pursue deep de-carbonisation through a combination of (a) Carbon Capture, Storage & Usage and, (b) Carbon direct avoidance.
			TSN	1. Close monitoring of required production volumes and taking further actions where appropriate in order to achieve threshold volumes. 2. Decarbonisation of steel making operations in line with EU's short term and long-term targets, by transitioning to green hydrogen-based steel making
			TSUK	1. Pursue asset reconfiguration to achieve long term financially sustainable and low carbon future.

TSL: Tata Steel Limited \| TSN: Tata Steel Nederland BV \| TSUK: Tata Steel UK Limited\| TSG: Tata Steel Group

Driving towards a greener tomorrow

Opportunities for the business related to Climate Change:

New Products and Increased Revenue:

There will be an enhanced demand for high strength steels (which can be used for lightweight and carbon efficient end-user products such as cars). It is also expected that during the global transition process, early movers will be able to earn premia from sales of green steel products. Tata Steel is focussed on increasing the share of advanced high strength and green steel in its product portfolio.

Green Infrastructure:

The generation and use of green electricity depend in part on the ferromagnetic properties of steel and its alloys. Steel is a key input material for wind turbines, transmission and distribution infrastructure, hydropower, nuclear power plants etc., energy storage (steel for battery manufacturing), and transportation of green fuel (e.g., steel for pipelines for delivery of green hydrogen). Tata Steel is looking to grow and align its portfolio to be able to support the demand from the green industrial revolution.

Cost Reduction and Optimisation Opportunities:

Tata Steel is actively increasing its renewable energy capacity installations and sourcing to replace thermal power generated from fossil fuels. De-carbonisation will enable the company to achieve savings in compliance costs associated with emissions trading schemes, especially in Europe. The Company should be also able to bring about reductions in cost and availability of financing after implementation of a sustainable finance framework.

E. Metrics and targets

Tata Steel's carbon footprint is one of the best in class in the geographies in which it operates. The long-term decarbonisation roadmap is not just based on compliance with national targets in local geographies but the Company's own commitment to Net Zero by 2045.

Reporting methodology

Tata Steel has been calculating and reporting emission intensity based on the guidelines provided by the World Steel Association (WSA). These were originally derived from the GHG Protocol methodology (below) and are designed specifically for and been widely adopted by the steel sector. The guidelines provide for site wise emission reporting by steel companies based on common definitions and agreed boundaries. The data collection programme enables individual steel plants to compare themselves against both average and best performance in the sector and identify the scope for improvement.

However, over time, the emission reporting landscape has evolved, and investors and global reporting standards have been coalescing behind emission reporting based on the original Greenhouse Gas Protocol (GHG Protocol) methodology. The GHG Protocol is sector agnostic and enables investors in their capital allocation decision making across sectors. It has been prepared by World Resources Institute and World Business Council for Sustainable Development and is the world's most widely used greenhouse gas accounting standards for companies. The use of GHG Protocol has also been recommended for use by the draft standards issued by the International Sustainability Standards Boards (ISSB) under the IFRS Foundation, the Science Based Target initiative (SBTi) and CDP (formerly Carbon Disclosure Protocol). It is further expected that the ISSB standards (once issued), which require reporting as per the GHG Protocol, would be adopted by market regulators across the world for greenhouse gas emission reporting.

Certain aspects of the WSA guidelines deviated from the wider GHG Protocol in order to enhance comparability across steel making operations in different sites:

a. The WSA methodology places a boundary of 'steel making sites' on emission reporting. Therefore, for steel companies with integrated operations, Scope 1 emissions from non-steel making operations (e.g., mining sites or downstream facilities) are not included in the reported emission. GHG Protocol requires reporting of all emissions from all sites of the disclosing entity.
b. The WSA methodology considers electricity emission factors based on a global average and does not include actual emission factor based on the source of power being supplied to the steel making site. The GHG Protocol, through the use of market-based emission factors for electricity, includes emissions based on the source of power generation assets supplying to the steel making sites.
c. The WSA methodology provides for credits against embedded emissions in an entity's primary products, based on its sale of by-products (e.g., sale of steel slag and process gases). These credits are not available under the GHG Protocol.
d. The GHG Protocol provides for reporting of Scope 3 emissions against a longer list of 15 different categories.
e. The WSA methodology takes into account only CO_2 emissions. The GHG Protocol takes into account all Kyoto Protocol Greenhouse Gas (CH_4, N_2O, HFC, PFC, SF_6 & NF_3).

Recognising the likely changes in reporting methodologies in future, Tata Steel has started reporting its emission as per the GHG Protocol from FY2021-22 onwards. To ensure comparability against peer sites, Tata Steel will also continue to report its emission intensity as per the WSA methodology. As a responsible steel company, Tata Steel is also deeply engaged with SBTi on their ongoing review of target setting methodologies for the steel industry as we await the publication of the final methodology, expected in Q2 of FY2023-24. Tata Steel would take a relook at its medium-term targets once the standards and recommendations of SBTi and the ISSB standards are published later in the year.

Tata Steel's adopted metrics and targets

Tata Steel has adopted a common and consistent set of emission metrices and targets across its global operations.

KPI
- Total emission, Scope 1, 2 and 3, as per the Greenhouse Gas Protocol
- Emission intensity per tonne of crude steel, as per Worldsteel Association methodology

Target
Net Zero by 2045

F. Disclosure

Tata Steel is playing a profoundly positive role in climate action and is one of only six companies recognised by worldsteel (the World Steel Association) as 'Sustainability Champions.' It was a founder participant in worldsteel's Climate Action programme and has been recognised as an accredited Climate Action member ever since. It has developed sector-leading expertise in life cycle assessment (LCA) – a tool that enables it to understand the CO_2 impacts of products in holistic terms, taking account of emissions from raw material extraction, through production and use of finished products such as buildings all the way to the end of life. It is the first steel company globally to become an operator of its own Environmental Product Declaration (EPD) programme, through which it produces EPDs that are shared with customers to enable them to understand the carbon and other environmental impacts associated with Tata Steel products. Tata Steel has been recognised by its peers for its excellence in LCA, receiving prestigious awards from worldsteel in three out of the last five years, most recently in 2022.

Tata Steel has a long, unbroken record of annual disclosure to CDP. Its most recent disclosure in 2022 secured a rating of A-, placing it very close to the top within steel sector listings.

Tata Steel's performance on its key performance indicators has been disclosed in the ESG Factsheet including in the Company's Integrated Report for FY2022-23.


Employing environment-friendly industrial practices at Tata Steel Kalinganagar

Environmental Social Governance (ESG) Factsheet FY2022-23

Tata Steel Limited (Standalone), Tata Steel Long Products Limited, Tata Steel Nederland BV, Tata Steel UK Limited and Tata Steel (Thailand) PCL account for ~ 90% of our global group turnover. This Factsheet represents our ESG performance for these entities.

	UOM	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Basic information						
Crude Steel Production						
Tata Steel Limited (Standalone)	Million tonnes	13.23	13.16	12.19	18.38	18.97
Tata Steel Long Products Limited	Million tonnes	-	0.59	0.65	0.68	0.71
Neelachal Ispat Nigam Ltd (NINL)	Million tonnes	-	-	-	-	0.20
Tata Steel UK Limited	Million tonnes	3.13	3.38	3.27	3.40	2.93
Tata Steel Nederland BV	Million tonnes	6.90	6.62	6.07	6.45	6.16
Tata Steel (Thailand) PCL	Million tonnes	1.03	0.99	1.09	1.31	1.13
Environmental						
CO_2 emissions– steel plants (worldsteel user guide V9.5, with slag credit)						
Tata Steel Limited (Standalone)[@]						
Scope 1	Million tonnes	31.7	31.1	29.4	46.2	46.3
Scope 2	Million tonnes	1.2	1.1	1.0	1.7	1.7
Scope 3	Million tonnes	-1.8	-1.8	-2.0	-3.2	-3.0[#]
Scope 1 +2 + 3	Million tonnes	31.0	30.4	28.3	44.7	45.0
CO_2 emissions intensity	tCO_2/tcs	2.35	2.31	2.32	2.43	2.38[#]
Tata Steel Long Products Limited (including NINL)[@]						
Scope 1	Million tonnes	-	3.0	3.1	3.2	4.1
Scope 2	Million tonnes	-	0.0	0.0	0.0	0.1
Scope 3 (Gamharia)	Million tonnes	-	-	-	-	-0.3[#]
Scope 3 (Gamharia & NINL)	Million tonnes	-	-0.3	-0.4	-0.3	-0.6
Scope 1 +2 + 3 (Gamharia & NINL)	Million tonnes	-	2.7	2.8	3.0	3.6
CO_2 emissions intensity (Gamharia)	tCO_2/tcs	-	-	-	-	4.01[#]
CO_2 emissions intensity (Gamharia & NINL)	tCO_2/tcs	-	4.52	4.29	4.39	3.86
Tata Steel UK Limited[@]						
Scope 1	Million tonnes	6.4	7.1	6.5	6.9	5.7
Scope 2	Million tonnes	0.4	0.4	0.3	0.4	0.2
Scope 3	Million tonnes	0.5	0.5	0.5	0.4	0.1[#]
Scope 1 +2 + 3	Million tonnes	7.4	8.0	7.3	7.7	6.0
CO_2 emissions intensity	tCO_2/tcs	2.21	2.22	2.14	2.16	2.05[#]
Tata Steel Nederland BV[@]						
Scope 1	Million tonnes	12.5	11.8	10.9	11.6	10.9
Scope 2	Million tonnes	-0.2	-0.1	-0.1	-0.1	-0.3
Scope 3	Million tonnes	0.1	0.2	0.2	0.3	0.3[#]
Scope 1 +2 + 3	Million tonnes	12.4	11.9	11.0	11.7	10.9
CO_2 emissions intensity	tCO_2/tcs	1.77	1.76	1.78	1.78	1.78[#]
Tata Steel (Thailand) PCL[@]						
Scope 1	Million tonnes	0.2	0.2	0.2	0.2	0.2
Scope 2	Million tonnes	0.4	0.4	0.4	0.5	0.4
Scope 3	Million tonnes	0.1	0.1	0.1	0.1	0.1
Scope 1 +2 + 3	Million tonnes	0.7	0.7	0.7	0.8	0.7
CO_2 emissions intensity	tCO_2/tcs	0.64	0.67	0.64	0.61	0.59
Tata Steel Consolidated (with slag credit)	tCO_2/tcs	-	-	2.20	2.19	2.21
GHG emissions (based on GHG protocol, in Million tCO_2e)						
Tata Steel Limited (Standalone)						
Absolute emissions - Scope 1 for steel making sites	Million tonnes	-	-	-	-	47.1[#]
Absolute emissions -Scope 1 for all sites	Million tonnes	-	-	32.5	49.2	49.6
Absolute emissions - Scope 2 for steel making sites	Million tonnes	-	-	-	-	4.63[#]
Absolute emissions - Scope 2 for all sites	Million tonnes	-	-	3.9	5.4	5.6
Absolute emissions - Scope 3	Million tonnes	-	-	5.2	5.9	5.7
Total absolute emissions (Scope 1 +2 + 3) for all sites	Million tonnes	-	-	41.5	60.5	61.0
Tata Steel Long Products Limited including NINL						
Absolute emissions - Scope 1 for steel making sites	Million tonnes	-	-	-	-	3.18[#]
Absolute emissions -Scope 1 for all sites	Million tonnes	-	-	3.9	4.1	4.9[(1)]

[#] KPIs assured by Price Waterhouse & Co. Chartered Accountants LLP

	UOM	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Absolute emissions - Scope 2 for steel making sites	Million tonnes	-	-	-	-	0.04[#]
Absolute emissions - Scope 2 for all sites	Million tonnes	-	-	0.0	0.0	0.1
Absolute emissions - Scope 3	Million tonnes	-	-	0.6	0.6	0.9
Total absolute emissions (Scope 1 +2 + 3) for all sites	Million tonnes	-	-	4.5	4.8	6.0
Tata Steel UK Limited						
Absolute emissions - Scope 1 for steel making sites*	Million tonnes	-	-	-	-	5.69[#]
Absolute emissions -Scope 1 for all sites	Million tonnes	-	-	6.6	6.8	6.0
Absolute emissions - Scope 2 for steel making sites	Million tonnes	-	-	-	-	0.07[#]
Absolute emissions - Scope 2 for all sites	Million tonnes	-	-	0.2	0.2	0.1
Absolute emissions - Scope 3	Million tonnes	-	-	1.0	1.9	1.7
Total absolute emissions (Scope 1 +2 + 3) for all sites	Million tonnes	-	-	7.7	9.0	7.9

[(1)] Increased due to restart of newly acquired NINL

[#]KPIs assured by Price Waterhouse & Co. Chartered Accountants LLP

	UOM	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Tata Steel Nederland BV						
Absolute emissions - Scope 1 for steel making sites*	Million tonnes	-	-	-	-	10.93[#]
Absolute emissions -Scope 1 for all sites	Million tonnes	-	-	-	11.7	11.2
Absolute emissions - Scope 2 for steel making sites	Million tonnes	-	-	-	-	0.0[#]
Absolute emissions - Scope 2 for all sites	Million tonnes	-	-	-	0.80	0.60
Absolute emissions - Scope 3	Million tonnes	-	-	-	5.0	3.8
Total absolute emissions (Scope 1 +2 + 3) for all sites	Million tonnes	-	-	-	17.4	15.6
Tata Steel (Thailand) PCL						
Absolute emissions - Scope 1	Million tonnes	-	-	0.2	0.2	0.2
Absolute emissions - Scope 2	Million tonnes	-	-	0.4	0.5	0.5
Absolute emissions - Scope 3	Million tonnes	-	-	0.2	0.2	0.2
Total absolute emissions (Scope 1 +2 + 3)	Million tonnes	-	-	0.8	0.9	0.8
Tata Steel Consolidated (including other entities)						
Absolute emissions - Scope 1	Million tonnes	-	-	66.0	75.7	75.5
Absolute emissions - Scope 2	Million tonnes	-	-	4.8	5.0	5.2
Absolute emissions - Scope 3	Million tonnes	-	-	12.6	13.5	13.1
Total absolute emissions (Scope 1 +2 + 3)	Million tonnes	-	-	83.4	94.2	93.8
Total absolute emissions (Scope 1 +2) per unit revenue	tCO_2e/Million ₹	-	-	45.2	33.1	33.2

- worldsteel methodology allows credits due to export of various co-products / by-products (incl. process gases). TSUK numbers for FY2022-23 aligned with parent company to include slag credit in the CO_2 intensity calculations. No credits are included in GHG Protocol estimation under Scope 1, 2 and 3. Scope 1.1 emissions under worldsteel scope considered direct emissions under Scope 1 for steelmaking sites
- Scope 2 emissions are location based for all entities
- Uncertainty of total emissions < 3%
- Entity-wise data represents absolute gross emissions independent of equity held by Tata Steel. Consolidated emissions of Tata Steel has been arrived at by using equity based approach
- FY2021-22 numbers are updated post verification in July 2022

* Calculated based only on CO_2 emissions factor. Other gases (CH_4 &N_2O) to be included in calculations in the future.

	UOM	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Air emissions						
Tata Steel Limited (Standalone)						
For crude steel making sites[@] (A)						
Stack dust emissions	Thousand tonnes	5.59	5.04	4.10	7.22	6.40[#]
Stack Dust emission intensity	kg/tcs	0.42	0.38	0.34	0.39	0.34[#]
Stack SOx emissions	Thousand tonnes	7.4	8.6	7.8	30.4	27.0[#]
SOx emission intensity	kg/tcs	0.56	0.65	0.64	1.66	1.43[#]
Stack NOx emissions	Thousand tonnes	8.9	8.7	7.5	16.0	15.8[#]
NOx emission intensity	kg/tcs	0.67	0.66	0.62	0.87	0.83[#]

[#] KPIs assured by Price Waterhouse & Co. Chartered Accountants LLP

	UOM	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
For non crude steel making sites (B)						
Stack dust emissions	Thousand tonnes	-	0.95	1.11	0.83	0.66
Stack SOx emissions	Thousand tonnes	-	8.1	5.8	5.5	4.3
Stack NOx emissions	Thousand tonnes	-	4.5	3.6	3.3	2.3
Tata Steel Limited Standalone: Total (A+B)						
Stack dust emissions	Thousand tonnes	5.59	5.99	5.21	8.06	7.06
Stack SOx emissions	Thousand tonnes	7.4	16.7	13.6	35.9	31.4
Stack NOx emissions	Thousand tonnes	8.9	13.2	11.2	19.4	18.1
Tata Steel Long Products Limited						
For crude steel making sites[@] (A)						
Stack dust emissions	Thousand tonnes	-	1.69	1.17	1.03	0.92[#]
Stack Dust emission intensity	kg/tcs	-	2.86	1.81	1.50	1.30[#]
Stack SOx emissions	Thousand tonnes	-	5.1	4.9	6.0	6.4[#]
SOx emission intensity	kg/tcs	-	8.66	7.53	8.79	9.09[#]
Stack NOx emissions	Thousand tonnes	-	1.0	1.1	1.2	1.2[#]
NOx emission intensity	kg/tcs	-	1.64	1.67	1.77	1.72[#]
For non crude steel making sites (B)						
Stack dust emissions	Thousand tonnes	-	-	-	-	0
Stack SOx emissions	Thousand tonnes	-	-	-	-	1
Stack NOx emissions	Thousand tonnes	-	-	-	-	NA
Tata Steel Long Products Limited: Total (A+B)						
Stack dust emissions	Thousand tonnes	-	1.69	1.17	1.03	1.00
Stack SOx emissions	Thousand tonnes	-	5.1	4.9	6.0	7.1
Stack NOx emissions	Thousand tonnes	-	1.0	1.1	1.2	1.2
Tata Steel UK Limited[@](CY[2])[3]						
Stack dust emissions	Thousand tonnes	1.07	1.06	1.38	1.16	0.82[#]
Stack Dust emission intensity	kg/tcs	0.35	0.31	0.00	0.33	0.28[#]
Stack SOx emissions	Thousand tonnes	6.1	6.8	6.4	4.7	4.6[#]
SOx emission intensity	kg/tcs	2.2	2.02	1.96	1.33	1.56[#]
Stack NOx emissions	Thousand tonnes	5.0	4.8	5.1	5.0	4.3[#]
NOx emission intensity	kg/tcs	1.61	1.41	1.57	1.42	1.47[#]

[2]Calendar year reporting (1 January - 31 December)

[3]Historical data revised to exclude fugitive emissions

	UOM	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Tata Steel Nederland BV (CY[2])						
For crude steel making sites[@] (A)						
Stack dust emissions	Thousand tonnes	1.80	1.88	1.80	1.57	1.52[#]
Stack Dust emission intensity	kg/tcs	0.26	0.28	0.3	0.24	0.25[#]
Stack SOx emissions	Thousand tonnes	3.1	3.2	3.0	2.8	3.2[#]
SOx emission intensity	kg/tcs	0.46	0.48	0.5	0.42	0.52[#]
Stack NOx emissions	Thousand tonnes	5.7	6.0	5.1	5.3	5.0[#]
NOx emission intensity	kg/tcs	0.84	0.91	0.85	0.80	0.80[#]

[#] KPIs assured by Price Waterhouse & Co. Chartered Accountants LLP

	UOM	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
For non crude steel making sites (B)						
Stack dust emissions	Thousand tonnes	0.002	0.002	0.002	0.002	0.002
Stack SOx emissions	Thousand tonnes	0.046	0.050	0.055	0.047	0.043
Stack NOx emissions	Thousand tonnes	0.001	0.001	0.001	0.001	0.000
Tata Steel Nederland BV: Total (A+B)						
Stack dust emissions	Thousand tonnes	1.80	1.88	1.80	1.57	1.52
Stack SOx emissions	Thousand tonnes	3.2	3.2	3.1	2.8	3.3
Stack NOx emissions	Thousand tonnes	5.7	6.0	5.1	5.3	5.0
Specific Water Consumption & Discharge Intensity						
Tata Steel Limited (Standalone)[@]						
Fresh water consumption	Million m^3	46.3	40.8	32.9	49.9	49.8
Specific fresh water consumption	m^3/tcs	3.50	3.10	2.70	2.71	2.62[#]
Effluent discharge volume	Million m^3	10.3	9.5	8.3	9.5	8.1[#]
Effluent discharge intensity	m^3/tcs	0.78	0.72	0.68	0.52	0.43[#]
Tata Steel Long Products Limited[@]						
Fresh water consumption	Million m^3	-	-	-	-	4.1
Specific fresh water consumption	m^3/tcs	-	-	-	-	5.81[#]
Effluent discharge volume	Million m^3	-	Zero effluent discharge[#]			
Effluent discharge intensity	m^3/tcs	-				
Tata Steel UK Limited[@] (CY[2])						
Fresh water consumption	Million m^3	18.6	22.0	28.4	30.8	28.8
Specific fresh water consumption	m^3/tcs	6.01	6.51	8.73	8.70	9.84[#]
Effluent discharge volume	Million m^3	33.3	19.5	17.6	21.3	29.4 [#]
Effluent discharge intensity	m^3/tcs	10.79	5.76	5.40	6.02	10.02[#]
Tata Steel Nederland BV[@] (CY[2])						
Fresh water consumption	Million m^3	33.9	32.6	32.3	32.5	32.2
Specific fresh water consumption	m^3/tcs	4.96	4.93	5.20	4.76	5.21[#]
Effluent discharge volume4	Million m^3	182.0	193.7	184.7	213.5	212.0[#]
Effluent discharge intensity	m^3/tcs	26.59	28.96	30.44	32.06	34.29[#]

[4]This is including 157 Million m^3 of seawater used for cooling

	UOM	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Tata Steel (Thailand) PCL						
Fresh water consumption	Million m^3	1.8	1.9	1.7	1.7	1.4
Specific fresh water consumption	m^3/tcs	1.80	1.59	1.28	1.22	1.09
Effluent discharge volume	Million m^3	None	None	None	None	None
Effluent discharge intensity	m^3/tcs	None	None	None	None	None

[2]Calendar year reporting (1 January - 31 December)

	UOM	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Waste						
Tata Steel Limited (Standalone)[@]						
Solid waste generated	Thousand tonnes	-	9,967	9,427	14,283	15,123
Solid waste utilised	Thousand tonnes	-	9,967	9,417	14,057	15,559
Solid waste sent to landfill / incineration	Thousand tonnes	-	-	5	12	15
Solid waste utilisation	%	-	100.0	99.9	98.4	102.9[5#]
Tata Steel Long Products Limited						
Solid waste generated (Gamharia)	Thousand tonnes	-	-	-	-	927
Solid waste generated (Gamharia & Joda)	Thousand tonnes	-	-	947	1,023	1,138
Solid waste utilised (Gamharia)	Thousand tonnes	-	-	-	-	858
Solid waste utilised (Gamharia & Joda)	Thousand tonnes	-	-	1,057	851	1,050
Solid waste utilisation (Gamharia)	%	-	-	-	-	92.6[#]
Solid waste utilisation (Gamharia & Joda)	%	-	-	111.6[5]	83.2	92.2

[#] KPIs assured by Price Waterhouse & Co. Chartered Accountants LLP

	UOM	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Tata Steel UK Limited[@] (CY)[2]						
Solid waste generated	Thousand tonnes	-	231	186	111	314[6]
Solid waste utilised	Thousand tonnes	-	221	113	85	308[6]
Solid waste sent to landfill / incineration	Thousand tonnes	-	4	4	7	6
Solid waste utilisation	%	-	95.9	60.5	76.1	98.0[#]
[5]Some waste from previous year has been utilised.						
[6]Some material from previous years that had been stored on the Port Talbot site that had a previously undetermined destination or use, was utilised for a particular project in early 2022						
Tata Steel Nederland BV[@] (CY[2])						
Solid waste generated	Thousand tonnes	193	218	201	170	211
Solid waste utilised	Thousand tonnes	143	170	159	127	151
Solid waste sent to landfill / incineration	Thousand tonnes	48	42	36	38	52
Solid waste utilisation	%	74.1	78.3	79.1	74.7	71.6[#]
Tata Steel (Thailand) PCL						
Solid waste generated	Thousand tonnes	211	201	222	266	254
Solid waste utilised	Thousand tonnes	210	200	221	265	254
Solid waste sent to landfill / incineration	Thousand tonnes	0.70	0.36	0.46	0.69	0.4
Solid waste utilisation	%	99.7	99.8	99.8	99.7	99.8
Energy Intensity						
Tata Steel Limited (Standalone)[@]						
Energy consumption	GJ	-	-	-	-	44,43,89,343[#]
Energy Intensity	GJ/tcs	24.35	24.17	24.11	23.62	23.43[#]
Tata Steel Long Products Limited[@]						
Energy consumption	GJ	-	-	-	-	2,90,71,452[#]
Energy Intensity	GJ/tcs	-	29.16	29.25	32.47	41.06[7#]
Tata Steel UK Limited						
Energy consumption	GJ	-	-	-	-	6,84,06,447[#]
Energy Intensity	GJ/tcs	24.20	23.76	22.85	23.15	23.34[#]
Tata Steel Nederland BV						
Energy consumption	GJ	-	-	-	-	11,59,18,193[#]
Energy Intensity[7]	GJ/tcs	19.99	19.79	20.22	20.32	18.82[#]
[7]Change in methodology to align with the parent company						
Tata Steel (Thailand) PCL						
Energy consumption	GJ	-	-	-	-	58,41,098
Energy Intensity	GJ/tcs	9.90	10.00	9.86	9.30	5.06
Renewable Energy[@]						
Tata Steel Limited (Jamshedpur, Kalinganagar & Noamundi)	GJ	-	-	-	-	22,482[#]
Tata Steel Long Products Limited (Joda)	GJ	-	-	-	-	489[#]
Tata Steel UK Limited (Shotton)	GJ	-	-	-	-	1,59,849[#]
Tata Steel Nederland BV (Ijmuiden)	GJ	-	-	-	-	294[#]
Tata Steel (Thailand) PCL	GJ	-	-	-	-	5,180
Biodiversity						
Tata Steel Limited (Standalone)						
Total sites covered under Biodiversity Management Plans (BMPs)	Nos.	8	9	11	13	14
Total area covered under Biodiversity Management Plans (BMPs)	Hectares	8,974	9,648	11,622	11,725	11,782
Tata Steel Long Products Limited						
Total sites covered under Biodiversity Management Plans (BMPs)	Nos.	-	-	-	Initiated at 3 sites	3

[#] KPIs assured by Price Waterhouse & Co. Chartered Accountants LLP

	UOM	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Total area covered under Biodiversity Management Plans (BMPs)	Hectares	-	-	-	-	439
Tata Steel UK Limited						
Discrete sites under biodiversity management	Nos.	-	-	-	7	7
Management						
Tata Steel Limited (Standalone)						
Workforce (permanent+contract) working in EMS (ISO 14001) certified steel production facilities	%	-	100	100	100	100
Tata Steel Long Products Limited						
Workforce (permanent+contract) working in EMS (ISO 14001) certified steel production facilities	%	-	100	100	100	100
Tata Steel UK Limited						
Workforce (permanent+contract) working in EMS (ISO 14001) certified steel production facilities	%	100	100	100	100	100
Tata Steel Nederland BV						
Workforce (permanent+contract) working in EMS (ISO 14001) certified steel production facilities	%	100	100	100	100	100
Tata Steel (Thailand) PCL						
Workforce (permanent+contract) working in EMS (ISO 14001) certified steel production facilities	%	100	100	100	100	100
Scrap recycling						
Tata Steel Limited (Standalone)						
Steel scrap recycled (internal & external)[8]	Thousand tonnes	-	-	1,181	1,330	1,538
Steel scrap recycled (internal & external)	%	-	-	4.90	7.24	8.11
[8]Previous period's data revised on account of change in reporting methodology						
Tata Steel Long Products Limited						
Steel scrap recycled (internal & external)	Thousand tonnes	-	22	20	30	39
Steel scrap recycled (internal & external)	%	-	3.70	3.15	4.34	5.53
Tata Steel UK Limited						
Steel scrap recycled (internal & external)	Thousand tonnes	531	497	554	596	472
Steel scrap recycled (internal & external)	%	17	15	17	18	16
Tata Steel Nederland BV						
Steel scrap recycled (internal & external)	Thousand tonnes	1,140	1,150	1,019	1,137	1,082
Steel scrap recycled (internal & external)	%	17	17	17	18	18
Tata Steel (Thailand) PCL						
Steel scrap recycled (internal & external)	Thousand tonnes	1,138	1,087	1,203	1,449	1,257
Steel scrap recycled (internal & external)	%	99	99	100	99	99
Spend on Climate Change and Environment						
Tata Steel Limited (Standalone)						
Spend on Social, Climate Change and Environment (Capex)	₹ crore	286	283	33	554	1,437
Tata Steel Long Products Limited						
Spend on Social, Climate Change and Environment (Capex)	₹ crore	-	-	8	9	29
Tata Steel UK Limited						
Spend on Social, Climate Change and Environment (Capex)	Million GBP	-	-	-	-	53
Tata Steel Nederland BV						
Spend on Social, Climate Change and Environment (Capex)	Million GBP	17	48	51	22	117
Tata Steel (Thailand) PCL						
Spend on Social, Climate Change and Environment (Capex)	Million Thai Baht	-	-	-	-	4

[#] KPIs assured by Price Waterhouse & Co. Chartered Accountants LLP

	UOM	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Social						
Safety						
Tata Steel Limited (Standalone)						
Fatalities	Nos.	2	3	3	3	4
Lost-time Injury (LTI) - employee[**]	Nos.	38	58	48	58	51
Lost-time Injury (LTI) – contractor[**]	Nos.	30	69	47	107	87
Lost-time Injury (LTI) – Total[**]	Nos.	68	127	95	165	138[#]
Lost-time Injury Frequency Rate (LTIFR) - employee	Injuries per million hours worked	0.47	0.78	0.63	0.67	0.60
Lost-time Injury Frequency Rate (LTIFR) – contractor	Injuries per million hours worked	0.19	0.40	0.49	0.55	0.36
Lost-time Injury Frequency Rate (LTIFR) – Total	Injuries per million hours worked	0.29	0.52	0.55	0.59	0.43[#]
Sites with Safety Management System (ISO 45001/OHSAS 18001)	%	-	-	100	100	100
Organisational Health Index	Score out of 16	12.62	12.70	12.83	13.05	13.11
Tata Steel Long Products Limited						
Fatalities	Nos.	-	0	1	0	0
Lost-time Injury (LTI) - employee	Nos.	-	-	3	7	5
Lost-time Injury (LTI) – contractor	Nos.	-	-	21	7	17
Lost-time Injury (LTI) – Total	Nos.	-	15	24	14	22[#]
Lost-time Injury Frequency Rate (LTIFR) - employee	Injuries per million hours worked	-	1.07	1.38	0.66	1.04
Lost-timeInjury Frequency Rate (LTIFR) – contractor	Injuries per million hours worked	-	-	-	-	0.92
Lost-time Injury Frequency Rate (LTIFR) – Total	Injuries per million hours worked	-	-	-	-	0.95[#]
Sites with Safety Management System (ISO 45001/ OHSAS 18001)	%	-	100	100	100	100
Tata Steel UK Limited						
Fatalities	Nos.	0	2	0	0	1
Lost-time Injury (LTI) - employee	Nos.	19	36	30	33	42
Lost-time Injury (LTI) – contractor	Nos.	8	7	9	15	11
Lost-time Injury (LTI) – Total	Nos.	27	43	39	48	53[#]
Lost-time Injury Frequency Rate (LTIFR) - employee	Injuries per million hours worked	1.13	2.25	1.93	2.10	3.29
Lost-time Injury Frequency Rate (LTIFR) – contractor	Injuries per million hours worked	1.61	1.43	2.10	3.17	2.24
Lost-time Injury Frequency Rate (LTIFR) – Total	Injuries per million hours worked	1.24	2.06	1.97	2.35	3.03
Sites with Safety Management System (ISO 45001/OHSAS 18001)	%	-	5	15	17	17
Tata Steel Nederland BV						
Fatalities	Nos.	0	0	0	0	0
Lost-time Injury (LTI) - employee	Nos.	19	18	17	19	13
Lost-time Injury (LTI) – contractor	Nos.	20	13	9	8	13
Lost-time Injury (LTI) – Total	Nos.	39	31	26	27	26[#]
Lost-time Injury Frequency Rate (LTIFR) - employee	Injuries per million hours worked	1.03	0.99	0.93	1.01	0.72

[#] KPIs assured by Price Waterhouse & Co. Chartered Accountants LLP

	UOM	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Lost-time Injury Frequency Rate (LTIFR) – contractor	Injuries per million hours worked	3.71	3.31	2.81	2.36	2.51
Lost-time Injury Frequency Rate (LTIFR) – Total	Injuries per million hours worked	1.63	1.40	1.21	1.21	1.12
Sites with Safety Management System (ISO 45001/OHSAS 18001)	%	0	24	28	36	36
Tata Steel (Thailand) PCL						
Fatalities	Nos.	0	0	0	1	0
Lost-time Injury (LTI) - employee	Nos.	4	0	0	0	0
Lost-time Injury (LTI) – contractor	Nos.	3	0	1	3	1
Lost-time Injury (LTI) – Total	Nos.	7	0	1	3	1
Lost-time Injury Frequency Rate (LTIFR) - employee	Injuries per million hours worked	1.50	0	0	0	0
Lost-time Injury Frequency Rate (LTIFR) – contractor	Injuries per million hours worked	1.07	0	0.42	1.34	0.44
Lost-time Injury Frequency Rate (LTIFR) – Total	Injuries per million hours worked	1.28	0	0.21	0.63	0.21
Sites with Safety Management System (ISO 45001/OHSAS 18001)	%	100	100	100	100	100
Human Resource Management						
Tata Steel Limited (Standalone)						
Nos. of employees	Nos.	32,984	32,364	31,189	35,927	36,151
New employee hires	Nos.	1,977	1,820	2,129	1,704	4,855
Employee productivity (steel volume)	tcs/employee/ year	800	803	745	854	885
Female employees in workforce	%	6.5	6.9	7.4	6.9	7.6[#]
Female employees in management positions in workforce	%	11.6	12.0	12.6	11.7	11.5
Age break-up of the workforce (<30 years)	%	15.1	15.5	18.0	23.0	19.4
Age break-up of the workforce (30 - 50 years)	%	54.8	55.3	57.0	59.0	56.1
Age break-up of the workforce (>50 years)	%	30.1	29.2	25.0	17.0	24.5
Employee turnover rate (Including Superannuation)	%	6.4	6.8	7.5	6.9	8.2
Employee turnover rate (Excluding superannuation)	%	-	-	1.2	2.0	2.7
Workforce covered through formal trade unions[9]	%	88.9	87.4	86.1	79.6	91.0
Diversity Mix (% of employees who belong to categories of - Affirmative Action/Women/PWD/ LGBT+)	%	-	19.00	20.00	18.00	18.95[#]
Investment in employee training and development	₹ crore	-	133	152	159	193
Employee training	Thousand person-days	248	253	199	413	468[#]
Employee training	person-days/ employee/year	7.52	7.81	6.38	11.51	12.93[#]
Tata Steel Long Products Limited						
Nos. of employees	Nos.	-	2,496	2,395	2,357	2,287
New employee hires	Nos.	-	51	19	106	103
Employee productivity (steel volume)	tcs/employee/ year	-	456	548	665	722
Female employees in workforce	%	-	2.2	2.4	2.8	3.7[#]
Female employees in management positions in workforce	%	-	0.6	0.7	1.2	1.6
Age break-up of the workforce (<30 years)	%	-	9.9	8.0	6.6	7.3

[#] KPIs assured by Price Waterhouse & Co. Chartered Accountants LLP

	UOM	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Age break-up of the workforce (30 - 50 years)	%	-	67.7	69.6	70.7	70.4
Age break-up of the workforce (>50 years)	%	-	22.5	22.5	22.7	22.2
Employee turnover rate (Including Superannuation)	%	-	3.5	3.9	4.6	6.8
Employee turnover rate (Excluding superannuation)	%	-	1.2	1.2	2.5	3.8
Workforce covered through formal trade unions[9]	%	-	-	-	100	100
Employee training	thousand person-days	-	10.20	30.46	43.04	9.98[#]
Employee training	person-days/ employee/year	-	4.09	12.72	18.26	4.36[#]
Tata Steel UK Limited		.				
Nos. of employees	Nos.	-	-	-	-	8,320
New employee hires	Nos.	-	-	-	-	869
Employee productivity (steel volume) - UK	tcs/employee/ year	-	-	-	-	352
Female employees in workforce	%	-	-	-	-	10.4[#]
Female employees in management positions in workforce	%	-	-	-	-	18.2
Age break-up of the workforce (<30 years)	%	-	-	-	-	17.5
Age break-up of the workforce (30 - 50 years)	%	-	-	-	-	46.6
Age break-up of the workforce (>50 years)	%	-	-	-	-	35.9
Employee turnover rate	%	-	-	-	-	6.5
Employee turnover rate (Including Superannuation)	%	-	-	-	-	9.3
Employee turnover rate (Excluding superannuation)	%	-	-	-	-	6.8
Workforce covered through formal trade unions	%	-	-	-	-	56.0
Employee training[10]	Thousand person-days	-	-	-	-	21.70[#]
Employee training[10]	person-days/ employee/year	-	-	-	-	2.69[#]

[9] As a % of non-managerial workforce only
[10] Training data excludes UK subsidiaries

	UOM	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Tata Steel Nederland BV						
Nos. of employees	Nos.	-	11,669	11,480	11,608	12,299
New employee hires	Nos.	-	463	411	615	1,108
Employee productivity (steel volume)	tcs/employee/ year	-	750	692	721	660
Female employees in workforce[@]	%	-	11.0	10.9	10.8	10.6[#]
Female employees in management positions in workforce[11@]	%	-	8.6	8.3	8.0	19.8
Age break-up of the workforce (<30 years)	%	-	13	13	13	13
Age break-up of the workforce (30 - 50 years)	%	-	42	42	43	44
Age break-up of the workforce (>50 years)	%	-	46	45	44	44
Employee turnover rate (Including Superannuation)	%	-	2.2	2.8	3.1	4.8
Employee turnover rate (Excluding superannuation)	%	-	-	-	-	4.1
Workforce covered through formal trade unions[@]	%	-	-	-	55	52
Employee training[@]	Thousand person-days	-	-	-	-	13.28[#]
Employee training[@]	person-days/ employee/year	-	-	-	-	1.42[#]

[11] Scope of data is improved and wided in 2023.

	UOM	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Tata Steel (Thailand) PCL						
Nos. of employees	Nos.	1,187	1,151	1,101	1,092	1,086
New employee hires	Nos.	60	35	2	26	38
Employee productivity (steel volume)	tcs/employee/ year	972	1,043	1,184	1,221	1,115
Female employees in workforce	%	17.4	17.4	17.3	17.2	17.6

[#] KPIs assured by Price Waterhouse & Co. Chartered Accountants LLP

	UOM	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Female employees in management positions in workforce	%	19.2	18.4	16.4	15.7	17.0
Age break-up of the workforce (<30 years)	%	22.8	23.5	17.5	14.7	13.1
Age break-up of the workforce (30 - 50 years)	%	66.1	63.6	67.9	68.6	68.6
Age break-up of the workforce (>50 years)	%	11.1	12.9	14.6	16.7	18.3
Employee turnover rate (Including Superannuation)	%	-	-	-	-	4.4
Employee turnover rate (Excluding superannuation)	%	6.5	4.4	2.0	1.6	2.8
Employee training	Thousand person-days	7.3	4.9	6.6	7.4	6.8
Employee training	person-days/ employee/year	6.20	4.30	6.00	6.80	6.60
Corporate Social Responsibility [Tata Steel Limited (Standalone)]						
Water harvesting structures	No.	-	-	-	-	478[#]
Lives reached through CSR	No.	-	-	-	-	31,52,195[#]
No. of employee volunteers for CSR Programmes Volunteers	No.	-	-	-	-	3,659[#]
No. of employee volunteering hours for CSR Programmes	No.	-	-	-	-	18,494[#]
Economic & Governance						
Board						
Tata Steel Limited (Standalone)						
Board of Directors	Nos.	5	10	10	11	10
Female Directors on the Board	Nos.	0	1	1	2	2
Independent Directors on Board	Nos.	5	5	5	6	5
Ethics						
Tata Steel Limited (Standalone)						
Category A- Whistle Blower Concerns						
Whistle-blower cases[12]- Received	Nos.	436	881	777	845	303
Whistle-blower cases[12] - Closed	Nos.	334	602	541	601	158
Whistle-blower cases[12] - Open	Nos.	102	279	236	244	145
Category B- Grievances & others						
Grievances & Others cases[12]- Received	Nos.	-	-	-	-	875
Grievances & Others[12]- Closed	Nos.	-	-	-	-	717
Grievances & Others[12]- Open	Nos.	-	-	-	-	158
Sexual harassment cases - Received	Nos.	20	34	21	22	31
Sexual harassment cases - Closed	Nos.	19	26	15	18	24
Sexual harassment cases - Open	Nos.	1	8	6	4	7
Training on Tata Code of Conduct - officers	person-hours	4,003	17,064	26,458	31,142	20,472
Training on Tata Code of Conduct - frontline employees	person-hours	7,080	2,763	5,086	14,630	17,656
Training on Tata Code of Conduct - contract employees	person-hours	23,798	24,307	15,380	60,898	1,02,735
Business associates[13] trained on Tata Code of Conduct	Nos.	-	-	1,747	2,114	2,050
Tata Steel Long Products Limited						
Whistle-blower cases[12]- Received	Nos.	5	19	31	34	46
Whistle-blower cases[12] - Closed	Nos.	5	19	31	30	44
Whistle-blower cases[12] - Open	Nos.	0	0	0	4	2
Sexual harassment cases - Received	Nos.	0	2	1	0	1
Sexual harassment cases - Closed	Nos.	0	1	2	0	0
Sexual harassment cases - Open	Nos.	0	1	0	0	1
Training on Tata Code of Conduct - officers	person-hours	-	1,209	1,142	541	698
Training on Tata Code of Conduct - frontline employees	person-hours	-	1,060	636	828	1,293
Training on Tata Code of Conduct - contract employees	person-hours	-	896	454	9,092	4,290
Business associates[13] trained on Tata Code of Conduct	Nos.	-	-	35	235	250

[#] KPIs assured by Price Waterhouse & Co. Chartered Accountants LLP

	UOM	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Tata Steel UK Limited						
Whistle-blower cases - Received	Nos.	Combined data reported till FY22 for TSUK+TSN				23
Whistle-blower cases - Closed	Nos.					22
Tata Steel Nederland BV						
Whistle-blower cases - Received	Nos.	Combined data reported till FY22 for TSUK+TSN				19
Whistle-blower cases - Closed	Nos.					17
Tata Steel Europe (TSUK + TSN)						-
Whistle-blower cases - Received	Nos.	33	51	48	34	-
Whistle-blower cases - Closed	Nos.	33	51	48	34	-
Tata Steel (Thailand) PCL						
Training on Tata Code of Conduct	Nos. of persons	60	35	2	26	38

Note: TSL Standalone has changed its categorisation of concerns into two parts - Whistle Blower Concerns and Grievances & Others
[12] Exclusive of sexual harassment cases
[13] Business Associate means suppliers, customers, vendors, dealers, distributors, franchisees, lessors, lessees or such other persons with whom Tata Steel has any business or transactional dealings including the Business Associate's employees, agents and other representatives.

	UOM	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Supply Chain						
Tata Steel Limited (Standalone)						
Active supplier base	Nos.	>5,000	5,132	5,071	6,264	7,049
Local suppliers	Nos.	1,316	1,806	1,671	1,944	2,138
Critical suppliers	Nos.	-	-	-	477	466
Business volume of local suppliers	₹ crore	-	-	2,397	4,587	7,290
Number of Affirmative Action (AA) suppliers	Nos.	70	70	71	71	75
Business volume of Affirmative Action (AA) suppliers	₹ crore	75	61	66	69	112
Suppliers assessed based on safety	Nos.	1,035	850	745	1,022	1,423
Suppliers trained through Vendor Capability Advancement Program (VCAP)	Nos.	1,426	1,330	844	450	307
Critical suppliers made aware on Responsible Supply Chain Policy	Nos.	-	-	223	327	235
No. of supply chain partners assessed on Responsible Supply Chain Policy	Nos.	-	-	203	257	211#
Steel Processing Centers (SPC) assessed on Responsible Supply Chain Policy	Nos.				31	18
Distributors assessed on Responsible Supply Chain Policy	Nos.				106	16
Tata Steel UK Limited						
Active suppliers	Nos.	3,584	3,354	2,808	2,851	2,434
Active suppliers made aware on Responsible Procurement Policy (RPP)[14]	%	-	-	-	-	94
Tata Steel Nederland BV						
Active suppliers	Nos.	3,901	3,462	3,129	3,329	3,389
Active suppliers made aware on Responsible Procurement Policy (RPP)[14]	%	-	-	-	-	100
Tata Steel Europe (UK + Netherlands business)						
Active suppliers	Nos.	7,485	6,816	5,937	6,180	5,823
Active suppliers made aware on Responsible Procurement Policy (RPP)[14]	%	86	88	90	91	98

[14] The percentage of active suppliers made aware on the RPP is the same across UK and Netherlands for FY19-FY22

KPIs assured by Price Waterhouse & Co. Chartered Accountants LLP

	UOM	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Intellectual Capital						
Tata Steel Limited (Standalone)						
Collaborations/memberships of academia and technical institutes	Nos.	40	50	20	35	16
Patents filed	Nos.	-	119	119	125	132
Patents granted	Nos.	-	58	109	121	146
New products developed	Nos.	114	155	79	62	84
R&D employees	Nos.	-	-	246	270	294
R&D Spend	₹ crore	216	259	231	213	275
R&D Spend	% of revenue	0.31	0.43	0.36	0.17	0.21
Capex	₹ crore	3,677	4,749	2,122	6,288	8,555
Investment in new processes and products (Capex + R&D)	₹ crore	3,893	5,008	2,353	6,501	8,830
Investment in new processes and products (Capex + R&D)	% of revenue	6	9	4	5	7
Revenue	₹ crore	68,902	58,788	63,402	1,29,021	1,29,007
Tata Steel UK Limited						
Collaborations/memberships of academia and technical institutes	Nos.	-	-	-	7	17
New products developed	Nos.	5	2	4	3	13
R&D employees	Nos.	76	75	70	65	69
R&D Spend	Million Euros	11	9	7	11	14
R&D Spend	% of revenue	0.46	0.42	0.35	0.34	0.45
Investment in new processes and products (Capex + R&D)	Million Euros	148	264	211	94	153
Investment in new processes and products (Capex + R&D)	% of revenue	6.15	12.32	10.68	2.99	4.89
Tata Steel Nederland BV						
Collaborations/memberships of academia and technical institutes	Nos.	-	-	-	158	162
Patents granted	Nos.	137	133	142	202	161
Patents filed[15]	Nos.	32	36	19	15	22
New products developed	Nos.	17	20	12	10	10
R&D employees	FTE's	316	311	300	299	307
R&D Spend	Million Euros	63	57	54	62	64
R&D Spend [16]	% of revenue	1.16	1.16	1.19	0.87	0.86
Investment in new processes and products (Capex + R&D)	Million Euros	129	111	53	66	74
Investment in new processes and products (Capex + R&D)	% of revenue	2.40	2.27	1.24	0.92	0.99

[15] The patents filed refer to priority (i.e. first) filings.
[16] Previous year's number revised based on improved calculation methodology.

Note -

[2] Calendar year reporting (1 January - 31 December)
@ Steel Making sites - Tata Steel Limited (Standalone) : Jamshedpur, Kalinganagar, Meramandali, Tata Steel Long Products Limited : Gamharia, Tata Steel UK Limited: Port Talbot, Tata Steel Nederland BV: Ijmuiden, Tata Steel (Thailand) PCL: Rayong, Saraburi, Chonburi
Tata Steel Limited Standalone means Tata Steel Limited legal entity which includes it's 3 steel making sites, mining locations, downstream units and offices
** excluding CSD hubs & stockyard & steel processing centres

KPIs assured by Price Waterhouse & Co. Chartered Accountants LLP

Recognised for success

India

World Economic Forum

Jamshedpur Steel Plant recognised as the Advanced 4th Industrial Revolution Lighthouse.

Recognised as Global Diversity Equity & Inclusion (DEI) Lighthouse 2023, for its endeavour towards improving gender diversity at the workplace.

CII International Conference on Waste to Worth 2022

Declared as 1st Winner of the "Excellence in 3R (Reduce-Reuse-Recycle) by Industry (Managing Own Waste)" Award.

Indian Circular Economy Forum (ICEF) 2022

"Company of the Year" Award in Large Enterprise Category.

Brand Finance

Ranked as the most valuable Mining and Metals Brand in 2023

ResponsibleSteel™

Jamshedpur Plant is India's first site to receive ResponsibleSteel certification.

Dun & Bradstreet

Named top performer in Iron and Steel sector in Dun & Bradstreet's India's top 500 companies 2022.

Great Place To Work®

Ranked among top 3 best organisations in manufacturing and production sector in 2022.

Recognised as Best Workplaces to work for in Asia for 2022.

Great Place to Work Certified organisation in India for 2023 for the 6th time.

International Chromium Development Association (ICDA)

Tata Steel Mining becomes the first Indian company to receive Responsible Chromium recognition for Sustainability compliance.

worldsteel

Recognised by worldsteel as 2023 Steel Sustainability Champion for the 6th consecutive year; among the only two steel companies in the world to receive this recognition every year since the programme's launch in 2018.

Received worldsteel Safety and Health Excellence Recognition 2022 for its Wellness@Workplace programme.

CDP

Recognised as 2022 'Supplier Engagement Leader' for its efforts in measuring and reducing environmental risks across its supply chain.

Indian Bureau of Mines (IBM)

Noamundi and Joda East Iron Mines have been accorded a 5-Star rating for sustainable development for the year 2021-22.

Randstad Employer Brand Research (REBR)

Recognised among India's top 10 most attractive employer brands in India 2022 for its people first approach and pioneering initiatives on Diversity Equity & Inclusion and Agile Working Model.

India Workplace Equality Index (IWEI)

A Great Place to Work Certified organisation; recognised as a "GOLD" employer for the second consecutive year 2022 for driving LGBTQIA+ inclusion.

Europe

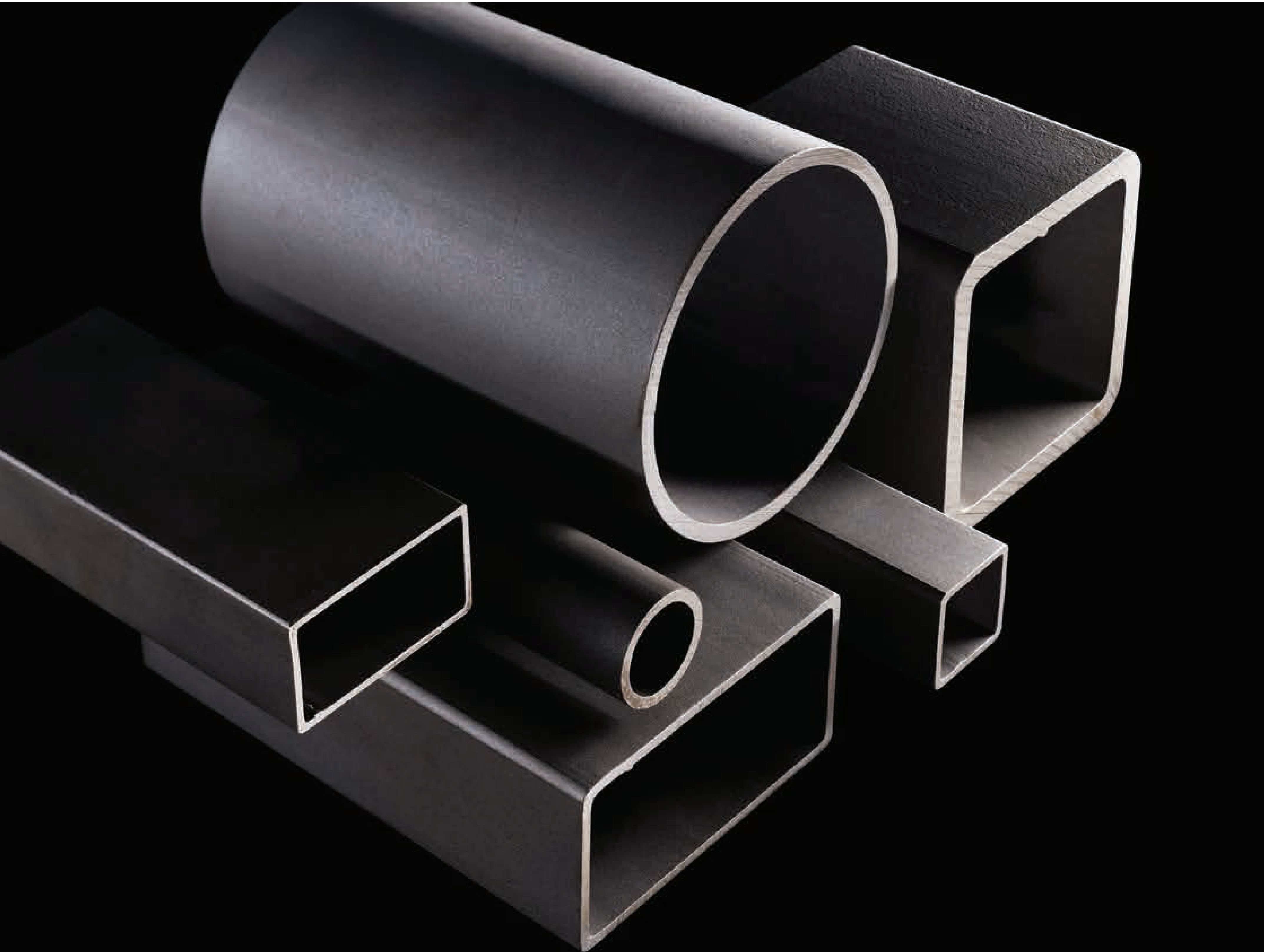
worldsteel

Tata Steel Europe was awarded a Steelie for Excellence in Life Cycle Assessment.

Thailand

Ministry of Industry

SCSC Plant received Prime Minister's Industry Award 2022 in Circular Economy Category.



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BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Financial Year 2022-23

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SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sl. No.	Particular	Company Details
1	Corporate Identity Number (CIN)	L27100MH1907PLC000260
2	Name	Tata Steel Limited
3	Year of incorporation	1907
4	Registered office address	Bombay House, 24, Homi Mody Street, Fort, Mumbai – 400 001
5	Corporate address	
6	E-mail	cosec@tatasteel.com
7	Telephone	+91 22 6665 8282
8	Website	www.tatasteel.com
9	Financial year for which reporting is being done	April 1, 2022 – March 31, 2023
10	Name of the Stock Exchange(s) where shares are listed	a) BSE Limited b) National Stock Exchange of India Limited
11	Paid-up Capital	₹1,222.40 Crore
12	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Mr. Parvatheesam Kanchinadham Company Secretary & Chief Legal Officer (Corporate & Compliance) Bombay House, 24, Homi Mody Street, Fort, Mumbai – 400 001 Tel.: +91 22 6665 7330 | E-mail: cosec@tatasteel.com

13. Reporting boundary - **Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)**

The financial, environmental, social and governance disclosures made in this report are on a consolidated basis for Tata Steel Limited and its 13 key subsidiary companies. These companies have been identified based on their materiality and contribute over 98% of Tata Steel's consolidated revenues, nearly 95% of Tata Steel's Consolidated employee base and over 99% of Tata Steel's Consolidated emission footprint.

Region	Entity
India	1. Tata Steel Limited (TSL) 2. Tata Steel Long Products Limited (TSLP) 3. Tata Metaliks Ltd. (TML) 4. The Tinplate Company of India Ltd. (TCIL) 5. Tata Steel Mining Limited (TSML) 6. Tata Steel Downstream Products Limited (TSDPL) 7. Tata Steel Utilities and Infrastructure Services Limited (TSUISL) 8. The Indian Steel & Wire Products Limited (ISWP) 9. Angul Energy Limited (AEL) 10. Bhubaneshwar Power Private Limited (BPPL)
Outside India	1. Tata Steel Nederland BV (TSN) 2. Tata Steel UK Limited (TSUK) 3. Tata Steel (Thailand) PCL (TSTH) 4. Tata Steel Minerals Canada Ltd. (TSMC)

Throughout this report, the phrase 'Tata Steel' or 'the Company' refers to the consolidated group of 14 entities listed above, unless mentioned otherwise. Additionally, and in specific cases, the following boundary has also been used in the report:

a) Tata Steel Limited or Tata Steel Standalone: The boundary is only the standalone entity 'Tata Steel Limited'.

b) Tata Steel Consolidated: The boundary matches all entities (subsidiaries, joint ventures and associates) consolidated for financial results of Tata Steel Limited.

Basis for reporting:

1. Consolidation of all indicators have been undertaken without adjusting for minority shareholder in the relevant group entity, where applicable.
2. The Greenhouse Gas (GHG) Emission has been reported using the Greenhouse Gas protocol standard and the equity methodology for consolidation.
3. Where applicable inter-company elimination has been undertaken (Revenue, GHG emission and energy consumption).
4. The reported Revenue, Total Capex and R&D Expenditure are on a consolidated basis (unless mentioned otherwise), aligned with the Consolidated Financial Statements of Tata Steel Limited.
5. Energy consumption has been reported on the basis of Primary Energy Consumption, including feedstocks.
6. Reporting Period for various indicators range from 1 - 3 years, aligned with the prescribed SEBI format.

It should be noted that in the case of certain reported indicators, previous year(s) and current year values are not comparable on account of year on year change in the production, size and complexity of the Company. In FY2022-23, Tata Steel was also a more complex organisation compared to the previous year due to the acquisition and ramp up of Neelachal Ispat Nigam Limited and increased activity undertaken for the ongoing 5MnTPA expansion at Kalinganagar. The actual production was also different year on year, which has a direct impact on production driven indicators.

Statement of Assurance

The indicators/information reported in the BRSR below have not been externally assured. However, select indicators in the Company's Integrated report for FY2022-23 have been externally assured by Price Waterhouse & Co Chartered Accountants LLP and the respective Reasonable Assurance and Limited Assurance Reports are annexed to Tata Steel's Integrated Report for FY2022-23 and are accessible on the below link: (https://www.tatasteel.com/investors/integrated-reportannual-report/integrated-report-annual-accounts-2022-23-116th-year-and-related-documents/)

II. Products/Services

14. Details of business activities

Sl. No.	Main Activity group code	Description of Main Activity group	Business Activity Code	Description of Business Activity	% of turnover of the Company
1.	C	Manufacturing	C7	Metal & Metal products	96.96

Note: The details of business activities as given in MGT- 7 for Tata Steel Limited.

15. Products/Services sold by the entity:

Tata Steel Consolidated				
Sl. No.	Name of Product/Service	NIC	Turnover (₹ crore)	Turnover (%)
1.	Sale of Products	2410	2,39,343.16	98
2.	Sale of power and water	3510, 3600	1,924.04	1
3.	Income from services	-	369.05	0
4.	Others	-	1,716.44	1
Total		-	**2,43,352.69**	**100**

Notes: i. The above split is based on Tata Steel consolidated turnover as reported in the Company's Integrated Report for FY2022-23.

ii. Others include income from export and other incentive schemes.

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
India	64	139	203
Outside India	40	28	68

Tata Steel is one of the world's most geographically diversified steel producer with a steelmaking capacity of 35 million tonnes per annum, and amongst a few global steel companies which have a fully integrated supply chain – from mining to manufacturing and marketing of finished products. A summary of Tata Steel's geographical footprint is provided in its Integrated Report for FY2022-23.

17. Markets served by the entity:

a) Number of locations

Locations	Number
National (No. of States)	28 States and 8 Union Territories
International (No. of Countries)	79 Countries

Tata Steel caters to its diverse customer base either directly or through a single or a double tier distribution system. Large customers belonging to Business to Government and select Business to Business market segments, with high volume uptake, are served directly by the Company. Sale to Micro, Small & Medium Enterprise segment is made through a single tier distribution system with an exhaustive team of channel partners and the Business to Consumer segment, covering retail consumers, is made through a two-tier distribution system, with an extensive group of distributors and dealers.

Tata Steel has also developed Aashiyana, which is an e-commerce platform used to reach out to and make direct sales to end consumers (individual home builders), in India.

b) What is the contribution of exports as a percentage of the total turnover of the entity?

Whilst Tata Steel has significant exports to rest of the world from India, Tata Steel also serves its international customers directly through its subsidiary companies situated in the relevant geographies. Accordingly, Tata Steel is reporting the split of its sales between India and outside India, which appropriately reflects its international sales. In addition, Tata Steel is also disclosing exports made directly by Tata Steel Limited from India to rest of the world.

Tata Steel Consolidated Revenue	Amt in ₹ Cr	
Particulars	**FY2022-23**	**FY2021-22**
India	1,29,385.23	1,19,729.67
Outside India	1,12,251.02	1,22,597.20
Total	**2,41,636.25**	**2,42,326.87**

Note: Sales Outside India includes export revenue from India. The above split is based on Tata Steel Consolidated turnover as reported in the Company's Integrated Report for FY2022-23 and excludes other operating revenue.

Tata Steel Limited (Standalone)	Amt in ₹ Cr	
Particulars	**FY2022-23**	**FY2021-22**
Exports Revenue	9,052.22	17,488.02
Total Revenue	1,29,006.62	1,29,021.35
% of exports in total revenue	7%	14%

c) A brief on types of customers

Tata Steel's market segments have been identified and prioritised based on the broad consuming segments and is in line with the long-term strategic objectives of the Company. Key market segments of Tata Steel include, but are not limited to, Construction, Automotive, General Engineering, Industrial and Consumer durable sectors. Given that majority of sales from Tata Steel's Indian operations are made within India and sales from its European operations are made in the European Union, the United Kingdom and the United States of America, Tata Steel's product segmentation and sub-segmentation is customised for Indian and European operations, to best serve the needs of the customers in each geography.

Tata Steel has also defined customer groups based on the route to the market, as below:

1. **Business to Business (B2B)** – Large Original Equipment Manufacturers (OEMs), including automotive and construction OEMs and project customers.
2. **Business to Emerging Corporate Accounts (B2ECA)** - Emerging corporate accounts or Micro, Small and Medium Enterprises.
3. **Business to Consumers (B2C)** – Retail consumers.
4. **Business to Government (B2G)** – Government organisations and Public Sector Undertakings.

In the endeavour to improve customer insights, further micro-segmentation has been done based on the end use, application, buying behaviour and geography. A summary of Tata Steel's products and brands is provided in the Company's Integrated Report for FY2022-23.

IV. Employees

18. Details as at the end of Financial Year

a) Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female		Others	
			No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)
Employees								
1	Permanent (E)	66,186	60,598	91.6	5,512	8.3	76	0.1
2	Other than Permanent (F)	1,598	1,398	87.5	200	12.5	-	0.0
3	**Total Employees (E+ F)**	**67,784**	**61,996**	**91.5**	**5,712**	**8.4**	**76**	**0.1**
Workers								
4	Permanent (G)	50,514	46,549	92.2	3,889	7.7	76	0.2
5	Other than Permanent (H)	1,15,810	1,07,883	93.2	6,266	5.4	1,661	1.4
6	**Total workers (G + H)**	**1,66,324**	**1,54,432**	**92.9**	**10,155**	**6.1**	**1,737**	**1.0**

Note 1: Other than Permanent Workers, majorly include workforce hired through third party job contracts. A sizable number is engaged to carryout expansion projects. The organization is focused on skilling and automation to further optimize manpower and improve productivity.

Note 2: Employees includes Workers. Permanent employees includes all personnel on rolls of the Company excluding those on fixed term contract, who are covered under Other than Permanent Employee. Permanent workers are on rolls of the Company but do not perform managerial or administrative role. 'Other than permanent workers' are third party contractor.

Note 3: 'Others' includes 76 transgender personnel in case of Permanent workers, also included in Permanent employees. Other than Permanent workers include 15 transgender workers in India as well as 1,646 workers overseas, where gender bifurcation is not available.

Tata Steel understands that historically certain sections of the society have had lower participation in the workforce and faced exclusion and discrimination in employment across the world. This is felt even more acutely in the mining and manufacturing sector, which has traditionally been perceived as less attractive for women, compared to the service sector. As a result, the participation rate of females in the steel industry globally has been lower than average. Furthermore, Tata Steel operates in some of the remotest parts of India, wherein historically there were limited opportunities available to women, marginalised communities and other minority groups, including the LGBTQIA+ community (Lesbian, Gay, Bisexual, Transgender, Queer or Questioning, Intersex, Asexual, and more), Persons with Disabilities and Tribal Communities, to pursue education and gain the requisite work experience.

Tata Steel believes it is imperative for companies to strive to better represent the larger society and create opportunities for all sections of the society in order to be successful. We also believe it is our responsibility to not only to employ from all segments of the society, but also to empower them to learn and grow equitably, to launch enabling policies and benefits that are critical for their psychological safety, and to ensure sustenance of such endeavours. Tata Steel has tremendous organisational focus on the potential of Diversity & Inclusion and its philosophy is to be a truly world class organisation that respects uniqueness of individuals, which will eventually create a diverse and inclusive atmosphere to be competitive in business by having access to a larger talent pool.

Accordingly, Tata Steel has set up its Diversity & Inclusion wing, MOSAIC in 2015 — a platform where different pioneering initiatives, diversity targets and employee friendly policies are conceptualised and executed. Just like the artform mosaic, Tata Steel is conceptualised as an amalgamation of its diverse people, from diverse backgrounds, coming together to make a unified whole. Our initiatives aim to alleviate the barriers to employment for all sections of the society through inclusive recruitment, enabling policies, upskilling and sponsorship initiatives.

Tata Steel has identified four focus areas for intervention: Women, the LGBTQIA+ community, Persons with Disabilities and the Affirmative Action Community (Tribal Communities). Tata Steel has also formulated 5 pillars for its Diversity & Inclusion philosophy: Recruitment, Sensitisation, Development, Infrastructure and Celebration.

Tata Steel has emerged as an industry benchmark for Diversity & Inclusion initiatives in India. We have formed a central Diversity & Inclusion team which ideates, curates, and implements policies to make the workplace truly diverse and inclusive. The central team works alongside the divisional Diversity & Inclusion leaders to drive initiatives across the organisation. Tata Steel is also looking to collaborate with other organisations within and outside the Tata Group to generate momentum in this journey, and thereby bring social change.

A summary of some of our Diversity & Inclusion interventions in our chosen segments is provided below:

1. As an equal opportunity employer, Tata Steel strives to break gender stereotype and provide opportunities to all workgroups to be an integral part of the workforce. Tata Steel is focussed on getting more women with STEM (Science, Technology, Engineering and Mathematics) background in manufacturing and mining units. Through its "Women@ Mines" initiative (all shift operation in mines), Tata Steel became the first Company in India to deploy women in all shifts in mines. Tata Steel has onboarded 73 women as heavy earth moving machinery operators – a major step in breaking mental barriers and increasing women participation in the workforce. Tata Steel's 'Tejaswini 2.0' programme has been set up to upskill women for such roles.

2. Initiatives such as Women of Mettle, a unique scholarship programme wherein women engineering students are provided with scholarships and internship opportunities with the Company to create a talent pipeline of young female officers for the organisation.

3. At its mining and manufacturing locations where 3 shift working of women is permitted, necessary infrastructure enablement has been done to create a safe and inclusive workplace (e.g. transport between the plant and their home). Tata Steel has also started deploying females in A & B shift operation at its Jamshedpur plant and is planning for 3 shift staffing of operations by women.

4. Various leadership development programmes have been curated for development of women leaders with focus on upskilling, sponsorship, and career progression support. Tata Steel is focussed on ensuring leadership developmental interventions for 100% women in leadership roles.

5. Many policies have been put in place to foster a culture of inclusion within Tata Steel such as Agile Working Models with 'absolute work from home' opportunities and other flexible work models, introduction of Raahat (menstrual leave for its female employees), Take Two Policy (a recruitment programme to encourage female professionals on a career break or otherwise to restart their career with Tata Steel), gender-neutral adoption assistance policy and a policy enabling women to return to the workforce after any period of leave.

6. Tata Steel is also one of the first companies in India to roll out a special recruitment drive for hiring transgender talent and recruited over 100 members from Transgender community at its various locations for different job roles (including trainees). Going forward, the Company plans to hire more talent from this community, based on the role requirement.

7. An Employee Resource Group – WINGS – for the LGBTQIA+ colleagues and the allies help provide psychological safety and a platform for learning & sharing knowledge with each other. 'WINGS' aims to support Tata Steel's LGBTQIA+ diversity and inclusion strategy, institutionalise LGBTQIA+ friendly policies within the organisation, foster a climate of awareness & sensitisation, increase engagement, and provide a comfortable work environment. Tata Steel's policies are gender neutral and equal benefits are provided to LGBTQIA+ colleagues.

8. An innovative recruitment model **"Queerious"** was launched in FY2022-23 to attract talent from premium institutes. Through this approach, queer talent in the country were given an opportunity to participate in industry focus challenges leading to scholarships, internship opportunity with Tata Steel and placement offers. Going forward, this model of hiring LGBTQIA+ talent will be further scaled up.

As an organisation, we are also focused on the Affirmative Action community, with a special focus on the tribal communities, with a three-pronged approach of Employment, Employability and Entrepreneurship. We actively engage with people from the community and focus on skilling of the youth, development of Affirmative Action vendors and various other Corporate Social Responsibility activities. Through its not-for-profit institution, J N Tata Vocational Training Institute, more than 4,500 youth from communities around the select operations of the Company have been skilled with employment opportunities. Tata Steel's community connect programmes, through initiatives like Samvaad – a platform for exchanging ideas and thoughts, help promote the tribal culture in India.

At present c.12% of our workforce comes from the Affirmative Action groups. In FY2022-23, a full batch of 167 meritorious tribal youth were selected for a Trade Apprentice programme. Tata Steel also has Affirmative Action vendors operating in the Tata Steel ecosystem, with special focus on encouraging entrepreneurship and strengthening the financial condition of the Affirmative Action community.

In addition to the Diversity & Inclusion programmes for its Indian operations, which focuses on key societal issues in India, Tata Steel has also launched a new Diversity & Inclusion programme for its Dutch operations, covering the following four key societal issues in Europe:

1. **Inclusivity:** Tata Steel is looking to provide a more inclusive workplace at its European sites and is initiating interventions, such as the Confidential Advisers platform and training courses for managers and teams, to discourage undesirable behaviour in the form of discrimination, harassment, aggression and/or bullying.

2. **Ethnic and cultural diversity:** Tata Steel strives for more ethnic and cultural diversity in its workforce. In IJmuiden, which is the Company's largest operations in Europe, Tata Steel is looking to increase the ethnic and cultural diversity by increasing the number of employees with non-western background from 7% (in 2021) to 14% by 2027.

3. **More female engineers and managers:** We also aim to increase the number of women in technical and decision-making positions in the organisation as below:

    a) In terms of technical positions, Tata Steel aims to employ 5% of women by 2027 at its IJmuiden site, an increase of 3 percentage points.

    b) In terms of decision-making positions, Tata Steel is targeting to increase the participation of women to at least 30% by 2027, compared to c.20% in FY2022-23.

4. **Science, Technology, Engineering and Mathematics (STEM):** In line with Tata Steel's initiatives in India, Tata Steel in the Netherlands is also working towards gender balance and encourage the participation of more women into the industry by building awareness of STEM choices and opportunities available in schools and during higher education. Every year, Tata Steel holds a well-known Girl's Day in IJmuiden, Netherlands. It is an initiative to introduce girls to technology at a young age, and at the end of March 2023, 300 girls and a good number of boys were introduced to Engineering at our IJmuiden plant.

To realise the goals of its Diversity & Inclusion Policy, Tata Steel Nederland has launched an extensive programme of activities, including communication campaigns, inspiration sessions about diversity & inclusion, training on avoiding unconscious bias, coaching, facilitating buddies for young female managers and meetings under the motto of Future Female Leadership.

b) Differently abled Employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1	Permanent (D)	144	139	96.5	5	3.5
2	Other than Permanent (E)	0	0	0	0	0
3	**Total Employees (D+ E)**	**144**	**139**	**96.5**	**5**	**3.5**
Workers						
4	Permanent (F)	124	122	98.4	2	1.6
5	Other than Permanent (G)	We do not report differently abled workers who are not on the rolls of Tata Steel.				
6	**Total workers (F + G)**	**124**	**122**	**98.4**	**2**	**1.6**

Note: The data excludes number of differently abled employees for Tata Steel's European subsidiaries, which currently do not capture this data, in line with local practice (due to data privacy regulations).

Tata Steel is an equal opportunity employer and has taken several initiatives to have a more inclusive work environment for differently abled employees. To create an inclusive workplace for employees with disability (focused on 4 disabilities: Upper Limb, Lower Limb, Visual Disablement and Hearing Impairment), several accessibility related policy interventions have been put in place, such as Company provided travel arrangement (to and from office), specialised laptops to address the nature of disability and various relevant physical infrastructure (ramps, washrooms, etc). Tata Steel has also revamped its website to comply with the Web Content Accessibility Guidelines (WCAG) 2.0, to make its website more accessible for differently abled employees. Work is in progress to get all internal digital platforms revamped and achieve compliance with WCAG 2.0 guidelines.

To increase the talent footprint of differently abled employees, Tata Steel is working with an external partner to carry out evaluation of available vacancies that may be suitable for deployment of differently abled persons. This may also help open other areas of disability, such as neurodiversity and autism, for consideration in Tata Steel's workforce planning.

Tata Steel has also organised communication and awareness sessions to increase the awareness of different types of disabilities and inclusion initiatives, to ensure that all employees understand the importance of a diverse and inclusive workplace. This includes virtual sessions on different accessibility features and shortcuts on commonly used IT platforms and sensitisation sessions to create accessible contents.

19. Participation/ Inclusion/ Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	2	20
Key Management Personnel[1]	3	0	0
Senior Leadership Team[2]	17	2	12

[1]Chief Executive Officer & Managing Director, Executive Director & Chief Financial Officer and Company Secretary & Chief Legal Officer (Corporate & Compliance).

[2]Vice-presidents, excluding Key Management Personnel.

Note 1: The data provided in the above table pertains to Tata Steel Limited only.

Note 2: The data is as on March 31, 2023

20. Turnover rate for permanent employees and workers:

	FY2022-23			FY2021-22			FY2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees & Permanent Workers (%)	7.3	9.4	7.4	6.3	8.4	6.5	5.0	6.7	5.1

Note: Turnover rate includes Resignations (attrition) + Separation due to Retirement

The corresponding data for separation by resignations is provided below:

	FY2022-23	FY2021-22	FY2020-21
Tata Steel Limited (Standalone) Permanent Employees and Permanent Workers (%)	2.7	2.0	1.2
Tata Steel Group (Consolidated) Permanent Employees and Permanent Workers (%)	3.8	3.0	1.8

V. Holding, Subsidiary and Associate Companies (including Joint Ventures)

21. Names of holding/ subsidiary/ associate companies/ joint ventures

1. Tata Steel Limited does not have any holding Company. The details of Promoter and Promoter Group of Tata Steel Limited as on March 31, 2023 is provided in the shareholding pattern available on our website at - https://www.tatasteel.com/investors/stock-exchange-compliances/shareholding-pattern/
2. The list of subsidiary companies of Tata Steel Limited is provided in Part A of Annexure 5 of the Board's Report forming part of Tata Steel's Integrated Report for FY2022-23.
3. The list of Joint Ventures & Associate companies of Tata Steel Limited is provided in Part B of Annexure 5 of the Board's Report forming part of Tata Steel's Integrated Report for FY2022-23.

All subsidiaries, associates and joint venture companies of Tata Steel Limited that have business operations participate in the Business Responsibility initiatives of Tata Steel Limited.

VI. Corporate Social Responsibility Details

Section	Details	Company Particulars
22. (i)	Whether Corporate Social Responsibility is applicable as per Section 135 of Companies Act, 2013?	Yes
22. (ii)	Turnover (in ₹ Cr.) for Tata Steel Limited	1,29,006.62
22. (iii)	Net worth (in ₹ Cr.) for Tata Steel Limited	1,34,797.51

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder Group	Grievance Redressal Mechanism in Place
Communities	Yes, Tata Steel has grievance redressal mechanisms in place to address grievances of all key stakeholder groups across all geographies, including communities. The grievance mechanisms are designed based on specific requirements of each of the locations, so as to be most effective. For its Indian operations, Tata Steel Foundation (TSF), a wholly owned subsidiary of Tata Steel Limited, which acts as the fulcrum of Tata Steel's Corporate Social Responsibility activities in India and also leads Tata Steel's engagement with the local communities in the areas where Tata Steel operates within India. TSF team members regularly interact with the community members and speak with individuals and groups within the communities, as well as with various stakeholders, to ensure that the grievances are resolved. Further, in India, Tata Steel has also set up several forums involving communities and their representatives, with significant participation from citizens. These forums are designed with a participatory approach in mind, rather than a formal grievance redressal system, and thereby not only ensure a free flow of input but also enable understanding of different perspectives & concerns, thus establishing a deep two-way relationship between the Company and the communities. Some of the key forums are: 1. Scheduled Tribe stakeholders' council 2. Scheduled Caste stakeholders' council 3. Citizens' forum of Jamshedpur Tata Steel is also looking to leverage technology to enable grievance redressal for the community, where necessary. In the Netherlands, Tata Steel has created an online link accessible to the community members to raise environment related grievance. For all other geographies where Tata Steel operates, there are means and measures to take feedback from all categories of stakeholders, including those on relatively smaller sites, where the management teams directly interact with the local communities.

FY2022-23		FY2021-22	
Number of complaints filed during the year*	Number of complaints pending resolution at close of the year	Number of complaints filed during the year*	Number of complaints pending resolution at close of the year
4,866	NIL	2,724	NIL

** Complaints from the communities are recorded for our overseas subsidiaries in the UK and Netherlands. Tata Steel in the Netherlands has multiple engagement mechanism to communicate with and redress the grievances raised by the communities. Further details are provided under Principle 8 Essential indicator 3.*

Stakeholder Group	Grievance Redressal Mechanism in Place
Investors & Shareholders	Yes, Tata Steel has comprehensive grievance redressal mechanisms in place to address grievances of investors and shareholders. The Company has a Board-level Stakeholders' Relationship Committee to oversee functioning of mechanisms for redressal of investor grievances. Tata Steel has appointed TSR Consultants Private Limited (TSR) as the Registrar and Transfer agents of the Company. TSR acts as the single point of contact for all investor related complaints of the Company. TSR works closely with the Company Secretary of Tata Steel to actively address and resolve all investor and shareholder grievances. The Investor Presentations, Quarterly Financial Reports, Annual Integrated Report etc. are also shared through the website: www.tatasteel.com In addition, Tata Steel has a dedicated investors relation team to address queries from equity and debt investors. The investor relations team also communicates key Tata Steel strategic initiatives/ plans through structured meets and reports to the investors & analysts. Key investor events organised by Tata Steel includes Analyst Meets, Investor Day Meets, One-to-One meetings, Earnings and other update calls, in addition to the Company's Annual General Meeting. Tata Steel has also developed deep relationships with key banking and non-banking investors at the senior most level and has regular meetings with the lenders. We also provide them with the requested information and address queries, as necessary.

FY2022-23		FY2021-22	
Number of complaints filed during the year *	Number of complaints pending resolution at close of the year*	Number of complaints filed during the year*	Number of complaints pending resolution at close of the year*
355	4	405	1

** The numbers pertain to Tata Steel Limited*

Stakeholder Group	Grievance Redressal Mechanism in Place
Employees and Workers	Yes, Tata Steel has several grievance redressal mechanisms for addressing complaints and grievances of employees and workers, as below: 1. Tata Steel has a dedicated one-stop solution for all employee issues across all geographies. The largest such platform, rolled out for Tata Steel and its key subsidiaries in India, is called the 'Speak Up' platform. Similar solutions exist at all locations with different names. Under the 'Speak Up' umbrella, Tata Steel also provides an independent and confidential third-party reporting helpline (https://www.tatasteel.com/corporate/our-organisation/ethics/), with similar helplines available for overseas locations of the Company. 2. Tata Steel also has a Whistle-Blower Policy and associated mechanisms to redress grievances of all stakeholders, including employees. The link to the Policy is available on Tata Steel's website and accessible to everybody at https://www.tatasteel.com/corporate/our-organisation/policies/ 3. Tata Steel has a Joint Consultation System between the union and the management across key geographies, which has representation from both the management and the union. This is a 3-tier mechanism where issues ranging from policy decision to the concerns faced by shop floor employees are discussed and resolved in a proactive manner. 4. A bespoke helpdesk service, called People Care, has been set up for addressing employee queries. Employees can raise any query/ issue related to Human Resource processes on the People Care helpline, which resolves these issues in a targeted timeline. People Care is accessible through both email and telephone. 5. As part of its consultative approach of working with Unions, Tata Steel has also set up various Zonal & Central Works Committees (in India) and Regional and Central Works Council (in Europe), as applicable, which take up the employee grievances. 6. Where required, Liaison Officers & Complaint Officers have been nominated by Tata Steel, who help in providing requisite support to realise the goals of an inclusive and discrimination free, LGBTQIA+ friendly, accessible workplace. 7. Tata Steel Limited, which has a large contract workforce, has created a bespoke Reach Out programme for the contract workforce to create awareness on worker rights. There is also a Digital Contract Labour Management platform for improved contract workforce experience.

FY2022-23		FY2021-22	
Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Number of complaints filed during the year	Number of complaints pending resolution at close of the year
880	184	596	115

Note: Includes behavioral complaints, Human Resource related complaints, complains related to safety and improper use of company facilities and whistle blower complaints.

Stakeholder Group	Grievance Redressal Mechanism in Place
Customers	Yes, Tata Steel has a well-defined Customer Complaint Management System, based on the 8D (Eight Disciplines of Problem Solving) Complaint Management Process, in which a team-oriented approach is used to solve critical problems. The objective of this method is to find the root cause of a complaint, develop containment actions and take corrective actions to prevent similar occurrences in the future. Tata Steel endeavours that all complaints are resolved promptly, and that Corrective and Preventive Actions are communicated to the customer. Tata Steel has also introduced TSLCARES App for direct logging of complaints by customers, who could take action on App for speedy resolution of complaints.

FY2022-23		FY2021-22	
Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Number of complaints filed during the year	Number of complaints pending resolution at close of the year
5,596	223	5,515	159

Note: The complaints cover the various categories such as those related to, payments, order entry and fulfillment, product quality, logistics etc.

Stakeholder Group	Grievance Redressal Mechanism in Place
Value Chain Partners	Yes, Tata Steel has several vendor grievance redressal mechanisms in place across all its locations. Some key vendor grievance redressal mechanisms for Tata Steel Limited are listed below and similar mechanisms are also in place for other geographies of the Company: 1. Ethics related grievances are addressed through a dedicated platform called 'Speak Up', operated by 3rd party vendors (http://www.in.kpmg.com/ethicshelpline/tslindia). The process provides for a time bound resolution by a properly constituted committee. 2. Any grievance related to business transactions are handled through the Vendor Feedback & Dialogue Mechanism, which involves a dedicated Vendor Grievance Redressal Committee chaired by a Vice president of the Company. The committee reviews any representations received from vendors to ensure that their grievances are addressed and resolved effectively. 3. A bespoke helpdesk service called ProCare has been set up for addressing vendor and customer grievances (related to their day-to-day operations) through timely resolution. ProCare extends its services to 100% of the supplier base of Tata Steel Limited, ensuring timely resolutions for all. Around 27,000 vendor queries were resolved in FY2022-23 related to day-to-day issues. In addition to the above, we have several listening posts for our supplier partners to address their concerns, capture their suggestions, and address key issues. On occasions such as Ethics Month, World Environment Day, National Safety Day etc., we organise interactive sessions with our vendor partners. Periodic communication is also undertaken with our suppliers through the e-Proc platform. We have also conducted sessions on Anti-Bribery and Anti-Corruption (ABAC) and Anti-Money Laundering (AML) policies with all our suppliers in FY2022-23.

	FY2022-23		FY2021-22	
	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Number of complaints filed during the year	Number of complaints pending resolution at close of the year
Speak Up	103	20	174	21
Vendor Grievance Redressal Committee	15	0	12	0
Others	58	22	53	16
Anonymous	471	136	297	95

24. Overview of the entity's material responsible business conduct issues.

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format.

Tata Steel has a structured Materiality Assessment process to identify business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity for the Company. The assessments are conducted by independent external advisors, in line with global standards, on a periodic basis. The most recent materiality assessment has been conducted in FY2022-23, for Tata Steel as a whole.

Based on the outcome of this materiality assessment, the following material issues pertaining to environmental and social matters have been identified by Tata Steel, covering both risks and opportunities.

Material issues identified

Environment

A1. Greenhouse Gas Emissions & Climate Change Management

	Rationale for identifying the risk/ opportunity	Approach to adapt or mitigate
Risk & Opportunity	A significant part of Tata Steel's production is through the blast furnace route, which is an emission intensive process and contributes towards global warming. Tata Steel has committed to a target of Net Zero by 2045 and transition to low carbon steelmaking is critical for the long-term success of the Company.	Tata Steel has set an ambitious target to be Net Zero emissions by 2045. In its pursuit of decarbonisation, Tata Steel has adopted a two-pronged approach of Carbon Direct Avoidance (e.g., use of hydrogen or steelmaking using the electric arc furnace route) and Carbon Capture & Usage. Tata Steel's decarbonisation roadmap includes Green Hydrogen – Direct Reduced Iron based steelmaking, use of cleaner fuel (e.g., hydrogen & coal-bed methane) in blast furnaces, carbon capture & usage, increased scrap usage in existing operations and scrap-based steelmaking. Tata Steel has published its strategy to mitigate Climate Change related risks in its Climate Change Report. Tata Steel's FY2022-23 Climate Change Report is a part of Tata Steel's Integrated Report for FY2022-23.
Financial implications	Details of financial impact on the Company is provided in the Climate Change report, included in the Integrated Report for FY2022-23.	

A2. Circular Economy

	Rationale for identifying the risk/ opportunity	Tata Steel's Initiatives
Opportunity	Steel as a material lends itself handsomely to circularity and is recyclable as ferrous scrap to produce new steel. Steel produced through recycling has a significantly lower carbon footprint, as opposed to producing primary steel by reducing iron ore. Tata Steel has adopted a target to be Net Zero emissions by 2045 and increased usage of scrap in its steelmaking process is one of its strategies to become a green steel producer. Tata Steel also produces a large quantity of waste, which can either be reused into its own process (and reduce operating costs) or be sold to external parties (e.g. sale of slag to the cement industry), creating additional revenue for the Company.	Tata Steel is looking at two approaches for value creation from circularity: (a) Tata Steel aims to maximise the amount of scrap charged into its existing blast furnace based steelmaking operations and is setting up new electric arc furnace-based steelmaking operations across multiple locations in North, West and South India, to make steel, using steel scrap. The Company has also set up Steel Recycling Business to supply existing and new scrap requirement. (b) Tata Steel has set up its Industrial By-Products Management Division as a profit centre, which operates on the 3R principle - Recover, Re-use and Re-cycle, and generates revenue from sale of By-Products which are not useful for Tata Steel but can act as a raw material for other industries. The By-Products include sale of Aluminium and Copper, Coal tar and Coal washery products, various types of Scrap, Granulated and Ground granulated blast furnace slag, Iron oxide, lazy goods & miscellaneous items, Pooled iron, Sulphur and Zinc By-Products. India's first branded construction products created from steelmaking slag – Tata Aggreto & Tata Nirman – have been launched by Tata Steel.
Financial implications	**Positive**	

A3. Water Consumption and Effluent Discharge

	Rationale for identifying the risk/ opportunity	Approach to adapt or mitigate
Risk	Tata Steel utilises a large quantity of water in its processes and draws this water from multiple sources. Tata Steel's water consumption is regulated under all geographies and non-compliance to regulatory requirements with respect to effluent discharge & higher water usage may lead to environmental compensation by regulatory authorities, financial loss due to stoppage of operation and withdrawal of license to operate. Additionally, as a result of climate change, access to fresh water is expected to reduce in certain geographies, making water a scarce resource. Tata Steel will need to minimise water requirement and maximise water recycling to be cost efficient.	1. Addressing water scarcity through 4R framework of Reduce, Reuse, Recycle and Recover and using best available technologies. 2. Minimising withdrawal of fresh water from rivers by maximising the recycling of treated waste effluents within the plant by setting up effluent treatment plants. 3. Tata Steel is also reusing treated municipal wastewater and has water harvesting infrastructure across multiple locations. 4. Tata Steel's aim is to achieve Zero Effluent discharge from Works premises and ensure completion of Zero Effluent Discharge projects under progress (for its Indian operations). 5. Ensuring health and connectivity of the installed online continuous effluent analysers. 6. New plants are designed to be water efficient.
Financial implications	**Negative**	

A4. Energy Efficiency/Energy Management

	Rationale for identifying the risk/ opportunity	Tata Steel's Initiatives
Opportunity	Production of steel is a highly energy intensive process and Tata Steel consumes a large quantity of energy across multiple sources: coal, natural gas, electricity and other fossil fuel. Energy efficiency and management initiatives helps Tata Steel to manage and optimise energy consumption across its operations, resulting in lower operational costs (through lower consumption of energy), greater resilience in the event of energy disruptions, and greater ability to respond to regulatory obligations. Energy efficiency and adoption of renewable energy is also a key lever for Tata Steel to lower its Scope 2 greenhouse emissions.	Tata Steel has several initiatives to improve energy efficiency of the Company across all geographies, and already recovers a large part of its process gases to produce power and for heating purposes at all its geographies. Tata Steel is also working with the Bureau of Energy Efficiency in India to identify and implement energy efficiency projects across various sites in India. Similar energy efficiency initiatives are also being undertaken in Europe. Simultaneously, to reduce its dependence on fossil fuel, Tata Steel is entering into an agreement with Tata Power Renewable Energy Limited to set up c.950 MW of solar & wind hybrid renewable power capacity under captive arrangement. This will cater to c.379 MW of the Company's power requirement in India and enable reduction of over 2 million tonnes of CO_2 per annum. Additional details are included later in this report.
Financial implications	**Positive**	

OPERATIONS

B1. Occupational Health and Safety

	Rationale for identifying the risk/ opportunity	Approach to adapt or mitigate
Risk	Tata Steel has a large number of employees and contract workers working across all sites. In addition, many of the Company's steel plants are situated in close proximity of the wider community (e.g., Jamshedpur, Ijmuiden and Port Talbot). Therefore, ensuring the safety of its employees, contract workers and communities is critical for continued regulatory and social licence to operate, especially considering process related hazard in steelwork. In case safety related processes or performance of the Company is deemed inadequate, or in case of a significant safety incident, prohibition order from the government may also lead to partial closure of the plant. Each safety incident also has a negative impact on the health, well-being and morale of employees along with a negative reputational impact on the Company. They may also result in operational and financial loss to the Company, including potential partial closure of the plant.	Tata Steel's safety and health responsibilities are driven by our commitment to zero harm to the people we work with, and the community at large. We endeavour to achieve this objective through a robust safety management system framework and a sound safety governance structure. Details on Tata Steel's approach on mitigating safety risk is provided later in this report.
Financial implications	**Negative**	

B2. Air Pollution/Air Quality Management		
	Rationale for identifying the risk/ opportunity	**Approach to adapt or mitigate**
Risk	Non-compliance related to regulatory requirements with respect to air pollution at any of the Tata Steel sites may lead to adverse impact on the health and safety of employees / workers / community, environmental compensation by regulatory authorities, financial loss due to stoppage of operation, withdrawal of license to operate and can lead to loss of reputation.	Tata Steel's Mitigation Strategies include the following: 1. We are investing in various environment improvement projects such as upgradation of pollution control equipment, installation of 'De-NOx' facilities (including the upcoming 'De-NOx' facility at IJmuiden), installation of new dust extraction and dust suppression systems to reduce stack dust and fugitive dust emissions. 2. Tata Steel is also ensuring the health and connectivity of the installed online continuous Stack Emission and Ambient Air quality analysers. 3. Tata Steel also closely monitors the Ambient Air quality.
Financial implications	**Negative**	

B3. Biodiversity		
	Rationale for identifying the risk/ opportunity	**Approach to adapt or mitigate**
Risk	Regulatory risks and increased spend due to requirements of forest diversion and other compliances and restoration of biodiversity loss.	Tata Steel has a Biodiversity Policy in place and is deploying Biodiversity Management Plans across various sites, designed on the foundation of mitigation hierarchy (avoid, minimise, restore & offset) tool after a baseline assessment. Tata Steel has a target to cover 100% sites under Biodiversity Management Plans by 2025.
Financial implications	**Negative**	

B4. Research and Development/Technology, Product and Process Innovation		
	Rationale for identifying the risk/ opportunity	**Tata Steel's Initiative**
Opportunity	Tata Steel is focused on production of high value-added or differentiated steel, which enables us to achieve higher margin for our products. Our continuous focus on Research & Development, new technologies and innovation in products and processes is critical for the Company to better serve and retain customers, retain leadership in differentiated products and access new markets. Research & Development and Innovation are also critical for Tata Steel to retain cost competitiveness by continuous improvement in process efficiency and resource utilisation. The importance of Research & Development has increased even more for the Company as we focus on increasing the technological maturity of low carbon steelmaking to achieve our Net Zero emissions objective and remain a sustainable partner for all our stakeholders.	Tata Steel aspires to be among the top 5 global technology leaders in the steel industry and has consistently used technology and innovation to build a rich portfolio of future ready high value-added products. We continuously focus our research efforts to retain our leadership position in attractive segments like automotive steel and packaging steel. We also collaborate with the academia and others to identify the best ideas and technologies, wherever they may be. Tata Steel is actively engaged in development and piloting of various low carbon steelmaking technologies, including HIsarna and the use of hydrogen in steelmaking, either through the Direct Reduced Iron route (in Netherlands) or through injection of hydrogen in the blast furnace (in India).
Financial implications	**Positive**	

SOCIAL

C1. Supply chain sustainability

	Rationale for identifying the risk/ opportunity	Tata Steel's Initiatives
Risk	Tata Steel has a long-integrated value chain that extends from mining to finished steel products, with an interconnected network of suppliers, mines, ports, manufacturing locations, stockyards, warehouses, processing facilities, channel partners and customers, handling over 100 million tonnes of material in a year. The production, transportation, storage and handling of materials like iron ore, coal, limestone, refractory, aluminium, zinc, ferro alloys etc. have a negative impact on the environment, including greenhouse gas and other emissions. These materials also have adverse impact on the environment during their use in iron and steelmaking. By implementing environmentally and socially responsible supply chain practices, companies can protect the long-term viability of their business and secure a social licence to operate. Better scope 3 performance will also have a positive reputational impact and help achieve the Net Zero target of the Company.	1. Tata Steel is one of the few companies to measure end to end Scope 3 emissions for all modes of transportation, giving it an equal focus as Scope 1 & 2 emissions. The Company has also taken several initiatives to reduce Scope 3 emission by using cleaner fuel or alternate fuel. Additional details on these initiatives have been provided later in this report. 2. Tata Steel has launched the Zero Carbon Logistics programme in Europe which aims to reduce our CO_2 footprint caused by the transport of our product to the customer by 30% by 2030. 3. Tata Steel has also launched Responsible Supply Chain Policy, which covers issues related to ethics, human rights, health & safety, and environmental sustainability. These policies are incorporated in the vendor qualification process and all vendors are made aware of and are required to adhere to these policies. Implementation of Responsible Supply Chain Policy will also help in de-risking the Company's supply chain.
Financial implications	**Positive**	

C2. Employee Well-being and Development

	Rationale for identifying the risk/ opportunity	Approach to adapt or mitigate and Tata steel's Initiatives
Risk and Opportunity	Risk: Tata Steel's plant and mining locations are in some of the remotest parts of India and a majority of its future expansion in India are also coming up at the same sites. These locations have a relatively lesser availability of urban infrastructure compared to large cities, making access to skilled manpower a risk for both the expansion phase and the operations phase at these sites. Opportunity: Tata Steel believes that Employee Well-being and Development creates a healthy company culture, better employee satisfaction and higher employee engagement and therefore, helps attract and retain talent. The Company's ability to attract and retain talent provides the Company with a competent and experienced workforce and reduces recruitment costs for the Company. A high quality and motivated workforce is critical for Tata Steel to achieve its vision of being the global steel industry benchmark for Value Creation and Corporate Citizenship.	Tata Steel believes that people are our greatest asset, and we adopt best practices to ensure healthy employee relations, employee growth and development as well as work satisfaction. Our agile working model has further strengthened the trust and outcome-based working culture while offering the remote working flexibility to employees. We also provide industry leading social security benefits to employees and their families. Since its inception, Tata Steel has introduced several path-breaking policies and practices for employee welfare and well-being and we continue to invest in our people, processes and supporting ecosystem. Tata Steel has central recognition framework through which we appreciate our people for their extraordinary efforts and our recognition mechanism include experiential rewards and provide a unified experience across our employee segments. Additional details of Tata Steel's employee well-being initiatives are provided later in this report. We have strived to build caring and collaborative relationships based on trust and mutual respect, paving the way for a 'Respectful workplace' for all. We provide a range of opportunities for employees to upgrade their skills and almost the entire employee base is impacted through one or more learning interventions every year.
Financial implications	**Positive**	

C3. Community Support and Corporate Social Responsibility/Building thriving Communities

	Rationale for identifying the risk/ opportunity	Approach to adapt or mitigate or Tata Steel's Initiatives
Risk and Opportunity	Many key sites of Tata Steel are located in close proximity to the wider community. A mutually beneficial, two-way relationship with the community, anchored by transparency and trust, is critical for Tata Steel to continue to retain its social license to operate. A deep engagement with the community fosters goodwill amongst them for Tata Steel and helps maintain the public consent to operate. It also brings in a number of long-term benefits in terms of community support, loyalty, source of future employees and capital and the fostering of goodwill, which in turn helps raise awareness of the Company's products and/or services.	Tata Steel firmly believe the health and welfare of our people, the community and society are intrinsic to our approach to business. Tata Steel's Corporate Social Responsibility initiatives focus on four thrust areas – Education, Health, Livelihoods and Rural & Urban Infrastructure, aimed at improving the communities' quality of life. Our Corporate Social Responsibility approach revolves around six guiding principles – Impact, Partnerships, Affirmative Action, Volunteerism, Communication and Innovation. Whilst we ensure that all communities benefit from our Corporate Social Responsibility activities, we focus on those groups that are socially and economically marginalised, such as women, girl child and scheduled castes and tribes. Tata Steel also engages in open and transparent dialogue with members of the community to understand their concerns and tries to address them through various initiatives. Further details of Tata Steel's Corporate Social Responsibility activities and community engagement is provided later in this report.
Financial implications	**Positive**	

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

a) This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the National Guidelines for Responsible Business Conduct (NGRBC) Principles and Core Elements.

Tata Steel Policies	NGRBC Principle								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Affirmative Action Policy	✓		✓	✓	✓			✓	
Alcohol and Drugs Policy			✓						
Anti-Bribery and Anti-Corruption Policy	✓						✓		
Anti-Money Laundering Policy	✓								
Biodiversity Policy		✓				✓			
Climate Change Policy for Tata Companies		✓				✓			
Code of Corporate Disclosure Policy	✓			✓			✓		
Corporate Social Responsibility Policy				✓				✓	
Data Privacy Policy									✓
Dividend Distribution Policy				✓					
Document Retention and Archival Policy	✓								
Energy Policy		✓				✓			
Environmental Policy		✓				✓			
Equal Opportunity and Anti- Discrimination Policy			✓		✓				
HIV / AIDS Policy			✓						
Human Resource Policy			✓						

Tata Steel Policies	NGRBC Principle								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Information Security Asset Classification Policy									✓
Information Security Organisation Policy									✓
Information Security Policy									✓
Information Security Risk Management Policy									✓
Information Security Sustenance Policy									✓
Prevention of Sexual Harassment (POSH) at Workplace			✓		✓				
Policy for determining 'Material' subsidiaries	✓			✓					
Policy on dealing with Related Party Transactions	✓								
Policy on determination of Materiality for Disclosures	✓			✓					
Quality Policy		✓							✓
Remuneration Policy of Directors, Key Management Personnel and other Employees	✓								
Research Policy		✓				✓			
Responsible Supply Chain Policy and Guidelines		✓	✓	✓	✓	✓			✓
Risk Management Policy*		✓							
Safety Principles & Occupational Health Policy		✓	✓						
Social Accountability Policy			✓	✓	✓				
Sustainability Policy	✓	✓		✓	✓	✓			✓
Tata Code of Conduct	✓	✓	✓	✓	✓	✓	✓	✓	✓
Tata Steel Business and Human Rights Policy			✓	✓	✓				
Whistle-Blower Policy for Business Associates	✓		✓	✓			✓		✓
Whistle-Blower Policy for Directors & Employees	✓		✓	✓			✓		✓

Not published on Company's website

P1: Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable

P2: Businesses should provide goods and service in a manner that is sustainable and safe

P3: Businesses should respect and promote the well-being of all employees, including those in their value chains

P4: Businesses should respect the interests of and be responsive to all its stakeholders

P5: Businesses should respect and promote human rights

P6: Businesses should respect and make efforts to protect and restore the environment

P7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

P8: Businesses should promote inclusive growth and equitable development

P9: Businesses should engage with and provide value to their consumers in a responsible manner

<table>
<tr><th rowspan="2">Disclosure Questions</th><th colspan="9">Principles</th></tr>
<tr><th>P 1</th><th>P2</th><th>P3</th><th>P4</th><th>P5</th><th>P6</th><th>P7</th><th>P8</th><th>P9</th></tr>
<tr><td colspan="10">Policy and management processes</td></tr>
<tr><td>b) Has the policy been approved by the Board? (Yes/No)</td><td colspan="9">Yes, Tata Steel’s Governance provides for approval of key policies by the Board or the Chief Executive Officer & Managing Director of the Company, based on the nature of the Policy and the associated regulatory requirements (if any). Accordingly, all policies of Tata Steel are approved by one of the two above-mentioned authorities. Key policies approved by Board are listed below:
1. Anti-Bribery and Anti-Corruption Policy
2. Anti-Money Laundering Policy
3. Prevention of Sexual Harassment at Workplace Policy
4. Corporate Social Responsibility Policy
5. Policy on determination of Materiality for Disclosures
6. Policy on Related Party Transactions
7. Policy on Appointment and Remuneration of Directors and KMPs
8. Tata Code of Conduct
9. Policy on determination of material subsidiaries
The remaining policies of Tata Steel are approved by the Chief Executive Officer & Managing Director of the Company.</td></tr>
<tr><td>c) Web Link of the Policies, if available</td><td colspan="9">The Policies covering these principles are available on the Company’s website under ‘Our Policies’ section.
Link- https://www.tatasteel.com/corporate/our-organisation/ethics/</td></tr>
<tr><td>2. Whether the entity has translated the policy into procedures. (Yes/No)</td><td colspan="9">Yes, all the policies of the entity have been translated into procedures, which are in various stages of implementation. Various executive committees designated with specific responsibilities have also been constituted for operationalising these policies, called Apex Committees and Sub-committees. These are chaired by the senior leadership of Tata Steel.</td></tr>
<tr><td>3. Do the enlisted policies extend to your value chain partner? (Yes/No)</td><td colspan="9">Yes, Tata Steel’s Code of Conduct and Responsible Supply Chain Policy and Guidelines cover key aspects of Tata Steel’s policies related to its value chain partners. These policies are a stage-gate for registration of all vendors for Tata Steel. In case any vendor either does not accept Tata Steel’s Code of Conduct or is in its breach, the relationship is terminated following due process.</td></tr>
<tr><td>4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.</td><td colspan="9">Tata Steel supports, adopts and complies with multiple domestic and international standards, as relevant. Some key certifications are listed below:
1. Key sites of Tata Steel are certified under ISO 14001 (compliance to environmental management system). Further details are available in the ESG Factsheet section of Tata Steel’s Integrated Report for FY2022-23.
2. Key sites of Tata Steel are certified under ISO 45001/OHSAS 18001 (Occupational Health & Safety Management Systems). Further details are available in the ESG Factsheet section of Tata Steel’s Integrated Report for FY2022-23.
3. Key sites of Tata Steel are in compliance with the requirements of SA8000.
4. All manufacturing departments supplying to automotive companies in India are certified to IATF16949-2016.
5. Tata Steel Limited’s R&D laboratory is approved by Department of Scientific and Industrial Research and is ISO 9001:2015 certified. Key laboratories in India are ISO/ IEC 17025:2017 certified.
6. Key sites of Tata Steel in India have ISO 9001 (Quality Management System) certification.
7. Tata Steel has adopted ISO 27001 and ISO 9001 for IT systems.
8. Tata Steel has adopted the <IR> framework of the IFRS Foundation and its annual Integrated Report is aligned with the <IR> framework.
9. Tata Steel has adopted the recommendations of the Taskforce on Climate Related Financial Disclosures (TCFD) and published a Climate Change Report aligned with the recommendations of TCFD, as part of Tata Steel’s Integrated Report for FY2022-23.
10. Tata Steel has received ResponsibleSteel™ Certification for three facilities in Jamshedpur (Steel Works, Tubes Division and Cold Rolling Mill (Bara)). ResponsibleSteel™ is the steel industry’s first global multi-stakeholder standard and certification initiative that works with steel producers, consumers, and intermediaries towards building a sustainable steel industry by addressing pressing challenges, including climate change, diversity, human rights and more.
11. Tata Steel’s Enterprise Risk Management process is based on international standards like Committee of Sponsoring Organisation of the Treadway Commission (‘COSO’) and ISO 31000.
12. Tata Steel has a basket of Bureau of Indian Standards approved products.</td></tr>
</table>

5.	**Specific commitments, goals and targets set by the entity with defined timelines, if any.**	In line with our vision of being the steel industry benchmark in Corporate Citizenship, Tata Steel has adopted Environmental, Social & Governance goals for the organisation, which drive our initiatives across the Company, as below: **Environmental Goals:** **1. Climate Change** a) 2045: Net Zero emissions for the Tata Steel Group. **2. Dust Emission** a) 2025: Achieve specific dust emission intensity of 0.43kg per tonne of crude steel in India b) 2030: Achieve benchmark status specific dust emission intensity in India **3. Product Sustainability** a) 2025: Cover 100% of steelmaking and downstream sites under Life Cycle Assessment in India b) 2030: Disclose environment performance of 100% of products in India **4. Water** a) 2025: Achieve specific freshwater consumption of 2.0 m^3 per tonne of crude steel across all steelmaking sites in India b) 2030: Achieve specific freshwater consumption of <1.5 m^3 per tonne of crude steel across all sites in India **5. Biodiversity** a) 2025: Cover 100% sites under Biodiversity Management Plans across India, UK and the Netherlands. b) 2030: Strive for no Net Loss of biodiversity in designated areas of influence in India **6. Circular Economy** a) 2025: Achieve material efficiency of 99% at all Indian steelmaking sites b) 2030: Sustain material efficiency at 100% at all Indian steelmaking sites c) 2030: Increase Tata Steel's Industrial By-product Management Division's EBITDA by 2.4 times over FY2019-20 d) 2030: Build a 5 MnTPA recycling business in steel and other business in India **Social Goals:** **7. Safety** a) 2030: Achieve zero harm for Tata Steel Limited **8. Diversity:** a) 2025: Achieve 25% diversity in workforce for Tata Steel Limited b) 2027: Increase diversity in job with persons from non-western background to 14% for Tata Steel Nederland c) 2027: Women in vocational technical positions to grow to 5% for Tata Steel Nederland d) 2027: Women in decision-making positions to increase to at least 30% for Tata Steel Nederland e) Tata Steel UK to aim to have 25% women employed across the business **9. Local community development:** a) 2030: Reach >10 million lives per annum through Corporate Social Responsibility initiatives **Governance Goals:** **10. ResponsibleSteel™ Certification** a) 2025: Achieve 'Certified Site' certification for all existing steelmaking sites in India b) 2030: Achieve 'Certified Steel' certification for all sites in India **11. Supply Chain** a) 2027: Coverage of 100% critical supply chain partners for Environment, Social and Governance risk assessment for Tata Steel Limited. b) 2030: Integrate Environment, Social and Governance performance of critical supply chain partners in procurement decision-making for Tata Steel Limited (Assessment & coverage in line with ResponsibleSteel™ guidance) **12. R&D and Technology** a) 2030: Be amongst top 5 in technology in steel industry globally
6.	**Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.**	Please refer to the ESG Factsheet published by Tata Steel Limited in its Integrated Report for FY2022-23.

Governance, Leadership and Oversight

7.	**Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements** **Please refer CEO&MD's statement on (Page No. 28)**	
8.	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**	The Board of Tata Steel Limited is the highest authority responsible for the oversight of the implementation of Business Responsibility policies. The Chief Executive Officer & Managing Director of the Company is the highest authority responsible for implementation of all policies in Tata Steel.
9.	**Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability related issues? (Yes/No). If yes, provide details.**	Yes, the Board of Tata Steel has constituted various Board committees, which are responsible for and have a remit over key sustainability related policies of Tata Steel, as below: **1. The Corporate Social Responsibility and Sustainability (CSR&S) Committee**: The CSR&S committee of the Board governs and reviews the Corporate Social Responsibility and Sustainability activities of the Company. The CSR&S Committee recommends the annual business plan for Tata Steel's Corporate Social Responsibility and Sustainability initiatives to the Board for its approval. The plan includes resource requirements and allocation across interventions and locations. The CSR&S Committee also receives regular update on the performance of the Company against such Annual Business Plan. **2. The Risk Management Committee:** The Board has constituted the Risk Management Committee to assist the Board in fulfilling its oversight responsibilities regarding management of element wise key risks, including strategic, financial, operational, sectoral, sustainability (Environment, Social and Governance) related risks, information & cyber security and compliance risks. The Committee ensures that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company and reviews the adequacy of the risk management practices and actions deployed by the management in respect of identification, impact assessment, monitoring, mitigation and reporting of key risks to the achievement of business objectives. **3. The Stakeholder Relationship Committee :** This Committee considers and resolves the grievances of the shareholders, debenture holders and other security holders of the Company, including complaints relating to non-receipt of Annual Report, transfer and transmission of securities, non-receipt of dividends/interests and such other grievances. **4. The Safety, Health and Environment Committee :** This Committee of the Board oversees the policies relating to Safety, Health and Environment related performance and initiatives of the Company and their implementation across the Tata Steel Group. Additional information on the Board of Directors of Tata Steel and Committee members of all the Board committees of Tata Steel are provided on Tata Steel's website: https://www.tatasteel.com/corporate/our-organisation/leadership/

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
Principle	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The Senior Management of the Company regularly reviews the performance of the Company against various policies. Key aspects of such reviews are also updated to the Board and various Board Committees by the Management from time to time.									On a continuous basis								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company is in compliance with the existing regulations as applicable and a Statutory Compliance Certificate on applicable laws is provided by the Chief Executive Officer & Managing Director/ Chief Financial Officer / Company Secretary and Chief Legal Officer (Corporate & Compliance) to the Board of Directors.																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

Yes. Tata Steel undergoes assessment under the Business Excellence Assessments conducted as part of the Tata Business Excellence Model (TBEM) framework, which is based on the Malcolm Baldrige National Quality Award Model of USA. As part of the assessment, all key policies and their working are evaluated by a group of trained external assessors, which is translated into a score. Based on the assessment conducted in 2022, for the year 2021, Tata Steel has received the coveted JRDQV award and was recognised as the 'Benchmark Leader' under the TBEM Assessment for the Assessment Year 2021.

The ResponsibleSteel™ standard is the first international standard for responsible processing and production of steel. Tata Steel is a founding member of ResponsibleSteel™ and is undergoing assessment under the ResponsibleSteel™ framework for its various sites. The ResponsibleSteel™ certification process involves detailed review of key policies and their working for the site by independent external assessor. Tata Steel's Jamshedpur site has already been certified by ResponsibleSteel™.

Tata Steel also undertakes periodic external assessment of its Risk Maturity, with such assessment being conducted by independent third-party assessors. Tata Steel has been consistently obtaining high scores in such assessments.

Tata Steel also underwent the Data and Analytics Target Operating Model ('DATOM') assessment during 2022, wherein its data and analytics maturity was assessed by external assessors in terms of how the Company's data is governed, managed, and used for generating insights. DATOM assessment also assessed the relevant policies and procedures of the Company. The Company got a score of 3.8/5, which placed Tata Steel in the "Synergised" band and as a Tata Group benchmark on Data Maturity.

Tata Steel also obtained certification under various national and international standards, including ISO 14001, ISO 45001 / OHSAS 18001, etc. These certifications also include assessment of the policies of the Company by independent external assessor. A summary of certifications received by Tata Steel is included in Section B of this report.

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Not Applicable

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURES

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topic/principles covered under the training and its impact	% of persons in respective category covered by awareness programme
Board of Directors	On going- Multiple trainings throughout the year	Orientation and awareness sessions for the Directors of the Company are regularly organised, covering issues related to Safety, Health and Environment, Strategy/Industry Trends, Ethics & Governance and Legal & Regulatory matters. These matters are also regularly discussed and deliberated upon in Board meetings, Board's Audit Committee meetings, and other Governance committees. Details of orientation given to the new and existing Independent Directors are available at https://www.tatasteel.com/media/12333/familiarization-programme-for-independent-directors-for-website.pdf	100
Key Managerial Personnel (KMPs)	On going- Multiple trainings throughout the year	Regular awareness programmes are held for KMPs of Tata Steel covering areas of ethics, governance, code of conduct and policy making. Tata Steel's KMPs and senior leadership teams are also on key national and international forums, where they engage with their global counterparts and provide thought leadership in multiple areas.	100
Employees and Workers	On going- Multiple trainings throughout the year	Tata Steel conducted multiple remote and classroom sessions throughout the year on key topics such as Safety, the Tata Code of Conduct, Anti-Bribery and Anti-Corruption Policies, Conflict of Interest, Prevention of Sexual Harassment policies, etc., for employees and workers across management and non-managerial levels. These training sessions are mandatory for all employees. In addition, employees and workers are provided need-based training as per their job requirement, covering aspects including Safety, Agile Way of Working, Cyber-security, Quality Management, Data Analytics and Sustainability, etc. Tata Steel is also focussed on skill upgradation training and uses an online portal to assign individual e-learning modules regularly to employees for facilitating skill upgradation. The approach is to provide a range of technical and managerial courses with a strong focus on capability development in all functional areas across the levels. There is also a dedicated leadership development team which organises signature leadership programmes for senior management covering topics such as Sustainability, Product Innovation, Culture, Human behaviour, Strategy and Organisation development.	100

2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website:

Monetary	NGRBC Principle	Regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of Case	Has an appeal been preferred?
Penalty/Fine	Nil	Nil	0	Nil	Not Applicable
Settlement					
Compounding Fee					
Non-Monetary					
Imprisonment	Nil	Nil	Nil		Not Applicable
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
Not Applicable	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:

Yes, Tata Steel has an Anti-Bribery and Anti-Corruption (ABAC) Policy and all Tata Steel companies have adopted the ABAC Policy. In some cases, depending upon local laws and regulations, Tata Steel's overseas subsidiaries may modify the ABAC Policy to align with local requirements.

The purpose of the ABAC Policy is to ensure all Tata Steel Group Companies, in any part of the world, conduct their operations and business activities in consonance with applicable laws and with the highest ethical standards and ensure the prevention and detection of fraud, bribery and corruption. Tata Steel's ABAC Policy is applicable to all individuals working at all levels and grades, including Directors, Senior Executives, Senior Managers, Officers, Employees, Consultants, Contractors, Trainees, Interns, Seconded Staff, Casual Workers & Agency Staff, Agents, Business Partners, Service Providers, Professional Associates, and other relevant persons, third parties or companies associated with Tata Steel, including those acting on behalf of Tata Steel.

The Company also communicates, creates awareness, and disseminates the ABAC Policy to all its employees, vendors and supply chain partners through e-modules. Furthermore, Tata Steel, from time to time, designates an employee of sufficient seniority, competence, and independence as the Compliance Officer/Chief Ethics Counsellor to ensure compliance with the provisions of this ABAC Policy.

The weblink of the Policy is as follows: https://www.tatasteel.com/media/11802/1-abac-policy_final.pdf

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:**

	FY2022-23	FY2021-22
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. **Details of complaints with regard to conflict of interest:**

	FY2022-23		FY2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Nil	0	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Nil	0	Nil

7. **Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest:**

   Not Applicable.

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year.**

   Tata Steel takes several initiatives to create awareness amongst its value chain partner on key issues related to the 9 Principles of the National Guidelines for Responsible Business Conduct. Most of the awareness programmes conducted for value chain partners can be broadly classified into three segments i.e. Safety, Ethics and Business Responsibility:

   a) **Safety:** Tata Steel's goal is to achieve 'Zero Harm' and to become an industry leader in Safety & Health performance. It has enunciated safety policies that provide clear direction, created a sound safety governance structure, established robust management & reporting systems, training and communication mechanisms, along with well-defined performance measures and indicators to track its Safety & Health performance. These measures extend to not just employees and workers, but to all value chain partners who enter our sites. All individuals, including contract employees working with vendor partners, need to undergo compulsory safety training in order to enter Tata Steel's plants, with such training covering same areas as the training received by the employees of the Company. This ensures shared understanding of safety risks and principles between all personnel present on the site.

   b) **Ethics:** Tata Steel's vendor partners frequently undergo awareness sessions on Anti-bribery and Anti-corruption Policy of the Company, the Tata Code of Conduct and on the Prevention of Sexual Harassment Policy. Key topics which get covered under these awareness sessions include governance, ethics, health and safety, labour practices and human rights.

   c) **Supply Chain Responsibility:** Tata Steel has launched its Responsible Supply Chain Policy Programme across multiple geographies. The programme cover issues related to ethical behaviour, human rights, health & safety, and environmental sustainability, amongst others. These policies are incorporated in the vendor qualification process for the applicable entities and all vendors are made aware of and are required to adhere to the principles of these policies. For all key entities of the Tata Steel Group, 100% of suppliers are made aware of Tata Steel's Responsible Supply Chain Policy.

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same:**

   Yes, Tata Steel has a Code of Conduct for all members of Tata Steel's Board, which requires all Directors of the Company to always act in the interest of the Company and ensure that any other business or personal association which they may have does not involve any conflict of interest with the operations of the Company. In case of any actual or potential conflicts of interest, the concerned Director is required to immediately report such conflicts and seek approvals as required by the applicable law and under Company's policies.

The Company receives an annual declaration from its Board of Directors and all employees confirming adherence to the Code of Conduct, which includes the provisions on dealing with conflict of interest.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:**

	FY2022-23	FY2021-22	Details of improvements in environmental and social impacts
R&D[1,2]	100% (₹ 859 crore)	100% (₹ 783 crore)	The cost includes overall expenditure including the expenditure made on environmental and sustainable related projects like low-carbon transition, reducing dependence on freshwater consumption, maximising value from waste, energy efficiency, establishing circular economy and developing techno-economic solutions to use low grade raw materials.
Capex[2]	23%	15%	Includes investments in CO_2 and other air emission (SOx, NOx and dust) reduction, water conservation and effluent treatment, solid waste utilisation, improvement of safety and employee welfare initiatives.

1. 100% of Tata Steel's R&D spend are aligned with one or more of the 9 Principles of the National Guideline for Responsible Business Conduct

2. Total R&D expenditure and total capital expenditure based on Tata Steel's consolidated financials as reported in the Company's Integrated Report for FY2022-23.

Tata Steel is an innovation driven Company and the Research & Development (R&D) initiatives of Tata Steel combines top class innovation with cutting edge technology to deliver solutions in a constantly changing world. Tata Steel also works very closely with its customers to ensure they get all the support they need to enable them to design new products and applications.

Tata Steel has a strong R&D team across India, UK and Netherlands, with a strength of over 600 personnel. The Company's key R&D centres are located both within our sites and in select academic institutes and are listed below:

1. The R&D centre in Jamshedpur (India) focuses on process and product research, with emphasis on the specific needs of Tata Steel's Indian operations.
2. The Innovation Centre based out of IJmuiden (Netherlands) focuses on process and product and applications research for the automotive and packaging sectors for our European business.
3. Tata Steel Technology Centre, Swansea University and Tata Steel Technology Centre, Warwick University work to innovate, develop and support implementation of advanced metallurgical solutions for our chosen markets and providing process research and support to ironmaking, steelmaking and casting, whilst taking a leading role in decarbonisation of UK's steelmaking processes.
4. The Centre for Innovation in Mobility at the Indian Institute of Technology, Madras focuses on developing application technologies for current and future mobility industries such as Automotive, Railways and Hyperloop.
5. The Centre for Innovation in Mining and Mineral Beneficiation at the Indian Institute of Technology (Indian School of Mines), Dhanbad will develop technological solutions in natural and urban mining and beneficiation for value from low grade and difficult ores, with a focus on circularity and resource efficiency.
6. The Tata Steel Advanced Materials Research Centre, in partnership with Indian Institute of Technology, Madras and the Centre for Nano and Soft Matter Sciences, Bangalore works closely with the academia, other research centres and early incubated start-ups to identify early-stage ideas and nurture those to develop breakthrough technologies/products with potential commercialisation by 'Technology Entrepreneurship'.

Over the years, Tata Steel has generated significant intellectual capital in form of R&D capabilities and spends.

Tata Steel has also set up a New Materials Business in 2018 to explore opportunities other than steel, covering three verticals – Composites, Graphene & Advanced Ceramics (in Medical Materials). Additional details on the New Materials Business of Tata Steel is provided in the Intellectual Capital section of Tata Steel's Integrated Report for FY2022-23.

The Company has also adopted several digital initiatives and technologies across the value chain, that help in achieving higher levels of sustainability and safety. Technology has been a key enabler in this journey, and the Company has leveraged digital tools and technologies in areas such as energy management, supply chain management, environment management, safety management, and customer engagement, amongst others. The Company has also adopted digital technologies to improve the health and safety of its employees and has implemented several digital initiatives to enhance the well-being of its workforce. In the process, Tata Steel has built strong in-house capabilities in Artificial Intelligence and Machine Learning, leveraging mathematical modelling for driving Yield, Energy, Throughput, and Quality & Productivity gains across the value chain. Some of the key digital initiatives and technologies adopted by the Company towards achieving sustainability and safety are Digital solutions for energy management, Digital supply chain management, Far-site Remote Operation centres and physically delinking workplace & work. Additional details have been provided through the rest of this report on the aforementioned initiatives.

Tata Steel has achieved the Fourth Industrial Revolution (4IR) Global Lighthouse recognition from the World Economic Forum for 3 different steel manufacturing sites – Kalinganagar and Jamshedpur in India and IJmuiden in the Netherlands. Global Lighthouse recognitions are awarded to manufacturing sites which are beacons in the world for achieving efficiency and driving value through digital transformation. Over 75% of the entire steel production of Tata Steel is produced in Global Lighthouse sites, one of the highest in the world.

In yet another pioneering step, Tata Steel has also become one of the first and few enterprises globally to have access to OpenAI technologies (e.g. ChatGPT) in a private & secure environment and have since deployed the technology at enterprise scale with numerous experiments ongoing for future use case derivation.

2. a) Does the entity have procedures in place for sustainable sourcing? (Yes/No):

Yes. Tata Steel has a dedicated Responsible Supply Chain Policy for its key operations, which are applicable to all supply chain partners including its upstream vendor partners ("suppliers"). The Policy aims to encourage suppliers to share Tata Steel's commitment on embedding sustainable business practices. The Responsible Supply Chain Policy focusses on the following four principles on Environmental, Social, and Governance parameters:

1. **Health and safety:** Tata Steel expects its suppliers to adopt management practices in respect of health and safety which provide a high safeguard for their workers.
2. **Fair business practices:** The Tata Code of Conduct outlines the ethical standards and fair business practices by which Tata Steel conducts its business and the Company expects its suppliers to adopt similar principles.
3. **Environmental protection:** Tata Steel expects suppliers to maintain effective policies, processes, and procedures to manage their environmental impact.
4. **Human rights:** Tata Steel expects suppliers to develop and implement policies and procedures to promote and protect human rights in their business and to encourage their step-down suppliers to do likewise.

As a requirement of our Responsible Supply Chain Policy, all our suppliers acknowledge the Supplier Code of Conduct. We assess our key suppliers at least once in a year on our Responsible Supply Chain Policy principles and update our risk registers for key input materials, such as iron ore and coal. Our assessment includes questionnaire on the suppliers' Environmental, Social and Governance practices, including evidence of environmental stewardship, such as CO_2 reduction initiatives.

The outcome of the Responsible Supply Chain Policy assessment guides us onto the next steps – identifying the gaps/opportunities for improvement and taking collaborative projects with the Supply Chain partners to bridge the gaps. The overall governance, oversight and review of the Responsible Supply Chain programme is carried out at the Apex Councils, led by the senior leadership team.

Tata Steel has also initiated independent third-party assessment of its critical supply chain partners on the four principles of Responsible Supply Chain Policy. The critical suppliers have been identified based on factors like spend value, criticality to business, and actual/potential Environment, Social & Governance risks in partner operations.

Tata Steel expects its suppliers to abide by its ethical, social, safety, and security standards for transparent, hassle free and long-term business relationships. During their onboarding, all suppliers sign declarations to comply with the Tata Code of Conduct and Social Accountability Standard (SA8000) on areas such as child labour, forced or compulsory labour, health & safety, money laundering, bribery, gifts & hospitality and human rights, et al. They also commit to having systems for monitoring and analysis and for taking corrective actions. Moreover, only suppliers conforming to Tata Steel's internal standard on safety are permitted to undertake activities on our sites.

Tata Steel's European operations have also embraced the six-step approach of the Organisation for Economic Co-operation and Development's (OECD) due diligence guidance for Responsible Business Conduct, to drive supply chain transparency, adherence to laws & regulations, minimum standards and continuous improvements. The OECD guidelines ensure that Tata Steel procures its goods and services responsibly, whilst aligning to the core Tata Steel values and Code of Conduct. To that end, Tata Steel in Europe has enhanced its onboarding process and system to identify and evaluate any associated risks.

As members of ResponsibleSteel™, Tata Steel also promotes and recognises other relevant programmes, such as the Responsible Minerals Initiative, amongst its suppliers. Since 2019, Tata Steel Nederland has also been a member of the Metal Covenant, an initiative of the Social and Economic Council, where the government, unions, non-governmental organisations and companies collaborate on the implementation of the OECD guidelines and work on improving conditions in the Metals value chain.

Tata Steel has also implemented several digital solutions to improve the efficiency and sustainability of its operations and supply chain. Automation and Analytic & Insight teams of the Company collaborates with Plant Operations and Supply chain teams to streamline efficiency in processes, reduce the carbon footprint and limit supply chain emissions. The Data Analytic Models and Digital Twin in Plant operations enable improved efficiency, ensure equipment reliability, enhance product quality and minimise waste.

b) If yes, what percentage of inputs were sourced sustainably?

It is mandatory for all suppliers of Tata Steel to declare their commitments to Tata Steel's sustainability expectations during registration. 100% of Tata Steel's inputs in India are sourced through suppliers who commit to our guiding principles by providing declarations during the registration phase. In UK, 94% of our suppliers have committed to our Responsible Supply Chain Policy and in Netherlands, 88% of our input is sourced through suppliers who commit to our guiding principles, or equivalent.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste:

Steel has a very long useful life (typically 25 – 30 years) due to its durability, before it needs to be scrapped and recycled. Steel is ideally suited to circular economy: it is durable and flexible with a long lifespan, provides many opportunities for its reuse and product life extension, is easily recovered after scrapping due to its magnetic properties and is easily recycled, with high yield, to produce new steel using well proven low carbon technology. As per the World Steel Association, Steel is the most recycled material in the world, with around 680 Mt recycled in 2021. End of life steel, or scrap steel, is not considered a waste product by the steel industry. It is instead considered an input for steelmaking by remelting and is a globally traded commodity.

Tata Steel is committed to circularity and looks to maximise the use of steel scrap in its operations. Accordingly, Tata Steel reuses scrap generated during the production process as well as procures external scrap. A brief summary of scrap recycled in FY2022-23 by Tata Steel is provided below:

Entity	Internal scrap recycled (kt)	External scrap recycled (kt)
Tata Steel Limited	865	673
Tata Steel Nederland BV	458	624
Tata Steel UK Limited	366	106
Tata Steel (Thailand) Public Company Limited	48	1,208
Tata Steel Long Products Limited	39	0

Tata Steel also has systems in place to recycle plastic waste (including packaging), e-waste, and hazardous waste in a safe manner. For the disposal of such waste, the Company contracts with authorised recyclers and files returns with the appropriate statutory bodies. Tata Steel has optimised its processes to the point where over 98% of the waste produced across all geographies is either recycled and reused in its own operations or sold as co-products to other industries, with the largest customer being the cement industry. Cement industry uses steel slag as a replacement for clinker, decreasing the emission intensity of cement production. Tata Steel also aspires to have 100% solid waste utilisation.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same:**

As per Plastic Waste Management Rules, 2016 and its Amendments, Tata Steel comes under the obligations of Extended Producer Responsibility (EPR) for Plastic waste Management. We have applied for EPR Registration of Tata Steel Limited with the Central Pollution Control Board.

Tata Steel's UK subsidiary has a formal legal Extended Producer Responsibility obligation under the Producer Responsibility Obligations Regulations in the United Kingdom with respect of its packaging grades of steel. This accounts for c.12% of Tata Steel UK's turnover. The regulations stipulate minimum end of life recycling rates to be achieved through direct action and activities in its value chain. Tata Steel is in compliance with the regulation.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format:**

Life cycle assessment (LCA) is a powerful tool for identifying opportunities to reduce the environmental impact of a product – whether that is a building, a vehicle, a piece of machinery or packaging – throughout its life cycle. Tata Steel conducts LCA for many of its products and taking a supply chain perspective allows Tata Steel to demonstrate that improvements in material utilisation and right-first-time manufacturing can reduce emissions during the production phase.

A summary of key products for which Tata Steel conducts LCA, across various geographies, is provided below:

Entity	NIC Code	Name of product/ service	Turnover (₹ Cr)	% of total turnover (of the respective entity)	Boundary for which the life cycle perspective / assessment was conducted	Whether conducted by independent external agency	Results communicated in public domain
Tata Steel Limited	24105	Hot Rolled & Cold Rolled Steel	1,29,006	55%	Cradle to Gate with options	No	Yes (Partially) https://environdec.com/library/epd6474
	24109	Galvanized, Rebar Steel & Pravesh Doors		19%	Cradle to Gate with options	No	Yes (Partially) https://environdec.com/library/epd6474
	24311	Steel Structural hollow section		2%	Cradle to Gate with options	No	Yes https://www.environdec.com/library/epd5020
	24105	Tata Pipes		1%	Cradle to Gate with options	No	No
Tata Steel UK Limited	24105	Hot Rolled Dry & Cold Rolled	31,873	29%	Cradle to Gate	No	Available upon request
	24109	Metallic Coated & Building Products		20%	Cradle to Gate	No	
	24106	Tube		14%	Cradle to Gate	No	Yes[1]
	24109	Organic Coated		15%	Cradle to Gate	No	Yes[1]
	24105	Hot Rolled Pickled		5%	Cradle to Gate	Verified by third party as per EN 15804 or ISO 14040 / 44.	Available upon request
Tata Steel Nederland BV	24105	Hot & Direct Rolled Steel Coil, Pickled Hot & Direct Rolled Steel Coil & Cold Rolled and annealed Steel Coil	62,686	30%	Cradle to Gate	No	No
	24109	Galvanised Steel Coils		25%	Cradle to Gate	No	No
	24106	Steel Tube		4%	EN15804 modules A, C & D – Cradle to gate, end of life and recycling	No	Yes[1]
	24109	Organic Coated Steel & Steel building products: cladding & decking		16%	EN15804 modules A, C & D – Cradle to gate, end of life and recycling	No	Yes[1]
Tata Steel Long Products Limited	24105, 24108, 24102, 24109	Crude Steel, Hot metal, Wire rod, Bloom, Pellet, DRI, Sinter, Coke	7,464	100%	Cradle to Gate	No	No
Tata Metaliks Limited	24101	Pig Iron	3,260	42%%	Cradle to Gate	Yes	No
	24311	Ductile Iron Pipe		58%%	Cradle to Ground (Installation)	Yes	No

[1] *https://www.tatasteeleurope.com/construction/download-centre/environmental-product-declarations*

[2] *These are intermediary products for which LCA has been conducted but are not directly sold to customers.*

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same:**

There are no significant social or environmental concerns and/or risks arising from disposal of our products/services, as identified in the Life Cycle Perspective/Assessments (LCA). However, production of steel is an energy intensive process with large emission footprint. These anthropogenic CO_2 emissions have been identified as key source for global warming.

Tata Steel feels a strong sense of responsibility, therefore, to reduce its own emissions in FY2022-23, Tata Steel adopted a target to be Net Zero across the entire Tata Steel Group by 2045. Tata Steel has also published a Climate Change Report aligned with the recommendations of the Taskforce on Climate Related Financial Disclosures, with detailed disclosures on its Climate Action Strategy, Governance, Risk Management and Metrices and Targets for the Tata Steel Group. The Climate Change Report is part of Tata Steel's Integrated Report for FY2022-23.

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry):**

Indicate input material	Recycled or re-used input material to total material	
	FY2022-23	FY2021-22
Process solid waste like slag, scrap etc.	10%	10%

Note: Includes waste generated from process and reutilised in the process and excludes waste/by-product sold to third parties.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed - plastic, e-waste, hazardous, others:**

In metric tonnes	FY2022-23			FY2021-22		
	Reused	Recycled	Safely disposed	Reused	Recycled	Safely disposed
Plastics (incl. packaging)	NA			NA		
E-waste						
Hazardous waste						
Other waste						

The Company does not have any specific product to reclaim at the end of life, However, at the project and operation sites, there are systems in place to recycle, reuse and dispose in line with regulatory requirement for the above waste being generated during course of construction and operation.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category:**

Indicate Product Category	Reclaimed products and their packaging materials as % of total products sold in respective category
Steel Scrap	Tata Steel is a producer of steel, and steel scrap is not considered waste but is used as input for further steelmaking and is a globally traded commodity. Accordingly, this question is not applicable to Tata Steel's product. Similarly, use of packaging in the sale of steel is insignificant. For details related to scrap, please refer Principle 2, Essential Indicators 3 of this Report.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

1.a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health Insurance incl. company owned hospital[1,3]		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care Facilities[2]	
		Number (B)	(B/A) %	Number(C)	(C/A) %	Number (D)	(D/A) %	Number (E)	(E/A) %	Number (F)	(F/A) %
Permanent Employees											
Male	60,598	60,598	100	60,598	100	Not Applicable		57,857	95	54,549	90
Female	5,512	5,512	100	5,512	100	5,512	100	Not Applicable		5,300	96
Others[4]	76	76	100	76	100	Benefits available as applicable					
Total	**66,186**	**66,186**	**100**	**66,186**	**100**	**100% of all maternity cases**		**57,857**	**95**	**59,849**	**90**
Other Than Permanent Employees											
Male	1,398	1,398	100	1,398	100	Not Applicable		1,217	87	1,208	86
Female	200	200	100	200	100	200	100	Not Applicable		183	92
Total[4]	**1,598**	**1,598**	**100**	**1,598**	**100**	**100% of all maternity cases**		**1,217**	**87**	**1,391**	**87**

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health Insurance inc. company owned hospital[1,3]		Accident insurance incl social security schemes & Suraksha scheme		Maternity benefits		Paternity Benefits		Day Care Facilities[2]	
		Number (B)	(B/A) %	Number (C)	(C/A) %	Number (D)	(D/A) %	Number (E)	(E/A) %	Number (F)	(F/A) %
Permanent Workers											
Male	46,549	46,549	100	46,549	100	Not Applicable		43,165	93	36,108	78
Female	3,889	3,889	100	3,889	100	3,889	100	Not Applicable		3,033	78
Others	76	76	100	76	100	Benefits available as applicable					
Total	**50,514**	**50,514**	**100**	**50,514**	**100**	**100% of all maternity cases**		**43,165**	**93**	**39,141**	**78**
Other Than Permanent Workers											
Male	1,07,883	1,07,883	100	1,07,883	100	Not Applicable		Not tracked		80,771	75
Female	6,266	6,266	100	6,266	100	6,266	100			4,111	66
Others	1,661	1,661	100	1,661	100	Benefits available as applicable				Benefits available as applicable	
Total	**1,15,810**	**1,15,810**	**100**	**1,15,810**	**100**	**100% of all maternity cases**				**84,882**	**73**

All contract employees in India are covered under Employees' State Insurance Corporation benefits and in case of any eventuality or death, under the Tata Steel Suraksha Scheme (which provides financial aid to the family).

[1]Tata Steel employees at Jamshedpur and mining locations in India are covered under the Company's medical hospital for free medical treatment for self and dependents.

[2] For Tata Steel's European subsidiaries, day care facilities are typically provided by the national governments or part of the national school system. Employers are not directly involved, but 100% employees have access to such benefits.

[3]For Tata Steel's European subsidiaries, Health Insurance and / or medical benefits are either provided by the government (e.g., the National Health Services in UK) or are compulsory. Accordingly, all employees are considered to be covered. Under Thailand labour law, health insurance, accident insurance, maternity benefits, paternity benefits and day care facilities are covered under social security schemes for other than permanent workers.

[4]Others includes transgender personnel in case of permanent employees and workers. Other than permanent workers include transgender workers as well as overseas personnel where gender bifurcation is not available.

Tata Steel endeavours to go beyond regulatory requirements and market practices to provide benefits for employee well-being across all sections of workforce. Tata Steel introduced a Family Protection Scheme to support family of employees who passed away due to COVID 19 pandemic. Tata Steel has also initiated menstrual leave for all its women employees in India.

Similarly, Tata Steel has tied up with an external agency to provide counselling services to employees and their families for their mental well-being. A major section of our employees in India are eligible for periodic executive health check-up programme and remaining employees would be brought under the plan in the coming two financial years.

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year:

All Tata Steel entities across all geographies provide retirement benefits to all its employees, aligned with regulatory requirements and market practices in the respective geography. Key retirement benefits provided by Tata Steel are:

Benefits	Applicability (Country)	FY2022-23			FY2021-22		
		No. of employees covered as a % of total employees in the relevant geographies	No. of workers covered as a % of total workers in the relevant geographies	Deducted & deposited with the authority or exempted fund	No. of employees covered as a % of total employees in the relevant geographies	No. of workers covered as a % of total workers in the relevant geographies	Deducted & deposited with the authority or exempted fund
Employee Provident Fund Benefits	India	100%	100%	Yes	100%	100%	Yes
Gratuity Benefits	India	100%	100%	Yes	100%	100%	Yes
Employees' State Insurance Benefits	India	Covered as per rules	Covered as per rules	NA	Covered as per rules	Covered as per rules	NA
Post Retiral Medical Benefits (Select Tata Steel entities)	India	100% (Hospitals or Mediclaim Schemes)	100% Permanent Workers (Hospitals or Mediclaim Schemes)	NA	100% (Hospitals or Mediclaim Schemes)	100% Permanent Workers (Hospitals or Mediclaim Schemes)	NA
Stichting Pensioenfonds Hoogovens	The Netherlands	100%	100% Permanent Workers	NA	100%	100% Permanent Workers	NA
Tata Steel UK defined contribution scheme	United Kingdom	100%	100% Permanent Workers	NA	100%	100% Permanent Workers	NA

Benefits	Applicability (Country)	FY2022-23			FY2021-22		
		No. of employees covered as a % of total employees in the relevant geographies	No. of workers covered as a % of total workers in the relevant geographies	Deducted & deposited with the authority or exempted fund	No. of employees covered as a % of total employees in the relevant geographies	No. of workers covered as a % of total workers in the relevant geographies	Deducted & deposited with the authority or exempted fund
Thailand Provident Fund	Thailand	100%	100% Permanent Workers	NA	100%	100% Permanent Workers	NA
Thailand Severance Pay	Thailand	100%	100% Permanent Workers	NA	100%	100% Permanent Workers	NA
Others	India	a) National Pension Scheme is offered to officers b) Earned Leaves encashed at retirement		Under Employee Pension Scheme	a) National Pension Scheme is offered to Officers b) Earned Leaves encashed at retirement		Under Employee Pension Scheme

Tata Steel also offers other voluntary and optional schemes, like the Tata Steel Superannuation Fund and the TISCO Employee Pension Scheme, which can be opted for by permanent employees and permanent workers of Tata Steel in India. To the extent employees decide not to participate in such schemes, they receive a cash payment of such amounts.

All employees, as applicable, in India are also allowed to retain Company provided accommodation, if applicable, upto 1 year post separation, depending on the type of separation. This may be further extended on a case-by-case basis.

Tata Steel in Nederland has the 'Wenckebach Fund', a social fund that provides assistance to former employees in connection with costs incurred as a result of serious illnesses or accidents (and circumstances resulting therefrom) and other special situations where help is needed.

A brief description of all the schemes is provided below:

1. **Employee Provident Fund:** Defined contribution scheme with a lumpsum payment at superannuation, applicable to companies in India.

2. **Gratuity:** Defined benefit scheme with a lumpsum payment at superannuation, applicable to companies in India

3. **Stichting Pensioenfonds Hoogovens:** Defined contribution pension fund, open to all employees of Tata Steel's subsidiary Companies in Netherlands.

4. **Tata Steel UK defined contribution scheme:** Defined contribution pension fund, open to employees of Tata Steel's subsidiary company in UK.

5. **Thailand Provident Fund:** Defined contribution scheme with a lumpsum payment at superannuation, applicable to companies in Thailand.

6. **Thailand Severance Pay:** Defined benefit scheme with a lumpsum payment at superannuation, applicable to companies in Thailand.

7. **Employees' State Insurance Benefits:** The Employees' State Insurance Act is a social security legislation that provides for medical care and cash benefit in the contingencies of sickness, maternity, disablement and death due to employment injury to workers in India.

8. **TISCO Employee Pension Scheme:** Defined contribution pension scheme for permanent workers of Tata Steel.

9. **Superannuation Fund:** Defined contribution pension scheme for permanent employees (other than permanent workers) of Tata Steel in India.

10. **National Pension Scheme:** Defined contribution retirement savings scheme applicable to companies in India. The scheme is voluntary in nature.

11. **Employee Pension Scheme:** Saving scheme that assures a pension to employees after retirement, wherein a part of the employer's contribution to the Employee Provident Fund is made towards the Employee Pension Scheme (in India).

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Tata Steel has taken steps to comply with the Rights of Persons with Disability Act, 2016 (RPwD Act) across its sites and locations of Tata Steel (in India) and has put in accessibility measures in compliance and alignment to the accessibility mandate of the RPwD Act. Some key actions taken by Tata Steel are listed below:

1. As required under the RPwD Act 2016, all new building structures are in compliance with the accessibility requirement. Tata Steel has also modified workstations and washrooms for existing infrastructure in accordance with the regulations.
2. Tata Steel also provides specialised laptops as per the type of disability (Upper Limb, Lower Limb, Visual Disablement and Hearing Impairment) to its differently abled employees. Necessary Speech to Text, Text to Speech and Screen reading software and hardware aid are provided to persons with disabilities to facilitate the use of computers and IT systems. Our workplace productivity software also comes with accessibility features.
3. All new differently abled employees are initially provided with company accommodation at the time of onboarding. As most of Tata Steel's company accommodations are in the close vicinity of its offices, the commute for differently abled employees becomes easier.
4. All new differently abled employees are assigned buddy in their initial phase to help and support them with the onboarding processes, relocation, and infrastructural familiarity.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy:

Yes, Tata Steel has an Equal Opportunity Policy for Persons with Disabilities. In addition, the Tata Code of Conduct incorporates key equal opportunity principles. Tata Steel's Equal Opportunity Policy is in accordance with the provisions of The Rights of Persons with Disabilities Act, 2016.

Tata Steel recognises the value of diverse workforce. It is committed to providing equal opportunities in employment and creating an inclusive workplace and work culture in which all employees are treated with respect & dignity. It strives to ensure that the Company's workforce is representative of all sections of the society and proactively works towards ensuring fair representation of differently abled within its workforce. Tata Steel is committed to eliminating all forms of unlawful discrimination, bullying and harassment of people with disabilities.

Tata Steel encourages candidates with different abilities to apply for identified suitable positions and its decisions on employment, career progression, training or any other benefits are solely based on merit. Tata Steel's policies have been framed to include the following:

1. The manner of selection of persons with disabilities for various posts, post-recruitment and pre-promotion training, preference in transfer and posting, special leave, preference in allotment of residential accommodation if any, and other facilities.
2. Facilities and amenities to be provided to the Persons with Disabilities, to enable them to effectively discharge their duties.
3. List of posts identified suitable for persons with disabilities in the establishment.
4. Provisions for assistive devices, barrier-free accessibility and other provisions.
5. Appointment of liaison officer to look after the recruitment of Persons with Disabilities and provisions of facilities and amenities for such employees.

Tata Steel's Equal Opportunity Anti-discrimination Policy is available at:
https://www.tatasteel.com/corporate/our-organisation/policies/

5. Return to work and Retention rates of permanent employees and workers that took parental leave:

	Permanent Employees		Permanent Workers	
Gender	**Return to work rate**	**Retention rate**	**Return to work rate**	**Retention rate**
Male	100%	95%	100%	93%
Female	98%	94%	98%	90%
Total	**99%**	**94%**	**99%**	**92%**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:

	Yes/No (If yes then give details of mechanism)
Permanent Workers	Yes. Further details are provided below.
Other than permanent workers	
Permanent Employees	
Other than permanent employees	

1. Yes, Tata Steel has a three-stage Grievance Redressal mechanism for employees with an appropriate forum for each stage. There is also a dedicated grievance redressal procedure which includes subjects such as discharge / dismissal, misconducts, fines etc.

2. In the first stage the employee may raise their grievance at the Shift-in-charge / Foreman level. If the employee is not satisfied with the answer at that level, he / she may raise it to the second level of the Head of the Department. If the employee is still not satisfied, they may raise the grievance to the third level of Zonal Works Committees. If still unresolved, grievances can also be raised to the Central Works Committee or the Special Central Works Committee.
3. There are several other forums available to the workers to report their concerns like various Joint Consultative bodies, Departmental Chief – Union Representative meetings and /or individual case meetings.
4. There are also anonymous modes (e.g., the SpeakUp platform for the Indian operations) available for any worker to report any kind of concern. Independent third-party mechanisms are also in place for workers to raise any concerns and grievances.
5. Tata Steel also has Reach-Out Programs for addressing grievances of contract workers.
6. Tata Steel's annual Performance Appraisal Process also provides for a formal review mechanism for the employees, in case they are dissatisfied with the rating.
7. All employees of Tata Steel Limited also get an opportunity to raise their concerns directly with the CEO&MD of the Company on the first working day of every month via the CEO&MD Online Forum, where the CEO&MD of the Company interacts with the whole organisation.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Tata Steel entities in India	FY2022-23			FY2021-22		
	Total Employees/ Workers in respective category (A)	No. of Employees / Workers in respective category who are part of association or union (B)	% (B/A)	Total Employees / Workers in respective category (C)	No. of Employees / Workers in respective category who are part of association or union (D)	% (D/C)
Total Permanent Employees	**44,914**	**27,562**	**61**	**44,377**	**24,511**	**55**
Male	41,708	25,802	62	41,538	23,167	56
Female	3,130	1,684	54	2,838	1,344	47
Others[1]	76	76	100	1	0	0
Total Permanent Workers	**30,486**	**27,637**	**91**	**29,811**	**24,506**	**82**
Male	28,606	25,858	90	28,238	23,142	82
Female	1,804	1,703	94	1,573	1,364	87
Others[1]	76	76	100	-	-	-

[1] *Others include transgender personnel*

Tata Steel entities (India + Overseas)	FY2022-23			FY2021-22		
	Total Employees / Workers in respective category (A)	No. of Employees / Workers in respective category who are part of association or union (B)	% (B/A)	Total Employees / Workers in respective category (C)	No. of Employees / Workers in respective category who are part of association or union (D)	% (D/C)
Total Permanent Employees	**66,186**	**36,387**	**55**	**65, 087**	**33,455**	**51**
Total Permanent Workers	**50,514**	**36,462**	**72**	**49,400**	**33,450**	**68**

Note: It is not mandatory for employees in some of our European subsidiaries to inform the Company regarding their union affiliation. Data captured includes only those employees who pay their union dues via the Company, but does not include employees (if any) who may be making direct payment to the union

A large proportion of Tata Steel's workforce is part of Union which promotes a healthy work environment. In FY2022-23, Tata Steel Kalinganagar workers have also been included in the Union culture. In steel industry unionisation is concentrated in the workers category as managerial employees are not unionised. The proportion of unionised staff as a proportion of total permanent employee is 61% and as a proportion of total permanent workers is 91% for Tata Steel and its Indian subsidiaries.

8. Details of training given to employees and workers:

Category	FY2022-23			FY2021-22		
	Total Number	On health and safety measures (%)	On skill upgradation (%)	Total Number	On health and safety measures (%)	On skill upgradation (%)
Permanent Employees						
Male	60,598	100	100	59,966	100	100
Female	5,512	100	100	5,120	100	100
Others[1]	76	100	100	1	100	100
Total	**66,186**	**100**	**100**	**65,087**	**100**	**100**
Permanent Workers						
Male	46,549	100	100	45,797	100	100
Female	3,889	100	100	3,603	100	100
Others[1]	76	100	100			
Total	**50,514**	**100**	**100**	**49,400**	**100**	**100**

[1] *Others include transgender personnel*

Tata Steel places great importance on continual development of human resources at all levels and takes responsibility for the professional development and career growth of all its employees. Future skills & competencies aligned with the long-term strategies of the organisation are given equal focus, along with the skills/competencies required at the present time. Key focus areas of the organisation's training interventions are:

1. Core foundational knowledge including Safety, Business Ethics, Tata Values, Total Quality Management, and Customer Centricity.
2. Functional/technical skills
3. Business & Leadership skills
4. Transformational skills like Digital technology, Sustainability and Agility.

Considering the varying needs of different sets of workforces, a multi-dimensional approach has been taken which is manifested through various frameworks & processes deployed in Tata Steel's training & development ecosystem. Some key processes for different categories of workforce are listed below:

1. **New Recruits:** Cadre based programmes with duration ranging from 3 months to 2 years.
2. **Permanent employees (excluding Permanent Workers):** 70:20:10 model activated through vehicles like - Functional Competency Framework, Project/Role Marketplace (StepUP) & Schools of Excellence and Company-initiated & Self-initiated programmes through renowned institutes.
3. **Permanent Workers:** Enterprise Capability Building System, Business Key Performance Indicator linked training programmes – E4 Training model-based Programmes and Request Based Programmes.
4. **Contract Workers:** Training & assessment followed by certifications through structured programmes encompassing critical inputs on Safety and Functional skills and Reskilling opportunities through multi-skilling programmes

Tata Steel has also invested in e-learning modules that supplement the instructor led training programmes. In order to capitalise on the technology advancement in the space of augmented reality and virtual reality, Tata Steel is building training modules that use such technologies to deliver enhanced experience, together with gamification for accelerated and measurable learning outcomes. Tata Steel has also linked movement in positions and job codes to training which are mandatory for the new role whenever a new employee or worker transitions to a new role.

9. Details of performance and career development reviews of employees and worker:

Category	FY2022-23			FY2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Permanent Employees						
Male	60,598	60,598	100	59,966	59,966	100
Female	5,512	5,512	100	5,120	5,120	100
Others[1]	76	76	100	1	1	100
Total	**66,186**	**66,186**	**100**	**65,087**	**65,087**	**100**
Permanent Workers						
Male	46,549	46,548	100	45,797	45,797	100
Female	3,889	3,889	100	3,603	3,603	100
Others[1]	76	76	100			
Total	**50,514**	**50,514**	**100**	**49,400**	**49,400**	**100**

[1] *Others include transgender personnel*

Career progression and career development policies are in place for all permanent employees and workers at all locations. Specifically for workers, different policies are in place for various Tata Steel Group entities based on local market practices. Performance and career development reviews are undertaken to review the skill level of each worker and is essential in their career progression and development. Such reviews are at an individual level at some locations and team-based performance review mechanisms are in place at other locations (e.g. Incentive Bonus scheme, Team Performance Reward, Iron Ore Sufficiency Reward, Coal Production Enhancement Reward, etc). The annual bonus scheme for Permanent Workers is also based on the performance parameters of Productivity, Profitability and Safety.

10. Health and safety management system:

a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes, Tata Steel has implemented an occupational health and safety management system. The system is based on the ISO 45001 and is designed to ensure that the Company meets its legal obligations and provides a safe and healthy working environment for its employees.

b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Tata Steel places the highest emphasis on Health & Safety and has implemented various measures to ensure that Safety is a priority in all its operations. The Company has introduced a Recalibrated Risk Matrix to improve its hazard identification and risk assessment process and has implemented an Environment, Health, and Safety (EHS) risk management framework to assess risks associated with all activities. The framework also captures the top organisational risks related to EHS, and outlines strategies to address them.

Tata Steel's commitment to safety is demonstrated through its continuous efforts to enhance its safety culture and reduce risks through strategic interventions. The Company employs several proactive safety tools to ensure a safe working environment for its employees. These tools include:

1. Safety Visits, which involve regular inspections of the workplace to identify potential hazards and unsafe practices by senior executives of the Company.
2. Elimination of Commonly Accepted Unsafe Practices, which targets practices that are commonly accepted but pose a risk to employees' safety.

3. The Fatality Risk Control Programme is another tool used by Tata Steel to identify potential risks that may result in fatal accidents and take measures to eliminate them.

4. Job Cycle Checks are employed, which involves reviewing each stage of a job to identify potential hazards and take corrective measures.

To enable the smooth functioning of these safety tools, Tata Steel has deployed bespoke IT systems that support these processes. Tata Steel's 'Connected Workforce' platform uses a plant wide heat map that assigns a colour code to micro zones inside the works. By using electronic work permit data, training data, skill data etc., coupled with near-real time image analytics, the system delivers a continuous risk assessment of person, place, process, and asset.

As part of our business responsibility of ensuring a safe work environment, and to improve safety and health at workplace, Far-site Remote Operation centres (iROC) has been established for Agglomerates (8 iSPOC for Sinter Plant and Pellet Plant Operations) and Raw Materials (14 iRMSC for Remote Supervision of 5 Raw Material locations) operations, in order to reduce the physical human footprint at the hazardous shop floor location and provide ergonomic and comfortable environment to employees compared to near location control rooms. This has an added benefit of reducing the carbon footprint of operators having to travel to remote plant and raw material locations, hence making them more sustainable. Tata Steel is looking to further capitalise advances in 5G technology, reducing latency, quantum computing and greater integration between different types of data (video, voice, process etc) to leverage its digital capabilities for improving workplace safety.

c) Whether you have processes for workers to report the work related hazards and to remove themselves from such risks:

Yes, all employees can report incidents and near-misses through a bespoke IT platform to enable prompt reporting, investigation and learning. Tata Steel follows a reporting and investigation process to identify the root cause of any incidents and to implement corrective and preventive measures to prevent recurrence of similar incidents. The reporting and investigation process is aligned with the incident investigation procedures outlined in the Tata Steel Incident Management System.

Tata Steel also has a Safety Helpline (known by different names in different geographies, it is called "SpeakUp" in India), where employees can raise their safety concerns anonymously. The India helpline operates in five languages and is managed by a third-party service provider. The raised concerns are addressed promptly by the relevant departments and a feedback mechanism is in place to ensure that the employees are informed of the outcome of the raised concerns.

In addition to these reporting mechanisms, Tata Steel also conducts regular safety audits, safety assessments and safety walk-downs to identify and address any safety risks in the workplace. These audits and assessments are performed by internal safety auditors and external safety experts, and the findings are used to improve the safety management system.

Digital solutions such as 'Connected Workforce, facilitate real time tracking of unauthorised access to hazardous locations and generate alerts based on violations. Deployment of access control system, Predictive Equipment Health Index, 'Safety Wearables', et al, reiterate our commitment towards a future ready culture. The 'Connected Workforce' platform leverages a plant wide heat map that assigns a colour code to micro zones inside the works. It uses electronic work permit data, training data, skill data etc., coupled with near-real time image analytics, to deliver a continuous risk assessment of person, place, process, and asset.

d) Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, Tata Steel prioritises the health and well-being of its employees and workers. The Company provides access to non-occupational medical and healthcare services, such as hospitals, dispensaries, and health insurance, at their respective locations. Moreover, employees have access to national health services provided by national governments at overseas locations.

In addition to these services, Tata Steel offers its employees various in-house health and wellness programmes, counselling services, and health clinics to promote overall physical and mental well-being. The Company also organises regular health and wellness activities, including health fairs, wellness workshops, and health camps, to encourage employees to adopt healthy habits and lifestyles.

Tata Steel's comprehensive approach to employee health and well-being underscores its commitment to creating a safe and healthy workplace environment.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY2022-23	FY2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.87	0.92
	Workers	0.45	0.55
Total recordable work-related injuries	Employees	390	380
	Workers	643	597
No. of fatalities	Employees	1	0
	Workers	6	6
High consequence work-related injury or ill-health (excluding fatalities)	Employees	10	1
	Workers	9	6

**Employees include all personnel on rolls of the Company. Workers include third party contractors. This definition is applicable to this table only.*

12. Describe the measures taken by the entity to ensure a safe and healthy work place:

The Safety, Health and Environment Committee of the Board has an oversight on health and safety initiatives and the responsibility of the initiatives is on CEO&MD. Tata Steel's goal is to achieve 'Zero Harm' and to become an industry leader in Safety & Health. It has enunciated safety policies that provide clear direction, created a sound safety governance structure, established robust management & reporting systems and training and communication mechanisms, along with well-defined performance measures and indicators, to track its Safety & Health performance.

Tata Steel's value-based system drives its safety culture, with risk-based thinking being reinforced in recent years at all locations. The Company's integrated value chain, from mining to iron & steelmaking and finally to the delivery of products to customers, as well as large project requirements for growth and expansion, demand constant oversight on Safety & Health to achieve its goal.

Tata Steel is focused towards making safety a way of life, be it by the deployment of process safety Centre of Excellence framework or developing capabilities through state of art 'Safety Leadership Development Centre' or ensuring business continuity during emergency situations through the 'Tactical Centre'. Digital solutions, such as 'Connected People', which enables real time tracking of unauthorised worker across hazardous location and generates alerts based on violation, Access Control System, Predicting Equipment Health Index, 'Safety Wearables', etc., reiterate our commitment towards a future ready safety culture.

Tata Steel also recognises the importance of behavioural safety, especially in the operation of heavy vehicles, mobile equipment and moving machinery. We strive to address these by promoting a risk-based thinking culture, leveraging digital technologies and pursuing strategic interventions like simplification of safety standards, development of E-learning modules, safety aligned reward & recognition policy and, intelligent video analytics to improve road safety, Personal Protective Equipment violation detection, person entering in prohibited zone, equipment visualisation with respect to energy source isolation, Standard Operating Procedure compliance, and violation detection during energy isolation.

Tata Steel has also launched the Felt Leadership Program 2.0, reiterating its commitment towards Safety Excellence.

Safety & Health of the workforce is fundamental to the creation of sustained business value at Tata Steel and trust in it as a preferred employer. Far site Remote Operation centres have been setup to reduce footprint at hazardous shop floor location and provided an ergonomic comfortable environment compared to near location control rooms to improve safety and health. The Company is committed to providing a safe & healthy environment to the workforce and addressing impacts by investing in achieving its safety vision of 'Zero Harm' by 2030. Six long-term safety & health strategies, driven through the Agile Way of Working, serve as a key driver in accelerating the creation of business and social value through improved Safety & Health, as below:

1. **Build (Safety) leadership capability at all levels**
   a) Implementation of past fatal and red risk recommendations across the organisation.
   b) Influence behaviour through deployment of Reward & Recognition as well as consequence management system.
   c) Leveraging deployment of digital interventions for risk reduction across all locations of Tata Steel.
2. **Improve competency and capability for hazard identification & risk management**
   a) Safety training through Safety Leadership Development Centre in India and Tata Steel's Safety Centre in IJmuiden
   b) Dissemination of safety standard-based e-learning modules to all workforces.
   c) 5S & Visual Workplace Management assessment and subsequent risk mitigation.
3. **Ensure contractor safety risk management**
   a) Periodic assessment of High-risk job vendors on star rating assessment criteria.
   b) Upgrading skills of contract workmen and development of model Contactor Safety Management workplaces across locations including at Steel Processing Centres and Business partners.
   c) The fifty most important subcontractors of Tata Steel IJmuiden have united under the IJmond Safety Platform (called VeiligheidsPlatform IJmond or VPIJ), a platform by and for the contractors to inform each other about safety initiatives, lessons learned from accidents, etc.
4. **Eliminate safety incidents on road & rail**
   a) Deployment of technological interventions like Anti-tilt switches, Driver Fatigue Monitoring System, Dala Raised Interlock System etc., across all locations.
   b) Planned improvements in road infrastructure at steelmaking sites along with behavioural safety training programmes for heavy vehicle operators.
   c) Tata Steel's European operations also place great emphasis on safer logistics within their operations management, transport and storage and have also developed additional, company-wide safety standards for the lashing and storage of steel products.
   d) Applying video analytics based close circuit television surveillance for proactive identification and mitigation of potential risks.
5. **Achieve excellence in process safety management**
   a) Leveraging digital technology to induce timely maintenance of Process Safety Critical Equipment, leading to reductions in failure of critical equipment.
   b) A 'Tactical Centre', tasked with business continuity management during emergencies has been developed.
   c) Process safety school of excellence, a 3-Tier capability development (Learner, Practitioner, Expert) system has been developed to enhance process safety competency of employees.
   d) Tata Steel in IJmuiden has its own fire brigade, consisting of six teams of employee volunteers, with at least seven persons available 24/7 ensuring the safety of employees and neighbours.
   e) Extensive inventory, analysis and associated control measures undertaken, which includes, amongst other things, regular review and updating of the risks of fires, explosions and released gases and liquids, at IJmuiden.

6. **Establish industrial hygiene competency & improve occupational health**

   a) Physical & Mental Well-being digital programme across locations to reduce and control lifestyle diseases and reduce ergonomic risk factors via assessments and control measures.

   b) Industrial Hygiene assessment & Implementation of control measures through Wellness at Workplace

The Company has prioritised digitalisation to ensure employee safety through data-driven decision-making. Tata Steel has implemented a 'Connected Workforce system' for real-time tracking and access control of employees and contract workers to enhance safety and productivity. The platform leverages multiple technologies and systems to pre-empt unsafe incidents, while enabling policy interventions and ensuring safety & security of its employees and assets. The platform proved pivotal in ensuring business continuity and workforce safety during the COVID-19 pandemic. Entire covid response was digitally enabled and a safety app with multiple tracks was developed with agility over the connected workforce platform, which allowed Tata Steel to operate without any disruptions.

13. Number of Complaints on the following made by employees and workers:

	FY2022-23		FY2021-22	
	Filed during the year	Pending resolution at the end of year	Filed during the year	Pending resolution at the end of year
Working Conditions	230	9	202	12
Health & Safety	230	5	323	8

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% (Assessment on ISO 45001)
Working Conditions	100% (IS 14489)

Note: Assessment by the senior management team

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions:

All safety incidents and near-misses are investigated, and risk mitigation is done through the incident classification, reporting & investigation safety standard. This is supported by the safety IT system, and the Environment, Health and Safety recalibrated risk assessment system. All Opportunities for Improvement identified during internal and external assessments are captured and addressed through the IT system.

Corrective actions and its horizontal deployment are a continuous process in Tata Steel, where all safety incidents are recorded, investigated and corrective actions communicated and implemented across the organisation. Some key actions taken over the recent past are:

1. Restricting two-wheeler entry into the steel plants.
2. Implementing segregated timing for movement of two-wheelers and heavy vehicles.
3. Development of transport parks at strategic locations.
4. Horizontal deployment of past fatal accident recommendations.
5. Proactive replacement of equipment based on incidents at other parts of the Tata Steel Group.
6. Radio Frequency Identification based access control to restrict unauthorised entry at crane walkways and other hazardous zones.

7. Introduction of safety interlock systems in tipper operations

8. Formation of new Apex 'Digital & Technology' Safety Sub-Committee to formulate a holistic approach towards adoption of digital and technology to enable Tata Steel's safety excellence journey to achieve the overall objective of 'Zero Harm'.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (B) Workers:**

   A. Employees – Yes

   B. Workers – Yes

   In case of a death or a permanent/temporary disablement of any employee or permanent worker, various Company social security schemes are in place to ensure the continuity of the same standard of living of the employee and family. Tata Steel has schemes like Family Support Scheme (applicable in case of death due to accident at workplace), Family Benefit Scheme (applicable in case of death due to any other reason than accident at workplace or due to accident while going or coming to duty), Employee Family Benefit Scheme (applicable in death while in service), Medical Separation Scheme, TISCO Employee Family Benefit Scheme and TISCO Officers Family Benefit Scheme, in India, which allow the employees or their family to draw monthly pension or employment (in select schemes) along with the lumpsum retirals and other benefits.

   Tata Steel also introduced a Family Protection Scheme to support families of employees who passed away due to COVID-19 pandemic.

   For the non-permanent workers in India, Tata Steel has a Suraksha Scheme, which provides financial stability to the worker's family in case of death or permanent disablement of the worker due to accident while at workplace.

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners:**

   The contract between Tata Steel and its suppliers incorporates statutory provisions including payment and deduction of statutory dues such as Goods and Services Tax. The suppliers are responsible for adherence to various statutes required for their operations, whilst Tata Steel is responsible as a principal employer.

   Tata Steel has a well-established procedure to ensure compliance of all statutory provisions of suppliers who operate in our premises, including ensuring payments and wellbeing of suppliers' workers. Tata Steel's Contractor Cell drives compliance of payment of statutory dues of the suppliers' workers in our premises. The suppliers are mandated to pay all statutory dues to their employees (such as Provident Fund, Employee State Insurance etc.) within the stipulated time and such payments are verified by the members of the Contractor Cell. Non-compliance attracts actions required under law and penalties as per Tata Steel's own policies.

3. **Provide the number of employees/workers having suffered high consequence work- related injury/ ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

   The Suraksha Scheme is a pioneering initiative of Tata Steel to protect families of contract workmen through assured compensation in the event of a fatality. This scheme was developed to support the contract labourer/ his/ her family in case of a serious accident resulting in permanent loss of earning capacity of 50% or more/or in case of death arising out of an accident in Company's work premises. It covers the contractor and contractor worker and includes all establishments and manufacturing units of the Company within India over which the Company has direct control, including the stockyards and railway sidings.

	Total No. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY2022-23	FY2021-22	FY2022-23	FY2021-22
Employees	11	1	2	0
Workers	15	12	4	7

Note: Numbers for cases of support for Employee fatality/or high consequence injury.

4. **Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

   No. Tata Steel does not provide any transitional assistance programme.

5. **Details on assessment of value chain partners:**

   All value chain partners are assessed periodically on their health & safety practices and working conditions. Adhering to the requirement of SA8000 / OHSAS 18001 / ISO 45001 / IS 14489 certifications is encouraged through implementation of internal standards and third-party assessments.

   Furthermore, under the Responsible Supply Chain Policy, all key Tata Steel Group entities have developed a detailed process to evaluate adverse impacts on labour force, human rights, environment and business environment where Tata Steel suspect high-priority risks. Within Tata Steel's regular vendor qualification process, the Company asks all high risk/high spend suppliers for 3rd party certificates on health & safety and working conditions. High-risk suppliers also receive safety audits.

   Tata Steel believes that performance evaluation of suppliers helps to ensure that the suppliers have the potential in performing and running the business on the same basis as Tata Steel. If the Suppliers do not perform as per the required standard, they may be temporarily suspended or withdrawn from the companies' vendor list. Tata Steel also works with suppliers to ensure they understand our requirements and to enhance suppliers' capabilities by providing training, advice and supports.

   A summary of value chain partners assessed by key Tata Steel entities is provided below:

	% of value chain partners (by value of business done with such partners) that were assessed		
	Tata Steel Limited	Tata Steel Nederland BV	Tata Steel UK Limited
Health & Safety practices	78	67	100
Working Conditions	78	Not Monitored	100

6. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners:**

   Over the years, Tata Steel has taken several actions to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners. Tata Steel collaborates with suppliers to improve their sustainability performance by sharing opportunities for improvements, especially with those who have been identified as 'Basic' and 'Improving' under the Responsible Supply Chain Policy assessment. This includes defining follow-up actions, which get tracked. As an example, following an enhanced due diligence visit to one of Tata Steel's South African raw material suppliers (for our Dutch operations) and their supplying mines in August 2022, Tata Steel has agreed actions with the supplier and are tracking them.

   Tata Steel also takes actions within our control to increase the capabilities of our value chain partners. Some key actions taken are listed below:

   1. Tata Steel has established a **Safety Leadership Development Centre (SLDC)** at Jamshedpur. It is a state-of-the-art facility dedicated to providing comprehensive safety training to all individuals entering the workplace and utilises cutting-edge training props and techniques to ensure an engaging and effective learning experience. In FY2022-23,

Tata Steel trained over 40,000 contract workforce on various safety standards at the SLDC, Jamshedpur. This significant investment in safety training underscores Tata Steel's commitment to creating a safe and healthy working environment for all employees and contractors. Similar facilities are also being established at our Kalinganagar and Meramandali sites.

2. Tata Steel has also recently established a state-of-the-art Practical Safety Training Centre to enhance its workforce's risk perception regarding various critical hazards in the workplace. The centre provides hands-on training on various modules, including Working at Height, Material Handling, Gas Safety, Confined Space, Heavy Vehicle Simulators, First Aid & Cardiopulmonary Resuscitation (CPR), and Virtual Reality for moving machinery. By incorporating the latest technology and equipment, Tata Steel aims to ensure engaging and effective training experience that is relevant to the employees' safety needs.

3. Awarding high risk job to only those vendor partners who score 3-star or above ratings in a comprehensive safety due diligence process known as Contractor Safety Management Standard or its equivalent across group companies. High risk work includes working at height, hot work, confined space entry, electrical work, transportation etc.

4. Incorporating safety & health requirements in the Request for Quotation documents and ensuring that those requirements are the condition of the contract. The safety & health requirements are formalised during the pre-bid meetings.

5. Creating a safety recognition or positive discrimination framework among high performing vendors on safety performance (4-star and 5-star)

   a) Rewards through provision of special privileges during contract award decisions.

   b) Recognition by Senior Leadership Team and provisions of better growth opportunities.

6. Implementation of Contractor Safety Management Standard at the Meramandali site, after its acquisition by Tata Steel. The journey started with training and handholding of different stakeholders and making them aware of the Six Steps Contractor Safety Management process and continued with full-fledged implementation of star rating assessment system for all High risk job vendors.

7. Through its flagship Vendor Capability Advancement Programme, Tata Steel is working with the low safety score vendors to improve their safety performance through handholding and training.

8. Safety Excellence Reward and Recognition framework was initially introduced for management employees of Tata Steel in India, to promote a positive safety culture and reward individuals and departments with exceptional safety performance. This framework has now been extended to all employees, including contract employees and vendor partners of Tata Steel.

9. The **'Ghar-Se-Ghar-Tak programme'** is designed to sensitise the message of nurturing a risk averse culture and improve risk perception not only at the workplace, but also within the homes of contractor employees. This initiative involves families of the contract employees and aims to promote the message of choosing safety over risks at workplace as well as at home. Tata Steel has conducted more than 200 Ghar-Se-Ghar-Tak sessions in FY2022-23.

10. Based on past trends on safety related incidents associated with vehicle movement, Tata Steel has developed a "Transport Park" at its Cold Rolling Mill at Bara (in Jamshedpur) and at Meramandali. Tata Steel has also undertaken the renovation of its existing Transport Park at Kalinganagar and developed Model Heavy Vehicles Parking areas at all its mining locations in India.

11. Extensive use of Video Analytics for Safety Monitoring in terms of Personal Protective Equipment compliance and Restricted Area Access Violations and Advanced Artificial Intelligence models have been deployed for close monitoring of various manufacturing processes to detect conditions which could violate safe operating conditions

12. Tata Steel's European Operations has a supply chain improvement request system to capture improvement opportunities with suppliers regarding Safety, Health, Environment, Delivery and Quality. The same system allows the issuing of positive commendations to suppliers who demonstrates going over and beyond the initial requirements.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity:**

   Tata Steel has a structured Materiality Assessment process to identify key stakeholder groups and take their input in identifying material issues for Tata Steel. The assessment is conducted by an independent 3rd party and takes into consideration various standards, including the following, in identifying key stakeholder groups:

   1. Global Reporting Initiative
   2. Sustainability Accounting Standards Board (Coal, Metals & Mining, and Iron Steel Producers)
   3. EU Sustainability Reporting
   4. MSCI Index (Morgan Stanley Capital International)
   5. International Labour Organisation Framework
   6. UN Guiding Principles on Business & Human Rights
   7. Peer company reports
   8. Tata Steel's past Materiality Assessment Report.

   As part of the Materiality Assessment, Tata Steel also uses the AA1000 Stakeholder Engagement Standard to provide guidance on identifying and engagement with stakeholders.

   Based on the guidance provided by standards, input from the Company and their independent judgement, the independent party identifies the key stakeholder list for Tata Steel.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:**

Sl. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalised Group	Channels of communication	Frequency	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Investors	No	Earnings calls	Quarterly	1. Transparent and effective communication of business performance 2. Addressing investor queries and concerns 3. Sound corporate governance mechanisms 4. Providing insights into the Company's corporate strategy and business environment
			Structured investor and analysts meet	Annual	
			One-to-one meetings (upon request)	As and when required	
			General Meetings	Annual /as and when convened	

Sl. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalised Group	Channels of communication	Frequency	Purpose and scope of engagement including key topics and concerns raised during such engagement
2	Community Representatives	Yes	1. Public hearings 2. Scheduled Caste stakeholder council meetings 3. Scheduled Tribe stakeholder council meetings 4. Jamshedpur citizens forum 5. Meetings with community leaders 6. Rural Satisfaction Survey 7. Village Coordinator meetings 8. Informal interactions with members of the Tata Steel Foundation	Public hearings as per regulatory requirement, other community meetings as required	1. Community development programmes based on local communities' needs 2. Strengthening of livelihood opportunities 3. Improvement of social infrastructure for hygienic and healthy living environment 4. Understanding and addressing concerns of the community on environment and social issues. 5. Dignity of life through economic and social empowerment
3	Suppliers	Yes. Tata Steel recognises Affirmative Action Suppliers as vulnerable & marginalised	1. Supplier Value Management in India and Supplier Relationship & Contract Management process in Europe 2. Responsible supply chain assessments 3. Vendor satisfaction surveys 4. Trainings, and support programmes such as 'Sathis' 5. Swaagat programme for new vendors 6. Vendor Capability Advancement Programme 7. Annual vendor meets 8. Analysis of total cost of ownership (TCO) and value in use (VIU) 9. Monthly meeting with contractors	As per team plan/ weekly/ monthly/ quarterly/ annual	1. Knowledge and infrastructure support 2. Efficient and sustainable use of natural resources, including greenhouse gas reduction and sustainable waste management 3. Regular communication and updates on business plans 4. Inclusion of local medium and small-scale enterprises in vendor base 5. Competency development of local vendors 6. Routine ordering and payment related matters 7. Assessment of sustainability risks, and building resilience against such risks

Sl. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalised Group	Channels of communication	Frequency	Purpose and scope of engagement including key topics and concerns raised during such engagement
4	Customers	No	1. Dedicated Customer Service Teams 2. Value analysis and value engineering and Vehicle Teardown & Benchmarking 3. Early vendor involvement and Retail value management 4. Customer meet (Parivaar meet) and other conferences, (Euroblech, Blechexpo and Metpack) conclaves, and zonal meets 5. Ecafez & ECAféz Qualithon 6. Relationship building with celebrations 7. Customer Engagement & Satisfaction surveys 8. Webinars 9. Senior Management visits/ Virtual meets / Tata Steel Europe Customer Events and Steel Courses	Need based/ As per team plan/ Annual/ Bi-annual	1. Product/ service quality and safety 2. Adequate information on products 3. Timely delivery of product/ service 4. Maintenance of privacy/ confidentiality 5. Knowledge and infrastructure support
5	Regulatory Authorities	No	1. Ongoing meetings and dialogues 2. Participation in formal and informal consultation processes	On a regular basis	1. Regulatory compliance 2. Sound corporate governance mechanisms 3. Tax revenues 4. Transparency in disclosures
6	Industry Bodies, Associations & International standard setting organisations	No	1. Leadership of, and participation in national and international trade organisations, including memberships of various committees and forums (both steel industry and industry agnostic). 2. Leadership in development of national and international standards relevant to Tata Steel	On a regular basis	1. Regulatory compliance 2. Transparency in disclosures 3. Responsible Corporate Citizenship
7	Media and Industry Bodies	No	1. Press conferences 2. Media meets 3. Conclaves 4. Multiple Forums and Summits 5. One-to-one interaction with senior management	Monthly/ Quarterly/ Annual/ As per plan	1. Transparent and accurate disclosure to stakeholders 2. Awareness on Tata Steel's Businesses, Brands & Sustainability initiatives 3. Enhancing Corporate Reputation

Sl. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalised Group	Channels of communication	Frequency	Purpose and scope of engagement including key topics and concerns raised during such engagement
8	Employees and workers	Yes. Tata Steel recognises Employees and Workers from the LGBTQIA+ community, Persons with Disability and the Affirmative Action Community (Tribal Communities) as vulnerable & marginalised	1. Joint Consultative Council of Management 2. Joint Works Council 3. Joint Departmental Council 4. Annual working together meets 5. Joint Amenities committee 6. Monthly MD-Online forum 7. Performance reviews 8. Employee Engagement Surveys 9. Managing Director Connect 10. Senior leadership communication meetings, etc.	As per team plan/ weekly/ monthly/ quarterly/ annual	1. Caring and empowering work environment 2. Personal development and growth 3. Health and safety 4. Grievance resolution 5. Competitive compensation

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board:**

Tata Steel has delegated the consultation between the stakeholders and the Board on economic, environmental, and social topics to the Chief Executive Officer and the Managing Director (CEO&MD) of the Company. The CEO&MD and the senior leadership team of Tata Steel and its subsidiary companies regularly update the Board and various Board Committees on relevant issues. These updates are provided during the Board meetings and separate meetings for various Board Committees.

Tata Steel has put in place various processes which ensure feedback from key stakeholders are received by the management and presented to the Board and Board committees in their meetings. Some examples of forums to receive feedback from various stakeholder groups are listed below:

A. Stakeholder: Employees

1. The **Joint Consultative mechanism** is in place in Tata Steel with representations from the Unions and the Management based on the principle of Working Together. This is a three-tier joint consultation machinery in Tata Steel consisting of Joint consultative council of management, the Joint Works Council and the Joint Departmental Council. All the three bodies form the working together architecture of Tata Steel and represent the joint working culture of the organisation. The main objective of these forums are as follows:

a) To promote improved performance for the general benefit of the enterprise, the employees and the country.

b) To give employees a better understanding of their role and importance in the working of the industry.

c) To satisfy the employees' urge for self-expression.

Regular meetings of these joint bodies are organised to facilitate discussions, recommendations, quicker decision-making and joint action planning to drive improvements in the areas of health & safety, amenities, cost, quality, production, community development, employees training & development and diversity & inclusion.

Additionally, Tata Steel organises an annual event on Working Together, with representatives from the management and unions of various plants of Tata Steel and other Tata Steel Group companies in India. Some of the recent topics discussed in the event are related to ESG, Diversity & Inclusion, Climate Change, Air Quality, Water Stewardship. Valuable inputs/feedbacks from the seminar are collated from all the participants, which are further incorporated into formulation of policies related to that topic.

2. Tata Steel also has a similarly robust employee consultation process in Europe. In the Netherlands, works councils (a total of 6) have a role in the consultations within their own work unit. They delegate members to the Central Works Council, which represents the employees at Tata Steel Nederland level and participate in consultations with the Tata Steel management.

   Consultation mechanisms between employees and the management are in place for all our other locations of Tata Steel, in line with local regulations and best practices.

B. Stakeholder: Community

1. Tata Steel also engages deeply with the community on social and environmental topics via the Tata Steel Foundation (TSF). Some key examples of the comprehensive engagement that TSF has with the community are listed below:

   a) Daily engagement of communities and stakeholders by the TSF team results in a better understanding of the issues they face currently as well as how their problems have changed and evolved over time. This allows for societal development initiatives to be re-aligned as per relevance.

   b) Tata Steel frequently faces public hearings where community members express their concerns. It is another opportunity to understand community concerns and ensure that the development initiatives undertaken are aligned.

   c) TSF regularly interacts with experts of national and global repute with vast experience in the community development space who can provide an unbiased outside-in perspective on the communities we serve, the socio-economic milieu including stakeholder interests as well as the development initiatives being engaged in with communities.

C. Stakeholder: Customers, Suppliers and Channel Partners

1. Tata Steel organises annual "Parivaar Meets" of various business units of Tata Steel, wherein the Channel Partners of the Company interact with the CEO&MD as well as the Senior Leadership team of the Company. Parivaar Meets provide an opportunity where future plans are discussed jointly with the Channel Partners. Additionally, Building Bonds is an engagement platform for Tata Steel team and channel partner customers to understand their emerging needs and their future aspirations.

2. Tata Steel also organised annual supplier meets wherein key suppliers interact with the Tata Steel Senior Leadership Team. Tata Steel also works with select strategic suppliers, who have a global reach, to bring in ideas on joint collaboration projects and strategic partnerships for value discovery and creation in line with the long-term strategic objectives of the Company.

3. Monthly business planning meetings capturing details of the market, industry trends, projected performance and likely impact of any foreseeable change are conducted at apex level. In addition, customer feedback is captured annually, and the action taken across product, delivery, commercials, relationship, new product development, technical support, etc. is shared with CEO&MD.

D. Investors, Lenders and Shareholders

The Tata Steel Investor Relations team forms the bridge between the senior leadership of the Company and the investor and lender communities. The CEO&MD and ED&CFO of the Company also hold regular interactions with the investor and lender communities, including earnings calls, analyst meets and over one-to-one meetings.

Tata Steel has also appointed TSR Consultants Private Limited (TSR) as the Registrar and Transfer agents of the Company. TSR acts as the single point of contact for all shareholder related feedback of the Company and works with the Secretarial team of the Company to address all investor's queries.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity:

Yes. Tata Steel relies on the outcome of the stakeholder's consultation, including those identified during the Materiality Exercise, to identify its key policies and activities on environmental and social topics. Following on from the Materiality Exercise, for all the identified areas, Tata Steel has identified and adopted ambitious targets. Based on the inputs received from stakeholders, one of the strategic objectives identified by Tata Steel is 'Industry Leadership in Sustainability'. Tata Steel has also put in initiatives to achieve these targets, which have been articulated in various sections of the current Business Responsibility and Sustainability Report.

Tata Steel follows an integrated approach of balancing stakeholder requirements while formulating Long-Term Plans/ Annual Business Plan, which helps to mitigate adverse impacts and community risks that may arise from our operations. Accordingly, the sustainability issues identified during the Materiality Assessment (please refer to Section A, Question 24) are embedded in Tata Steel's strategic planning process and their impact are mitigated through focused action plans and resource allocation, including capital expenditure, revenue expenditure, technology adoption, manpower planning etc.

A robust top-down governance structure at Board & Corporate level ensures periodic oversight of material issues and related action plan. The governance mechanism at the Board level (Corporate Social Responsibility & Sustainability Committee, Safety, Health & Environment Committee, Risk Management Committee and Audit Committee) and CEO & MD's level (Apex Environment, Apex Safety), TIMC (Technology & Innovation Management Committee), Group Risk Review Committee enables periodic review of the performance against action plan and provides directions based on external landscape evolution and organisational objectives.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups:

The Corporate Social Responsibility & Sustainability Committee (CSR&S) of the Board has an oversight on CSR initiatives.At Tata Steel, steelmaking and mining operations are in the states of Jharkhand and Odisha, both of which have a large indigenous population, and accordingly the community amongst which we operate can be considered to be vulnerable/marginalised stakeholder group.

The value proposition of Tata Steel's engagement with the community is to enable lasting betterment in the well-being of communities in the operating region through regional development models prioritising the excluded and those proximate to business operations. Additionally, Tata Steel is also looking at addressing core development gaps at a national scale through replicable models of development. Some actions taken by the Company to address their concerns are:

1. Ensuring safety in operating sites so that health & safety of communities is not compromised.
2. Sustaining community outreach activities in areas where we operate.
3. Actively supporting communities through initiatives encompassing public health, household nutrition, access to and conservation of water, household sanitation, holistic education, stable livelihoods, nurturing sporting talent, enabling a life of dignity for persons with disabilities, creating necessary public infrastructure and amenities, enabling grassroots leadership.

Further details on Tata Steel's engagement with communities is provided in Social & Relationship Capital section of Tata Steel's Integrated Report for FY2022-23 and later in this report.

Principle 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

   All our employees and workers are provided training on the Tata Code of Conduct, which cover key human rights issues, and the Prevention on Sexual Harassment trainings, from time to time. Tata Steel is rolling out a bespoke Human Rights training programme for all employees in FY2023-24.

Category	FY2022-23			FY2021-22		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (A)	No. of employees/ workers covered (B)	% (B/A)
Permanent Employees	66,186	66,186	100	65,087	65,087	100
Permanent Workers	50,514	50,514	100	49,400	49,400	100

Note: The trainings are extended to the Contract Workers as well.

2. **Details of minimum wages paid to employees and workers, in the following format:**

   100% of employees and workers of Tata Steel are paid more than or equal to the minimum wage, as applicable in their respective jurisdiction.

Category	FY2022-23			FY2021-22		
	Total (A)	Equal to or more than Minimum Wage		Total (A)	Equal to or more than Minimum Wage	
		No. (B)	% (B / A)		No. (B)	% (B / A)
Employees						
Permanent						
Male	60,598	60,598	100	59,966	59,966	100
Female	5,512	5,512	100	5,120	5,120	100
Others[1]	76	76	100	1	1	100
Other than Permanent						
Male	1,398	1,398	100	1,243	1,243	100
Female	200	200	100	119	119	100
Workers						
Permanent						
Male	46,549	46,549	100	45,797	45,797	100
Female	3,889	3,889	100	3,603	3,603	100
Others[1]	76	76	100			
Other than Permanent						
Male	1,07,883	1,07,883	100	1,00,917	1,00,917	100
Female	6,266	6,266	100	6,262	6,262	100
Others[2]	1,661	1,661	100	1,646	1,646	100

[1] *Others include transgender personnel*

[2] *Others include transgender workers and overseas personnel where gender bifurcation is not available.*

3. Details of remuneration/ salary/ wages, in the following format:

Company	Per annum Figs in.	Category	Male		Female	
			Number	Median remuneration	Number	Median remuneration
Tata Steel Limited	₹	Board of Directors (BoD)[1]	9	1,55,05,000	3	1,26,40,000
	₹	Key Managerial Personnel[2]	3	14,21,17,785	0	-
Tata Steel	₹	Employees & Permanent Workers (other than BoD and KMP listed above)[3]	59,074	25,66,079	5,255	29,80,695

Note

1. Remuneration of Board of Directors

SN	Board of Directors (Male)	Amount (in ₹)
1	Mr. N. Chandrasekaran	3,60,000
2	Mr. Saurabh Agrawal	6,80,000
3	Mr. David W. Crane*	52,40,000
4	Mr. V. K. Sharma	1,24,50,000
5	Mr. Noel Naval Tata	1,54,00,000
6	Mr. Deepak Kapoor	1,56,10,000
7	Mr. O. P. Bhatt	2,48,00,000
8	Mr. Koushik Chatterjee	14,21,17,785
9	Mr. T. V. Narendran	18,66,50,782

SN	Board of Directors (Female)	Amount (in ₹)
1	Ms. Mallika Srinivasan**	40,80,000
2	Ms. Bharti Gupta Ramola***	52,80,000
3	Ms. Farida Khambata	1,26,40,000

* *Mr. David W. Crane stepped down as an Independent Director and Member of the Board effective September 5, 2022.*

** *Ms. Mallika Srinivasan completed her second term as an Independent Director of the Board and ceased as an Independent Director and Member of the Board effective May 20, 2022.*

*** *Ms. Bharti Gupta Ramola was appointed as an Independent Director of the Company for a term of 5 (Five) years commencing November 25, 2022 through November 24, 2027.*

2. Remuneration of Key Managerial Personnel

SN	Name of Key Managerial Personnel (Male)	Amount (in ₹)
1	Mr. Parvatheesam Kanchinadham	3,76,05,394
2	Mr. Koushik Chatterjee	14,21,17,785
3	Mr. T. V. Narendran	18,66,50,782

3. No. on consolidated basis not adjusted for Purchasing Power Parity and may not reflect benchmark median salary in each of the respective geography

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes. Tata Steel has formed the Apex Business & Human Rights Committee to oversee human rights commitments and act as the focal point for addressing human rights impacts or issues.

Tata Steel recognises upholding of human rights as an integral aspect of doing business and is committed to respecting and protecting the human rights of all stakeholders and remediating adverse human rights impacts resulting from or caused by its businesses. Tata Steel's Business & Human Rights policy (https://www.tatasteel.com/media/15484/tsl-policy.pdf) is aligned with the principles contained in the Universal Declaration of Human Rights, International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the United Nations Guiding Principles on Business and Human Rights and is consistent with the Tata Code of Conduct. This Policy applies to Tata Steel and all its subsidiaries.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues:**

Tata Steel believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. Towards this end, the Company has adopted the Tata Code of Conduct, which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, is a matter of serious concern for the Company.

Tata Steel is committed to providing a safe and positive work environment. The Company complies with SA8000 standards and has put in place a robust corporate governance model with defined roles and responsibilities at the Board, the Management Level Committees as well as at the Employee level. The Apex Business & Human Rights Committee has been formed to oversee human rights commitments of the Company.

Tata Steel has put systems in place to encourage the reporting of concerns related to Human Rights. In addition to Tata Steel's own internal processes, employees and suppliers are encouraged to use Tata Steel's Confidential Reporting System to report any concerns. This is an independently run service which enables concerns about any aspect of Tata Steel's operations to be reported on a confidential (and/or anonymous) basis. The service, called "Speak Up", is available on Tata Steel's website and a Telephone helpline is also available (https://www.tatasteel.com/corporate/our-organisation/ethics/).

On receipt of any concern through email, letter, web helpline or orally, it is registered by the Ethics Department of Tata Steel. The investigation team conducts investigation by gathering, validating, analysing the data and provides their observations and recommendations.

The investigation report is further reviewed by the Chief Ethics Counsellor or other appropriate authority and the recommendations are acted upon. The documentation of the action taken is filed for records. Issues concerning the Chief Ethics Counsellor and employees at the levels of Vice presidents and above are addressed to the Chairperson of the Audit Committee of the Company and those concerning other employees is addressed to the Chief Ethics Counsellor of the Company. The Ethics Counsellor regularly provides an update to the Tata Steel Board's Audit Committee on the status of various grievance redressal mechanisms.

Tata Steel also obtains declarations from all the value chain partners regarding SA8000 and other ISO requirements. Moreover, all of Tata Steel's value chain partners have to affirm compliance with the Tata Code of Conduct.

When deemed appropriate, Tata Steel requires suppliers operating in regions recognised as having a higher risk of human rights abuse, including slavery and human trafficking, to adopt suitable and robust policies and procedures to prevent such abuses. This could include having suitable accreditation (e.g. SA8000). If no suitable accreditation exists, a supplier is required to provide evidence that their policies cover the key elements of SA8000, including there being no forced labour in their operations. Any reported concerns are investigated thoroughly and appropriate action taken following due process.

No reports were received, or investigations undertaken by procurement in respect of modern slavery or human trafficking in the supply chain during FY2022-23.

6. Number of Complaints on the following made by employees and workers:

	FY2022-23		FY2021-22	
	Filed during the year	Pending resolution at the end of year	Filed during the year	Pending resolution at the end of year
Sexual Harassment	38	10	26	4
Discrimination at workplace	3	0	1	1
Child Labour	0	0	0	0
Forced Labour/Involuntary Labour	0	0	0	0
Wages	42	1	45	0
Other human rights related issues	Nil	Nil	Nil	Nil

Note: In addition to the above, Tata Steel also records and redresses behavior related issues.

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:

Tata Steel seeks to encourages its employees, customers, suppliers, and other stakeholders to raise concerns or make disclosures when they become aware of any actual or potential violation of Tata Steel's Code of Conduct, policies or law and accordingly has put in place mechanisms to prevent adverse consequences to the complainant, as below:

i. As part of Whistle-blower Policy and Prevention of Sexual Harassment Policy, Tata Steel is committed to the protection of identity of the complainant and all such matters are dealt in strict confidence, with appropriate measures taken to maintain such confidentiality.

ii. As part of its Code of Conduct, the Company does not tolerate any form of retaliation against anyone reporting legitimate concerns. Anyone involved in targeting such a person is subject to disciplinary action.

iii. Under the Prevention of Sexual Harassment Policy, any employee may lodge a complaint of sexual harassment against any other employee to the chairperson or to any member of the relevant complaints committee. All complaints have to be sent in writing and are dealt with in strict confidence by the committee members. After having heard both the complainant and accused, the complaints committee thoroughly investigates (including meeting the complainant, enquiry into all evidence, meeting all witnesses, consultation with experts) the complaint and makes a report of its findings. This report is submitted to the relevant Management Team. The Company also ensures that any employee who is a part of the investigations is not victimised or subjected to any unfavourable treatment.

iv. Under the Whistle-blower Policy, complete protection is given to Whistle-blowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like, including any direct or indirect use of authority to obstruct the Whistle-blower's right to continue to perform his/her duties and functions, including making further disclosures.

v. The Company takes steps to minimise difficulties for the Whistle-blower because of making the disclosure. Thus, if the Whistle-blower is required to give evidence in criminal or disciplinary proceedings, the Company arranges for the Whistle-blower to receive advice about the procedure.

vi. The identity of the Whistle-blower is kept confidential to the extent possible and permitted under law. All whistle-blowers are also cautioned that their identity may become known for reasons outside the control of the Chief Ethics Counsellor/Chairperson of the Audit Committee (e.g. during investigations carried out by Investigators).

vii. While discouraging retaliation against anyone reporting legitimate concerns, Tata Steel's Policy also provides for disciplinary action in case the complaint registered is found to be frivolous or false or made with a mischievous intention.

viii. Regular awareness and training sessions are conducted to ensure that the employees are fully aware of various aspects of sexual harassment and of the redressal mechanism.

8. Do human rights requirements form part of your business agreements and contracts?

Yes, human rights requirements form part of our business agreements and contracts. The terms of contract or purchase order copies submitted to vendors include compliance to SA8000 requirements, and it is mandatory for all vendor partners to comply with such requirements. SA8000 Policy covers various aspects of human rights such as child labour, forced or compulsory labour, health & safety, freedom of association, non-discrimination, disciplinary practices, security practices, working hours, compensation practices, supply chain practices and management systems.

Tata Steel also follows the Tata Code of Conduct globally and expects all business associates and value chain partners to adhere to the principles of the Tata Code of Conduct. Tata Steel has specific clauses of the Tata Code of Conduct included in all its business agreements and contracts/purchase orders, including clauses on human rights.

The Tata Code of Conduct can be accessed at https://www.tatasteel.com/corporate/our-organisation/ethics/. The Business Associates Code of Conduct can be found on link https://www.tatasteel.com/media/9244/business-associates-code-of-conduct.pdf

Furthermore, Tata Steel's Responsible Supply Chain Policy encourages supply chain partners to share the same commitment and expect them to integrate the four sustainability principles of Tata Steel (Fair business practices, Health & Safety, Human Rights and Environment management) in all their business decision-making. It is also expected from them to extend them to their own supply chain. The Policy states that business partners will be assessed on the Responsible Supply Chain Policy Principles and the assessment is given due consideration during evaluation and contract approvals, both for new as well as existing partners.

9. Assessment for the year:

Human Rights issues	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100% of Tata Steel's plants and offices are assessed for compliance on key Human Rights issues by internal teams of the Company, as part of the regular ongoing reviews by the senior leadership team of the Company.
Forced/Involuntary Labour	
Sexual Harassment	
Discrimination at workplace	
Wages	
Others	

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above:

There were no significant risk or concerns identified during FY2022-23. However, being a responsible company, we ensure continuous monitoring and capability building of our value chain partners. Some key initiatives taken by Tata Steel are listed below:

1. Tata Steel is extending training and capability building to the business partners and thus is helping them achieve the required level of readiness in the areas of fair business practices, health and safety, human rights and environmental management. Tata Steel has categorised business partners into Basic, Evolving, Maturing, Leading and Established categories, and Tata Steel provides continuous support in terms of training and knowledge transfer help them to move into higher band(s).
2. Declaration of adherence to the Tata Code of Conduct from the value chain partners as part of all contracts/purchase orders. Vendor contracts are terminated in case of non-adherence to the Code of Conduct (following due process).
3. Tata Steel conducts assessment of its upstream and downstream business partners as per the Responsible Supply Chain Policy and initiates corrective actions.

Leadership Indicators

1. **Details of a business process being modified/introduced as a result of addressing human rights grievances/ complaints:**

   Some key processes that have been adopted over the last several years with an objective, amongst others, to address human rights grievances and complaints, are as below:

   1. Statutory rights of Contract Employees are addressed through a grievance redressal mechanism, where contractual employees report their concerns through third party helpline.
   2. Tata Steel has also set up the Contractor's Cells at several locations, where the concerns of contract employees related to wages, Provident Fund, full & final settlement of dues etc., are duly addressed.
   3. In FY2022-23, the Prevention of Sexual Harassment Policy has been modified taking into consideration the online meetings being attended from home and other places, apart from offices.
   4. Training session for vendors are conducted to make the vendors aware about the statutory rights of Contract Employees and ensure they abide by the requirements.
   5. Vendors are made to sign the Tata Code of Conduct as part of their initial vendor registration.
   6. Tata Steel's European operations have also embraced the six-step approach of the Organisation for Economic Co-operation and Development's (OECD) due diligence guidance for Responsible Business Conduct, to drive supply chain transparency, adherence to laws & regulations, minimum standards and continuous improvements. The OECD guidelines ensure that Tata Steel procures its goods and services responsibly, whilst aligning to the core Tata Steel values and Code of Conduct.

2. **Details of the scope and coverage of any Human rights due-diligence conducted:**

   Tata Steel has formed an internal committee for Human Rights due-diligence and the process is under planning. In FY2023-24, Tata Steel plans to conduct a 3rd party Human Rights due diligence of the value chain to identify vulnerable areas, potential human rights issues, and their remediation along with global benchmarking for best practices. Tata Steel has, in any case, implemented the guidelines under SA8000 at all its key location.

   For the upcoming due-diligence exercise, the following 14 Human Rights issues have been identified:

1. Child labour	8. Non-harassment
2. Forced/involuntary labour	9. Right to clean air and water
3. Fair wages	10. Right to Privacy
4. Equal opportunity	11. Rights of Indigenous persons
5. Health & Safety	12. Rights of migrant Labours
6. Human Rights in value chain	13. Rights of Persons with Disabilities
7. Land rights resettlement and rehabilitation	14. Contemporary forms of slavery.

   Tata Steel has also identified the following 6 rights holders:

1. Tata Steel employees	4. Consumers/customers
2. Contract workforce	5. Employees of value chain partners
3. Communities	6. Family members of Tata Steel employees

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   Tata Steel has taken steps to ensure compliance with the Rights of Persons with Disability Act, 2016 (RPwD Act) across its sites and locations of Tata Steel (in India). Our plant and office premises are adapted for easy movement of differently abled visitors and employees and the requisite infrastructure, including ramps, elevators and disabled friendly washrooms, have been installed at the key premises of Tata Steel.

4. **Details on assessment of value chain partners:**

Human Rights issues	% of value chain partners (by value of business done with such partners) that were assessed
Child Labour	Tata Steel obtains declarations from all the value chain partners regarding various guidelines, like SA8000 and ISO requirements. Moreover, all our value chain partners have to affirm compliance with the Tata Code of Conduct. Under Responsible Supply Chain Policy, the due diligence of the value chain partners for four Sustainability principles of Fair Business practices, Health & Safety, Human Rights and Environment Management has been conducted. **78% of Critical suppliers, contributing to 80% - 90% of the spend were assessed under Responsible Supply Chain/ Procurement Policy in our Indian operations till FY2022-23.** Details of the Responsible Supply Chain Policy - https://www.tatasteel.com/media/10931/tata-steel-responsible-supply-chain-policy_guidelines.pdf
Forced/Involuntary Labour	
Sexual Harassment	
Discrimination at workplace	
Wages	
Others	

5. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above:**

   Tata Steel did not identify any significant risks/concerns arising from its value chain partners. However, Tata Steel has developed monitoring mechanisms and undertaken several initiatives to build the capabilities of its value chain partners in order to minimise the risk of potential human rights issues in the value chain, as follows:

   1. Tata Steel is extending training and capability building to the business partners and thus is helping them achieve the required level of readiness in the areas of Fair Business Practices, Health & Safety, Human Rights and Environmental Management. Tata Steel has categorised business partners into Basic, Evolving, Maturing, Leading and Established categories, and Tata Steel provides continuous support in terms of training and knowledge transfer help them to move into higher band(s).

   2. Tata Steel obtains a declaration of adherence to the Tata Code of Conduct from its value chain partners as part of all contracts/purchase orders. Vendor contracts are terminated in case of non-adherence to the Code of Conduct (following due process).

   3. Tata Steel conducts assessment of its upstream and downstream business partners as per the Responsible Supply Chain Policy and initiates corrective actions.

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joule) and energy intensity, in the following format:**

Parameter	Unit of measurement	FY2022-23	FY2021-22
Total electricity consumption (A)	Peta Joule	67	61
Total fuel consumption (B)	Peta Joule	762	772
Energy consumption through other sources (C)	Peta Joule	28	26
Total energy consumption (A+B+C)	Peta Joule	**857**	**859**
Energy intensity per rupee of turnover	Peta Joule per rupee of turnover	0.00035	0.00035
Energy intensity of steelmaking sites of the Company		The energy intensity per tonne of crude steel for all steelmaking entities of the Company is provided in the ESG factsheet of Tata Steel's Integrated Report for FY2022-23.	

Note: Reports are on primary energy basis and includes feedstock.

Steel is an energy intense business and Tata Steel has initiated several measures to increase the energy efficiency of its operations. Tata Steel has also set up a Benchmarking Energy Efficiency IMPACT Centre under its Shikhar25 improvement programme, which has enabled Tata Steel's Jamshedpur plant to become the Indian Benchmark on Energy Performance. Key objective of this flagship initiative is to drive energy efficiency campaign across the Company, ensuring rigor, visibility, ownership, and wider involvement on Tata Steel's employees and all stakeholders. Key Focus areas of Tata Steel's Energy Efficiency campaign in India are:

1. Increase in-house power generation by maximising utilisation of by-product gases
2. Reduction in specific water consumption
3. Waste energy/heat recovery
4. Reduction in power, gas & liquid energy consumption through process optimisation using digital twins
5. Renewable/non-conventional power generation
6. Adaptation of new and emerging technologies/best practices and digital initiatives.

Since inception in 2015, Impact Centre has helped in implementation of significant initiatives across the value chain, which has resulted in savings of more than ₹750 crore. Some key initiatives towards energy saving taken by Tata Steel in recent years are listed below:

a) Blast furnace is a high-pressure operation, and the residual gases contain enough pressure energy to generate power. Tata Steel uses it to produce power through Top Recovery Turbines. The blast furnace residual gases also contain c.25% carbon monoxide, which is used to pre-heat stoves and hot gas generators dedicated to the Pulverised Coal Plant.

b) The carbon content of gas cleaning plant slurry and dry dust from dust catcher is high, which is being transferred to facilitate the sinter making process, to be used as one of the raw materials for the blast furnace.

c) Tata Steel has focused on adoption of other best available technologies for waste heat recovery, such as Coke Dry Quenching and the use of by-product gases in power generation.

d) Energy Recovery Micro Turbines have been installed to reduce the energy loss in the pressure reducing station for the supply of process steam.

e) Tata Steel has designed and deployed a digital system to analyse and assess the burden distribution in the blast furnace and thereby reducing the carbon rate.

f) Design and use of new chemicals for use in the blast furnace to process inferior raw materials and the use of 3rd agglomerate in the form of extruded briquettes to increase the energy efficiency of blast furnaces (along with emission reduction).

g) Tata Steel has also initiated the trial for record high hydrogen gas injection in one of its blast furnaces in India. This is the world's first instance where such a large quantity of hydrogen gas is being continuously injected in a blast furnace and marks an important milestone in the Company's decarbonisation journey.

h) Installation of Variable Frequency Drives for improvement of energy efficiency in the production process for equipment with high variability.

i) All conventional lights have been converted into LED lights as energy savings measure across plants.

j) A comprehensive Energy Management System has been rolled out for the Jamshedpur plant by integrating all sources of energy, leading to unified energy management, performance monitoring and solution modelling for enhancement in energy efficiency.

k) Maximising recovery of process gases from Steel Melt Shops, Blast Furnaces, and Coke Ovens to maximise in-house power generation and minimising flaring losses.

l) A self-adaptive predictive model was designed for cooling towers to optimise the speed of running motors (for pumps and fans) and a Proof-of-Concept model has been implemented at the Wire Rod Mill at Jamshedpur. This system has potential to achieve an estimated saving of c.20% towards energy consumption.

m) In the Netherlands, Tata Steel has institutionalised an ambitious energy-efficient programme that has been running since 1990, and Tata Steel has reduced the consumption of gas and electricity in its production processes by 30% per tonne of steel over the years. In Netherlands, under the Strategic Asset Roadmap+ programme, a new furnace in the hot strip rolling mill, which has a significantly lower energy consumption, will be installed.

n) Tata Steel in UK commissioned a new 30MWe steam turbine in autumn 2021, which is providing an estimated 13MWe increase in the average amount of electricity generated from the site using process gases, through increased capacity and efficiency. Tata Steel is also currently commissioning an innovative system in the reheating furnaces at the Port Talbot hot rolling mill, which uses lasers to measure the efficiency of fuel combustion, with a view to substantially optimising fuel rates and therefore emissions.

o) Tata Steel in Thailand has conducted Total Productive Maintenance project to continuously improve, develop and increase efficient energy usage and invested in high efficiency energy projects such as replacing fuel oil usage with natural gas, production process improvement both at the steel plant and the rolling mill and installing solar roof at one of its plants, with further plans to implement solar roof technology at the remaining two Plants.

p) Tata Steel has implemented several digital solutions to improve energy efficiency and reduce the carbon footprint of its operations. These include advanced process control systems, real-time energy monitors, and energy analytics platforms that provide detailed insights into energy consumption patterns and help identify areas for improvement. Tata Steel is using data analytics to optimise its energy consumption. The Company is using data from processes, equipment and other sources to identify areas where energy consumption can be reduced and using machine learning and optimisation algorithms to optimise energy usage across its operations. This includes:

   1. Monitoring the consumption and minimising the wastage of electrical power
   2. Monitoring & optimising the consumption of fuel (solid, liquid and gaseous),
   3. Monitoring the availability and optimisation of the calorific value of the by-product gases used as fuel
   4. Monitoring the predicted demand and managing the supply of electricity to ensure undisrupted supply with minimal wastage
   5. Monitoring of all environmental parameters is done via a single platform called Environment Canvas, which help us evaluate the effectiveness of our interventions and prompt necessary preventive/corrective actions.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:

Yes, Tata Steel has 8 sites/facilities identified as designated consumers under the Performance, Achieve and Trade Scheme of the Government of India. All the sites were able to achieve the targets set under the Performance, Achieve and Trade Scheme.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	Unit of Measurement	Tata Steel India and its Indian subsidiaries		TSN		TSUK		TSTH & TSMC	
		FY2022-23	FY2021-22	FY2022-23	FY2021-22	FY2022-23	FY2021-22	FY2022-23	FY2021-22
Water Withdrawal By Source									
(i) Surface water	Million Kilolitres	64	74	32	32	30	26	2	2
(ii) Groundwater	Million Kilolitres	2	2	15	12	0	0	0	0
(iii) Third party water	Million Kilolitres	18	18	0	0	1	1	0	1
(iv) Seawater / desalinated water used in process	Million Kilolitres	0	0	0	0	0	0	0	0
(v) Others	Million Kilolitres	12	0	25	26	0	0	0	0
Total volume of water withdrawal (i + ii + iii + iv + v)	Million Kilolitres	96	95	72	71	31	27	2	3
Total volume of water consumption	Million Kilolitres	**96**	**95**	**72**	**71**	**31**	**27**	**2**	**3**
Water intensity per rupee of turnover	litres per rupee of turnover	0.07	0.07	0.12	0.12	0.10	0.08	0.03	0.04
Seawater used in cooling	Million Kilolitres	-	-	157	161	14	21	0	0
Total volume of water withdrawal	Million Kilolitres	**96**	**95**	**229**	**232**	**45**	**48**	**2**	**3**
Water intensity: Total fresh water drawn per tons of crude steel production	The water intensity per tonne of crude steel for all steelmaking entities of the Company is provided in the ESG factsheet of Tata Steel's FY2022-23 Integrated Report.								

Note: Our steelmaking at Ijmuiden and Port Talbot are located near the coast. They leverage their location and use sea water for cooling purpose only and not in process (not contaminated). After a slight increase in temperature, they are pumped back into the sea.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:

Tata Steel is in the process of putting in place a system for achieving zero liquid discharge at all its locations in India. The Company's objective is to attain a state of zero effluent discharge at all its Indian steel production facilities by FY2024-25.

At all of Tata Steel's facilities, proactive measures are being implemented to mitigate the potential contamination of local water sources and to attain a goal of zero effluent discharge. In line with Tata Steel's commitment towards water risk mitigation, Tata Steel has implemented various projects under the zero effluent discharge initiative, leading to a substantial reduction in freshwater consumption (reduced by c. 60% over the past eight years) and discharge (reduced by 76% over past nine years). In addition to these internal efforts, Tata Steel has also undertaken zero liquid discharge projects in the Company's township to convert the municipal sewage into water suitable for industrial use, further enhancing its sustainability efforts.

Many of Tata Steel's downstream entities and those of subsidiaries are already 'zero' water discharge plants and 100% of their wastewater is recycled for various purposes.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Unit	FY2022-23	FY2021-22
Stack NOx	Kilotonnes/year	30	32
Stack SOx	Kilotonnes/year	51	57
Particulate matter (PM)	Kilotonnes/year	11	12
Persistent organic pollutants (POP)	Not material for the steel manufacturing company		
Volatile organic compounds (VOC)	Not material for the steel manufacturing company		
Hazardous air pollutants (HAP)	Not material for the steel manufacturing company		
Others – please specify	Not material for the steel manufacturing company		

Clean air to breathe is a basic human right, and Tata Steel is committed to maintaining the quality of air in its operating areas. Tata Steel strives to reduce the negative impact of its operations on the quality of air through maintenance and upgradation of its Air Pollution Control Equipment. Tata Steel's continuous efforts for reducing stack emission load has resulted in significant reduction in the dust emission intensity across all its operating units in India. To enable effective monitoring and proactive intervention, a live central repository of environmental parameters has been built by integration of a number of subsystems, wherein data on air, water, solid waste, noise and emissions are captured automatically or through workflows. This unified 'Environment Canvas' IT platform provides live dashboards on various indicators and enables unified reporting and digitised workflows. Performance evaluation of various units in terms of indicators like dust emission, carbon emission, water consumption, etc. is highly automated and can be viewed at the granular level.

As a responsible corporate, Tata Steel has conducted a 'Source Apportionment' study of its Jamshedpur Works and the surrounding area in a radius of 20 kilometre, to identify key sources and their contribution to the overall ambient air quality in the region. The output will be used to develop air quality management plans to improve the ambient air quality of Jamshedpur.

Tata Steel has also adopted policies intended to help it become the international benchmark in stack dust emission by 2030 and is currently developing strategies and conducting feasibility studies, as below:

1. Installation of Air Pollution Control Equipment (APCE) for benchmark performance
2. Improvement or debottlenecking of existing APCE
3. Implementation of best available technology for APCE for new facilities.

Tata Steel IJmuiden is deploying the Roadmap+ scheme to minimise the short-term impact of dust, noise, odour and NOx emission in the Netherlands. Some key initiatives taken under the Roadmap+ improvement programme are as follows:

1. A new environmental installation at the Pellet Plant, to reduce NOx emission by more than 80% from the current levels, is scheduled to be completed in 2025. Tata Steel is using a new technology that has not yet been applied on this scale elsewhere in the industry. Tata Steel is also constructing a dedusting facility at the Pellet Plant with a planned completion in 2023, which will result in reduction of emissions by 70%.

2. In April 2022, the Company commissioned several new slag pits with a mobile covering to reduce dust, which is expected to reduce dust emissions by approximately 80%. Tata Steel is also building windbreaker screen of around 18 metres height and around a kilometre length around the raw material storage facilities, thereby reducing wind speeds and the associated dust dispersal.

3. Tata Steel has also installed new soundproofing measures on trains and conveyor belts.

Tata Steel's Thailand operations has a Fume Plant to treat high temperature and low humidity dust from the production process for filtration. The Company has also improved the roof on the Steel Plant to eliminate leakage and reduce emissions and implemented various other measures such as regular watering at material piling areas, using canvas covers and installing wind nets.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format: Boundary & Basis –

Parameter	Unit	FY2022-23	FY2021-22
Total Scope 1 emissions	Million tonnes CO_2 equivalent	75.5	75.7
Total Scope 2 emissions		5.2	5
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO_2 equivalent/rupee turnover	0.000033	0.000033
Total Scope 1 and Scope 2 emission intensity	-	The CO_2 intensity per tonne of crude steel for all steelmaking entities of the Company is provided in the ESG factsheet of Tata Steel's FY2022-23 Integrated Report.	

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details:

Tata Steel has published a Climate Change Report aligned with the recommendations of the Taskforce on Climate Related Financial Disclosures, with detailed disclosures on Strategy, Governance, Risk Management and Metrices and Targets for the Tata Steel Group. The report also provides details of existing initiatives of the Company to reduce Green House Gas emission. The Climate Change Report is part of Tata Steel's Integrated Report for FY2022-23.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY2022-23	FY2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	19,398[1]	9,662
E-waste (B)	765	894
Bio-medical waste (C)	180	253
Construction and demolition waste (D)	1,95,903	2,45,131
Battery waste (E)	435	153
Radioactive waste (F)[2]	-	0
Internal Scrap (G)	18,65,638	19,28,914
Other Hazardous waste (H)	12,00,163	11,17,077
Other Non-hazardous waste generated (I).	1,88,09,748	1,69,95,967
Total (A+B + C + D + E + F + G + H +I)	**2,20,92,230**	**2,02,98,051**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	1,04,35,986	1,12,23,849
(ii) Re-used	85,34,853	69,64,834
(iii) Other recovery operations	12,27,668	17,71,308
Total	**2,01,51,036**	**1,99,59,991**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	11,682	20,852
(ii) Landfilling	78,107	48,070
(iii) Other disposal operations	1,156	2,415
Total	**90,945**	**71,337**

1. Awareness program for source segregation by its customers and increased monitoring of depot wise dry waste collection by TSUISL in the town of Jamshedpur has lead to an mprovement Plastic Waste collection efficiency.

2. Tata Steel has trace amounts of radioactive active waste on account of disposal of some equipment and such disposal is undertaken as per regulations and with all due precaution.

Note: Dismantling of few Coke Ovens at our Jamshedpur operations has led to an increase in few categories of waste.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes:

Tata Steel recognises the impact of greenhouse gases (GHG) on global warming and the overall contribution of the steel industry towards global GHG emission due to the use of coal in steel production. Tata Steel has therefore committed to be Net Zero emission by 2045. This strategy includes producing steel through recycling of scrap, the use of hydrogen to produce steel using the Direct Reduced Iron Route and pilots of new technologies such as the carbon capture and utilisation, the use of hydrogen in blast furnaces and the HIsarna technology. Additional details of Tata Steel's transition plans to low carbon steelmaking are provided in the Company's Climate Change Report, which is a part of Tata Steel's Integrated Report for FY2022-23.

Tata Steel also believes in the 'Zero Waste' philosophy through the use of the 3R (Reduce, Reuse & Recycle) principles of circular economy. Tata Steel has collaborated with suppliers and taken up several projects for refurbishment of equipment under use, thereby improving their life and preventing unnecessary waste. In a first-of-its-kind initiative in India, Tata Steel successfully recycled 12,000 tonnes of used refractories, contributing towards its sustainability goals. Through the refurbishment of critical imported spares in India, the Company has been able to reduce 200 metric tonnes of CO_2 equivalent in FY2022-23. Tata Steel plans to continue this effort in FY2023-24 with a target of 25% further reduction in CO_2 emissions through similar initiatives. Tata Steel also initiated trial runs with its suppliers to switch from using high speed diesel to alternate fuels, such as Liquified Natural Gas, to decarbonise its mining operations.

In order to minimise the waste produced in the steelmaking process, Tata Steel has created a dedicated profit centre for waste management, called the Industrial By-Product Management Division (IBMD), to ensure efficient By-Product management by adopting advanced practices of steel waste processing. Ironmaking and steelmaking slags make up the maximum share of By-Products generated in the steel industry. Other By-Products include dust, sludge, mill scales and waste refractories etc. These By-Products are processed to maximise their value, so that they can be reused in multiple internal and external applications as hereunder:

1. **External applications:**
   a) Blast furnace slag is reused in cement manufacturing as a replacement for clinker.
   b) Coal Tar is used in Coal Tar Pitch and Carbon Black.
   c) The non-metallic component of steelmaking slag is used in civil works, road construction and in fly ash bricks.

2. **Internal applications:**
   a) Flue dust, lime dust, steelmaking sludge, kiln dust, mill scale and sludge, iron-bearing muck, gas cleaning plant sludge, Steel Slag fines etc. are used for sinter-making, which is an input material for the Company.
   b) Recovered metallics is reused in secondary steelmaking processes of the Company.

Tata Steel has also invested in state of art technologies for processing of By-Products to maximise the value creation. A few key facilities and initiatives are as follows:

1. **Increased Scrap Usage –** A major sustainability initiative of the Company is to reduce CO_2 emission intensity by maximising the scrap charge into steel melting shops and electric arc furnaces. Whilst the internal generation of scrap is maximised, Tata Steel also used over 2.6 million tonnes of purchased scrap from external systems across the Tata Steel Group, which are processed to produce steel. In continuation of this strategy, Tata Steel has entered into a long-term contract with third party vendor for setting up a new 0.5 MnTPA Steel Recycling Plant at Rohtak, Haryana in August 2021 on 'Build, Own, Operate' (BOO) basis. Tata Steel has also launched two new brands - Tata FerroBaled® and Tata FerroShred® for the baled & shredded ferrous scrap produced in its new facility.

2. **Metal Recovery & Steam Ageing Plant –** The slag generated as a by-product during steelmaking process is received by this plant, where it undergoes crushing & screening followed by magnetic separation. During the latter stage, metallic or iron content is recovered and is used as one of the raw materials in steelmaking process, thus partly saving precious natural resources. Non-metallic slag aggregates are further processed by weathering at the steam ageing facility. The weathered slag aggregates are used in civil and road construction works, while the fines are used as cement material.

3. **New By-product value-creation Centre –** A state-of-art facility equipped with baling machine, specialised cut-to-length line and mechanised processing line for Flat Product arisings (or extra to order steel) has been set-up to deliver customised offering to external customers. The facility also houses an Innovation Lab to develop light concrete products using in-house aggregates such as Tata Aggreto (Processed Steel Slag) & Tata Nirman. Tata Steel has developed Green Pavers and Interlocking Blocks with slag-based aggregates. Through innovative initiatives aimed at supporting the farming sector, a multi-nutrient soil enhancer Dhurvi Gold, has also been developed, which serves to provide low-cost soil conditioning solutions.

4. **Slag Processing & Grinding Plant –** In this plant, the slag generated during ironmaking process in Blast Furnaces (Blast Furnace slag) is divided into Air-cooled Slag and Granulated Slag. Granulated Slag is sold to the cement manufacturers whereas Air-cooled Slag is processed and utilised in road construction. With the aim of creating additional value from blast furnace slag, a new GreenPro certified product – Ground Granulated Blast Furnace Slag (GGBS) was introduced, which can be used as partial replacement of Ordinary Portland Cement (OPC) in the concrete production.

Whilst most of the process solid waste is utilised within the manufacturing process, Tata Steel also has a tie up with external organisations to dispose hazardous waste which is not processed or recycled into secure landfills.

10. If the entity has operations/ offices in/ around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Wherever required, Environment and Forest Clearances have been taken from the Government of India, and Tata Steel is in compliance with all such Environment and Forest Clearances.

Tata Steel's steelmaking site at Ijmuiden, Netherlands is situated between ecologically sensitive areas (Natura 2000 areas): On the south side (of the North Sea Canal) is the 'kennemer-land south' area, and on the north-northwest side is the 'Noordhollands Duinreservaat' area. Of the latter, about 10 hectare is owned by Tata Steel. Tata Steel has currently undertaken no activities on this area, nor does it plan to undertake any activity in future. In fact, the area is going to be managed by a third party, which also manages the rest of the North Holland dune reserves.

Tata Steel in UK also has operations close to a range of designated habitats. It is a requirement of environmental permits to assess any impacts on adjacent habitats and such assessed impacts are very small. Any protections linked to the protected habitats are incorporated into the permit and Tata Steel is in compliance with such requirements.

A list of Environment Clearances and Forest Clearances for Tata Steel in India is provided below:

Sl. No.	Locations	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with.
1	Joda East	Mining	Yes
2	Katamati	Mining	Yes
3	Khondbond	Mining	Yes
4	Manmora	Mining	Yes
5	Noamundi	Mining	Yes
6	Jamadoba	Mining	Yes
7	Digwadih	Mining	Yes
8	Jharia (6&7 Pits)	Mining	Yes
9	Kalimela	Mining	Yes
10	Bhelatand Colliery and Washery	Mining and Processing	Yes
11	West Bokaro	Mining	Yes
12	Bamebari	Mining	Yes
13	Joda West	Mining	Yes
14	Tiringpahar	Mining	Yes
15	Vijaya II	Mining	Yes
16	Sukinda	Mining	Yes
17	Kamarda	Mining	Yes
18	Saruabil	Mining	Yes
19	Kalamang West	Mining	Yes
20	Ferroalloy Plant, Gopalpur	Processing	Yes
21	Premsinghdih Sand Mining Lease (Jharia)	Mining	Yes
22	Lagla Mahal Sand Mining Lease (Jharia)	Mining	Yes
23	Mahal Saharjuri Sand Mining lease (Jharia)	Mining	Yes
24	Jamadoba Coal Washery (Jharia)	Processing	Yes

Note: Tata Steel also operates its Management Development Centre besides the Dimna Lake in Jamshedpur since 1954

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
CRC (West), Plot no. S-76, Maharashtra: Regularization of Environment clearance for existing production capacity- 300000 TPA and Proposed expansion to 1270000 TPA	2006	Terms of References granted on 27/10/21	Yes	Yes	http://environmentclearance.nic.in/
Wire Division, Tarapur (TWP1 & TWP2), Plot no. A6, Maharashtra- Regularization of Environment clearance for existing production facilities for Steel Wires of capacity 175000 TPA	2006	Terms of References granted on 27/10/21	Yes	Yes	
Wire Division, Tarapur (SSP & WRM), Plot no. F8, Maharashtra- Regularization of existing production facilities for Steel Wire Rods – 336000 TPA, Steel Wire & Wire Products – 66000 TPA (Total Production Capacity - 402000 TPA)	2006	Terms of References granted on 27/10/21	Yes	Yes	
Khopoli Cold Rolling Unit, Maharashtra- Regularization of Environment clearance for 0.78 MTPA	2006	Terms of References granted on 23/03/22	Yes	Yes	
Sahibabad CRM Unit, (U.P)- Regularization of existing production facilities for 0.91 MTPA Cold rolled strips & sheets (1250 MT/Day) and Galvanized plain/corrugated sheets (1250 MT/Day)	2006	Terms of References granted on 05/08/2022.	Yes	Yes	
Ludhiana EAF project	2006	Terms of References granted on 10/02/2023	Yes	Yes	
Wires Division, Pithampur, Madhya Pradesh	2006	-	Yes	Yes	
Damodarpur palkri – (EIA study conducted during March 23 - May 23)	2006	-	Yes	Yes	
West Bokaro Coal washery -10 MTPA – (EIA study conducted during March'22 to May'22)	2006	Ongoing	Yes	Yes	
Gandhalpadha Iron Ore mine-10 MnTPA	2006	Ongoing	Yes	Yes	
Integrated Municipal Solid Waste Management Facility at Village Begunadih, Tehsil Potka, District East Singhbhum by M/s Tata Steel Limited.	2006	Environmental Clearance granted on 13/02/2023			
Saruabil Chromite Block (ML Area: 246.858 HA) At Village: Saruabil, Kamarda & Tailangi Tehsil - Sukinda, District - Jajpur, State – Odisha for Production of 1.0 MnTPA Chromite Ore (ROM) with Maximum Excavation of 6.48 Million Cum Per Annum Through Opencast Mining Method	2006	Environmental Clearance granted on 06/06/2023	Yes	Yes	
Kamarda Chromite Block (Lease Area: 107.240 Ha) At Village: Talangi, Kamarda & Balipada Tehsil - Sukinda, District - Jajpur, State – Odisha for Production of 0.3 MnTPA Chromite Ore (ROM) with Maximum Excavation of 2.50 Million Cum Per Annum Through Opencast Mining Method	2006	Terms of References Granted 05/02/2021	Yes	Yes	
Tata Steel Long Products (Gamharia)- Environmental clearance for modernsition and expansion of facilities of existing 1.2 MnTPA integrated steel plant of TSLP limited at Adityapur Industrial Area, Gamharia, Saraikela-Kharsawan, Jharkhand	2006	Terms of References Granted 09/08/2022	Yes	Yes	

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Installation of 0.5 MTPA combi Mill (Special Bar Quality and Wire Rod Mill) with re-heating furnace and finishing line of M/s Indian Steel & Wire Products Limited at Ward no: 19, Jamshedpur notified area committee of Jamshedpur, District: East Singhbhum, Jharkhand.	2006	Terms of References Granted 30/01/2023	Yes	Yes	http://environmentclearance.nic.in/
Expansion of existing Rebars & Wire Rods at Wire Rod Mill from capacity 2,67,000 TPA to 4,75,000 TPA & HC & MS GI Wires at Wire Mill from 62,050 TPA to 2,37,600 TPA and 100 TPA Graphene Powder production facility M/s Indian Steel & Wire Products Limited at Jamshedpur notified area committee of Jamshedpur, District: East Singhbhum, Jharkhand.	2006	Terms of References Granted 12/04/2023	Yes	Yes	
Operation of current plant of capacity 4,15,000 TPA and proposed phase-wide expansion to 10,15,000 TPA capacity of Electrolytic Tinplate and Tin-Free Steel material including 28,000 TPA Printed and Lacquered sheets of M/s The Tinplate Company of India Limited at Gomuri Works, Jamshedpur, East Singhbhum, Jharkhand.	2006	Environmental Clearance granted on 30/01/2023	Yes	Yes	

12. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

    Yes, the Company is compliant with the applicable environmental law/ regulations/ guidelines in India.

Leadership Indicators

1. **Provide break-up of the total energy consumed (in Joule) from renewable and non-renewable sources, in the following format:**

Parameter (in Peta Joules)	FY2022-23	FY2021-22
From renewable sources		
Total electricity consumption (A)	1	2
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	0	-
Total energy consumed from renewable sources (A+B+C)	**1**	**2**
From non-renewable sources		
Total electricity consumption (D)	66	60
Total fuel consumption (E)	762	771
Energy consumption through other sources (F)	28	26
Total energy consumed from non-renewable sources (D+E+F)	**856**	**857**

i. Reported electrical energy (A) is based on primary energy equivalent of net imported Electricity.

ii. For fuel (B)– coal and coke, Petro fuel, Natural Gases etc. have been considered. Reported energy includes Feedstock also.

iii. Under energy from other sources (C) – Pellet, Oxygen, Nitrogen have been considered.

In order to reduce Greenhouse Gas emissions, Tata Steel had engaged an external expert in assessing the opportunities to increase the use of renewable energy. Tata Steel is also implementing solar plants across locations and also entering into renewable power purchase agreements. Some key initiatives of Tata Steel to increase the share of renewable power are as follows:

1. To reduce its dependence on fossil fuel, Tata Steel is entering into an agreement with Tata Power Renewable Energy Limited to set up c.950 MW solar & wind hybrid renewable power capacity under captive arrangement. This will cater to 379 MW of Tata Steel and its subsidiaries power requirements with 70% load factor and enable reduction of over 2 million tonnes of CO_2 per annum.
2. Tata Steel has already signed a Power Purchase Agreement with Tata Power for purchasing 41 MW of solar power, which is under implementation and has other small renewable power projects, including rooftop solar projects, across India, Europe and Thailand.
3. Tata Steel is also engaging with renewable energy providers to explore opportunities for renewable electricity at our UK and Netherlands sites.
4. Tata Steel is a partner in Swansea University's SPECIFIC Innovation and Knowledge Centre, which has a full-scale demonstration programme to prove innovative technologies that generate, store and release solar energy through the use of solar energy roof panels which are greener, lighter, cheaper and flexible, and which can be printed on the steel used in buildings.

2. Provide the following details related to water discharged:

Parameter	Tata Steel India including its Indian subsidiaries		TSN		TSUK		TSTH & TSMC	
	FY2022-23	FY2021-22	FY2022-23	FY2021-22	FY2022-23	FY2021-22	FY2022-23	FY2021-22
Water discharge by destination and level of treatment (in million kilolitres)								
(i) To Surface water	12	11	0	0	0	0	0	0
- No treatment	0	0	0	0	0	0	0	0
- With treatment	12	11	0	0	0	0	0	0
(ii) To Groundwater	0	0	0	0	0	0	0	0
- No treatment	0	0	0	0	0	0	0	0
- With treatment	0	0	0	0	0	0	0	0
(iii) To Seawater	0	0	213	212	30	36	0	0
- No treatment	0	0	204	202	13	21	0	0
- With treatment	0	0	9	10	17	14	0	0
(iv) Sent to third-parties	0	0	0	0	0	0	0	0
- No treatment	0	0	0	0	0	0	0	0
- With treatment	0	0	0	0	0	0	0	0
(v) Others	0	0	0	0	0	0	0	0
Total water discharged (million kilolitres)	**12**	**11**	**213**	**212**	**30**	**36**	**0**	**0**

Note: Our steelmaking at Ijmuiden and Port Talbot are located near the coast. They leverage their location and use sea water for cooling purpose only and not in process (not contaminated). After a slight increase in temperature, they are pumped back to the sea.

3. **Water withdrawal, consumption and discharge in areas of water stress:**

Name of the area: Tata Steel's facilities at Jamshedpur, Kalinganagar, Meramandali, West Bokaro, Jharia, Noamundi, Katamati, Joda, Gamharia, Thailand and Canada

Nature of operations: **Steelmaking:** Jamshedpur, Kalinganagar, Meramandali and Thailand
Mining: West Bokaro, Jharia, Noamundi, Katamati, Joda, Gamharia and Canada

Parameter	FY2022-23	FY2021-22
Water withdrawal by source (in million kilolitres)		
(i) Surface water	60	81
(ii) Groundwater	0	0
(iii) Third party water	14	4
(iv) Seawater / desalinated water	-	-
(v) Others (Treated Sewage)	12	-
Total volume of water withdrawal (in million kiloliters) i+ii+iii	**86**	**85**
Total volume of water consumption (in million kiloliters) i+ii+iii+iv+v	**86**	**85**
Water intensity per rupee of turnover (litres per rupee of turnover)	**0.04**	**0.04**
Water discharge by destination and level of treatment (in million kilolitres)		
(i) Into Surface water	9	10
- No treatment	-	-
- With treatment	9	10
(ii) Into Groundwater	0	0
- No treatment	-	-
- With treatment	0	0
(iii) Into Seawater	-	-
(iv) Sent to third-parties	-	-
(v) Others	-	-
Total water discharged (in million kilolitres)	**9**	**10**

4. **Please provide details of total Scope 3 emissions (As per Greenhouse Gas Protocol) & its intensity, in the following format:**

Parameter	Unit	FY2022-23	FY2021-22
Total Scope 3 emissions	Million tonnes of CO_2 equivalent	13.1	13.5
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO_2 equivalent / rupee turnover	0.0000054	0.0000055

Tata Steel is not just focused on reduction of emission in its own operations but is equally focussed on reduction of its Supply Chain Scope 3 Emission reductions. Tata Steel is one of the few companies to measure end to end Scope 3 emissions for all modes of transportation, giving it the same focus as Scope 1 and Scope 2 emissions. These measurements systems are being strengthened through engagement with several partners, for example, IHS Markit in Shipping (FY2023-24 ongoing) and Optimum Voyage for route optimisation (in Europe). Tata Steel has also become the first steel producing signatory and 24th organisation to join the Sea Cargo Charter to measure and reduce environmental impacts of global seaborne cargo.

Tata Steel has taken several initiatives to reduce the Scope 3 emissions. Some Scope 3 emission reduction initiative of Tata Steel are listed below:

1. Alternate fuel-based fleet has been deployed in road and shipping transportation. In India, Tata Steel has already deployed about 69 Compressed Natural Gas/ Liquified Natural Gas/ Electricity based vehicles in short lead road circuits and this will be almost doubled in FY2023-24. A total of 7 import shipments have been executed in FY2022-23 using bio-fuels/Natural Gas and is being increased to 28 shipments in FY2023-24 (~10% of shipments).

2. Volume transportation through greener modes such as Coastal & Waterways has been ramped up to replace road and rail movement in India.

3. Tata Steel's Critical Vendor Partners, Steel Processing Centres and Stockyards are all assessed annually on the Responsible Supply Chain Policy framework and continuous improvements are undertaken based on the findings. As an example, all Steel Processing Centres in India are transitioning from Furnace Oil to Low Sulphur Heavy Stock Oil. Solar Panel coverage is also being enhanced across all steel processing centres, stockyards and downstream units.

4. Tata Steel has also launched the Zero Carbon Logistics programme for its European operations, which consists of several dozen logistics sustainability projects regarding improvements in the logistics network, fleet efficiency and energy efficiency. The target is to achieve 30% reduction by 2030. Some key initiatives undertaken under the Zero Carbon Logistics programme are as below:

   a) Tata Steel Nederland is the first steel company in the world to use the Global Logistics Emissions Council Framework for emissions reporting, which makes different logistics modalities comparable and enables identification and improvement of emission hotspots.

   b) Use of Optimum Voyage for information and optimisation of the most fuel-efficient route for shipping logistics, which has resulted in savings of approximately 5% of CO_2 emissions.

   c) Tata Steel Nederland has also focussed on replacing road transport with the more carbon efficient rail transport, with reduction in road transport of more than 5,000 trucks per year.

   d) Tata Steel Nederland is working with its value chain partners on the use of alternative and cleaner fuels and is a member of the Sustainable Freight Buyers Alliance.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities:

Tata Steel is keenly aware of the importance of having a net positive impact on nature and biodiversity in the areas of its operations. Tata Steel accordingly launched its Biodiversity Policy in 2016, aimed at integrating biodiversity into its business ecosystem for enabling a greener future. The Policy is a public commitment to conserve, enhance and restore biodiversity in the Company's present and prospective areas of operation and across supply chain, including the upstream raw material mining sites, the manufacturing plant sites and downstream processing units. Tata Steel is committed to avoiding operational activities near sites containing globally or nationally important biodiversity. The Policy aspires to achieve no Net Loss of Biodiversity.

Tata Steel is constantly striving to significantly reduce its impact on ecosystem and biodiversity through its active habitat restoration initiatives and avoidance of property acquisition which could result in loss of critical habitat. Where deforestation is unavoidable, Tata Steel is committed to offsetting the forest loss with compensatory afforestation, leading to no net deforestation with the ultimate aim of achieving no Net Loss. Tata Steel also conducts periodic assessments of its sites to determine the exposure to critical biodiversity.

The Biodiversity Policy is operationalised on the ground through actionable Biodiversity Management Plans (BMPs). The BMPs are designed on the foundation of mitigation hierarchy (avoid, minimise, restore & offset) tool after a baseline assessment. It includes biodiversity studies, ground truthing studies, secondary research, stakeholder interactions and understanding the risks from the Company's operations and community behaviour to eco-system service. The BMPs thus prepared are integrated with the requirements of progressive mine closure plans as well as environment clearance conditions, while including requirements of global standards on biodiversity conservation and mine restoration.

6. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/ effluent discharge/ waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sl. No.	Initiative undertaken	Details of the initiative	Outcome of the initiative
1	**Reduction in coke moisture by super absorbent polymer spray**	Coke is a key raw material for hot metal production through the blast furnace route and lowering of coke cost is a major focus in the operation of blast furnace, as coke contributes to 64% of the cost of hot metal. Therefore, coke quality parameters have a significant impact, with coke moisture being one of the most essential quality parameter. It has an adverse impact on productivity, fuel rate, and carbon dioxide emissions. Super absorbent polymers have high moisture absorption and retention capacity. Therefore, reduction in coke moisture by super absorbent polymer spray methodology has been developed at a lab scale and implemented at several locations. Use of super absorbent polymers show a reduction in coke moisture of 2.6%-3.0% from a level of 6.5%-7.0%.	Use of super absorbent polymers resulted in reduction of coke rate by 15-20 kg and CO_2 emissions by 40-45 kg/ tonne of hot metal production.
2	**Metal Chalcogenide generators to generate green electricity**	Ammoniacal liquor is produced from the ammonia stripper unit at 100 m^3/ hr, with a temperature of 105 to 110°C. This needs to be cooled to 40°C before sending to the biological treatment unit. In this process a significant amount of cooling water is required. To utilise this unused energy, a thermoelectric generator has been installed at the ammoniacal liquor lines at one of Tata Steel's By-product Plants. The thermoelectric generators produce electricity using the Seebeck effect, where an electric potential is generated due to a thermal gradient across 2 surfaces. This is achieved by stacking Thermoelectric modules in the generator in such a way that the surfaces come in contact with hot liquor and cold water to create a temperature difference, which will ultimately generate electric power.	The present system produces 1 kW/hr of green electricity and the generated power is used to light the area around the ammonia stripper unit.
3	**Increasing hydrocyclone yield in our wet iron ore processing plant by improving the dewatering screen efficiency**	At one of Tata Steel's iron ore processing wet plants, hydrocyclone underflow product is dewatered through high frequency dewatering screen having conventional 2D panels. The Research & Development team is working towards introducing 3D screen panels in place of 2D panels based on encouraging results as obtained from discrete element method simulation and demo scale trials (25 t/h) at the plant site.	Increasing hydrocyclone yield for processing of iron ore.
4	**Throughput improvement in one of our washeries by improving concentrate thickener operation by new design feed well**	Tata Steel has taken up a project to improve fine clean coal yield and throughput by improving the fine clean coal thickener performance of a coal washery. Our studies suggested that an improved feeding arrangement through new feed well design will enhance the reagent-particle and particle-particle interactions and lesser air entrainment.	Improved resource efficiency through higher fine clean coal yield.
5	**Innovative pulse iron ore sintering**	Tata Steel has developed an innovative technology in iron ore sintering called "Pulse Sintering". Unlike conventional sintering process where the suction in the sinter bed is continuously downdraft, in pulse sintering, pulsating action in the suction wind boxes creates back pressure and thereby broadens the flame front and also increase sinter heating index by improving heat transfer rate of flowing gas. This concept was successfully implemented in the sinter plant.	Improvement of sinter yield by 1.8% by decreasing the sinter return fines
6	**Enhancement of iron ore grinding process in ball mills through surface charge modifiers**	To improve the grinding of iron ore during ball milling, a polymer-based surface charge modifier has been established and implemented in the pellet plant. Neutralised surface charges on the ore particles during grinding improves particle breakage, leading to an increase in ball mill throughput and a drop in rejects.	An improvement of 2.7% in ball mill throughput was observed during plant trials at one of our pellet plants.

Sl. No.	Initiative undertaken	Details of the initiative	Outcome of the initiative
7	**Sacrificial anode at Tata Steel Limited**	A High phosphorus pig iron (HPPi) based sacrificial anode has been developed, which is useful for enhancing the life of metallic structures inside sea, soil and concrete. The pilot trial has been successfully done and product is ready to be explored on a commercial scale. The manufacturing of HPPi uses steel slag and Tata Steel hold multiple patents in this domain.	Enhanced life of metallic structures inside sea, soil and concrete
8	**Antimicrobial coating at Tata Steel Limited**	Polymer coated steel sheet is a primary product for white good sector, appliances and construction application. Our objective was to incorporate antimicrobial functionality in polymer coating product that can sustain throughout the product life. The antiviral paints were developed initially at a lab scale which complies to the JIS Z 2801 and ISO21702 standards. The developed paint is not changing any existing product properties and the antiviral paint was used on an actual product in trial, which confirmed the feasibility with respect to the plant.	The antiviral product, when in use, will reduce the secondary transmission of virus & bacteria and therefore will be healthy to use for in house applications in houses, community centres, hospitals, schools, railway stations and airports.
9	**Mesh seam welding at Tata Steel Limited**	A mathematical model to map the weldability lobe for resistance mesh seam welding of high strength and high thickness grade was developed at Tata Steel. Time-temperature profile during mesh seam welding provides online assessment of weld quality and prevents coil breakage in line.	Improved weld quality and lower coil breakage.
10	**Development of hot rolled complex steel with minimum Ultimate tensile strength of 780 MPa for Tata Steel Limited**	The project aims at developing a hot rolled complex phase steel, consisting of different phases like bainite, ferrite and martensite. This steel grade is suitable for manufacturing various automotive components. The advantage of this grade is an excellent combination of strength, toughness, and flanging properties. The in-house development of this advanced high strength steel grade comprises various steps, such as alloy design, laboratory scale heat making, thermomechanical simulation and pilot scale hot rolling in laboratory. On the development of satisfactory mechanical properties and microstructure in pilot scale, a plant trial has also been conducted recently, which led to the plant scale development of a multi-phase high strength steel.	Improved resource efficiency through steel with higher strength, toughness, and flanging properties.
11	**High-Turbulence Roll Cooling in Hot Strip Mill**	The conventional high-pressure (~16 bar) work roll spray cooling has been replaced by a low-pressure (~3 bar) High-Turbulence Roll Cooling (HTRC). HTRC consists of a cooling shield, that has a similar curvature to the work roll and is positioned close to the roll surface. The cooling water in the narrow gap between the roll surface and the HTRC unit creates a high-turbulent flow regime with a high heat transfer coefficient. The advantage of using HTRC is that 2 of the 3 high-pressure pumps which are needed for the high-pressure conventional spray cooling, are now redundant.	The average, monthly electricity consumption of the pumps dropped from ~2,600 MWh to ~900 MWh.
12	**Increased slab temperature at the Direct Sheet Plant**	At the Direct Sheet Plant, thin slabs are cooled using spray water cooling. The slabs are fed into a tunnel furnace and reheated. Large amounts of natural gas are needed for reheating to the target temperature of 1,140°C. New spray water cooling patterns were introduced, reducing the cooling intensity in small steps to increase the slab temperature at the tunnel furnace entrance, so that less reheating is needed.	Successful trials in FY2022-23 have already saved 17,000 m^3 of natural gas. Potential savings of up to 1.5 million m^3 per annum are foreseen when introducing further reduction of spray cooling.
13	**Commercial start of Protact – Trivalent chromium-coating technology (TCCT)**	Within the packaging sector, we have had two major developments over the past year: a) Protact has been developed as an alternative or lacquered products in the packaging market. Protact has Electrolytic Chromium Coated Steel (ECCS or tinfree steel) as a substrate b) TCCT has been developed as a Chromium-6 (Cr6) free alternative for ECCS/ tinfree steel. The combination of Protact on TCCT has been further developed and is now approved for use with several customers, replacing the existing Protact -ECCS.	The combination of Protact on TCCT gives a direct cost benefit and at the same time reduces the use of Cr6 chemistry in our plants.
14	**Launch of Zeremis® Carbon Lite and Optemis™ Carbon Lite at Tata Steel Nederland and Tata Steel UK, respectively.**	In Europe, we have also already launched low carbon steel products. Zeremis® Carbon Lite, is a steel with an allocated carbon footprint reduction of up to 100%. This will enable our customers to make greener end products.	We have entered into several agreements with customers to supply low carbon 'Zeremis'® green steel at a significant premium.

7. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link:**

Yes, Tata Steel has "Onsite Emergency plan & Disaster Control" measure in place, focusing on business continuity to address disruptive events like explosions, fire, cyber-attacks, acts of terror, etc. The practices have been developed through benchmarking against best practices at other organisations with mature Business Continuity Management practices and reference to ISO22301 standard on Business Continuity Management System. Under the plan, there are defined responsibilities for each & every group and individuals involved in handling emergencies. Tata Steel has also established 'Tactical Centres' for business continuity management during emergency situations.

Additional information on the Company's IT Business Continuity and disaster management plans:

Cyber Security

Cyber Security is one of the key foundational components of Tata Steel's Digital Transformation strategy. It is imperative to ensure that the system we run and the data we generate or collect have to be safe and secure from continuously evolving cyber threats. Hence, Tata Steel Cyber security is designed in a well thought manner, based on established best practices. Our cyber security policies and practices take all stake holders into consideration, including employees, customers, suppliers, regulators and other associated third parties. Some of the key aspects of Tata Steel's cyber security are described in the subsequent sections.

1. Tata Steel systems are hosted in a combination of Multi-Cloud and On-Premise architecture using the best practice of three level perimeter, as per ISA 95 Standard Architecture. First level perimeter is between Public network (Internet) and Business Network (Level 3), the second perimeter is between Business Network (Level 3) and Process Network (Level 2), and the third perimeter is between Process network (Level 2) and Programmable Logic Controllers and Instruments used in manufacturing (Level 1). All these perimeters are secured using Next Generation Firewalls with hardened rules and policies. Zero Trust Principles are embedded when dealing with public systems for any kind of data exchange. Systems are hardened as per best practices of configuration hardening. This perimeter strategy and system hardening, combined with stringent network access and authorisation control, ensures that the systems and network remains safe and secure for data exchange.

2. Systems are protected using multiple technologies to create defence-in-depth layers. Technologies like Active Directory, Anti-Virus, Mail Advanced Threat Protection, EDR/XDR (Enhanced Detection/Extended Detection Report), Virtual Patching, Mobile Device Management and Secure Work from Home, Zero Trust Internet Gateway, Next Gen Firewall, and DDoS (Distributed Denial of Service) protection work in unison to create these protection layers.

3. Data inside systems are protected using multiple technologies and best practices combined with stringent access and authorisation in applications and databases. Technologies like Storage Replication, Storage and Backup Encryption, Containerisation, Privilege Access Management, Data Leak Prevention, Legal Hold Archiving and Retention come into picture for data protection. Privacy Controls are implemented as per need of regulation like EU's General Data Protection Regulation and Indian Data Privacy Regulation.

4. The systems and data protections are continuously monitored for any suspicious events on 24x7 basis by Tata Steel Security Operation Centre (SOC). SOC comprises of state-of-the-art technologies and practices along with services from well-established partners in the field and use multiple technologies like Security Incident & Event Monitoring (SIEM), Syslog, Cloud Access Security Broker (CASB), Attack Surface Monitoring, Vulnerability Management System (VMS) etc. In addition, Periodic Cyber Drills are conducted to respond in calibrated manner to any cyber incident ensuring business continuity.

5. To ensure right governance, a Cyber Organisation has been designed with proper segregation of duties incorporating the concept of makers and checkers. There is segregation between IT organisation and Chief Information Security Officer Organisation. Any systems moving into production goes through cyber security clearance. In addition, there is corporate audit organisation, which conducts regular Internal Audits, Standard Audits and Statutory Audits. Ethical hacking is carried out by external organisation engaged by the audit team.

As an integral part of Cyber Security Control, Tata Steel has a business continuity plan for IT systems, network infrastructure and other related assets. All IT systems have their backup and recovery plans as per the agreed business needs. Business Impact Assessment of the IT system on a scale of 1 to 3, considering IT and non-IT factors, is carried out in consultation with the business process owners. These assessments consider the impact on the business in case of non-availability of the IT system, identifies related risks, followed by discussion, planning and execution of remediation measures. Periodic restoration of the back-ups is also carried out for all production systems to check the sanctity of backups.

Tata Steel also has recovery plans prepared for systems with Disaster Scenario Matrix. Roles & responsibilities for each plan, periodic disaster recovery drills, reviews and lessons learnt are documented and implemented.

As part of Digital transformation, Tata Steel enterprise system are hosted on Hybrid Multi cloud environment with no chance of all cloud/systems going out of the grid simultaneously. The Company's Work from Home solution is such that users get a feel of Working from Office just after switching on their laptop and getting connected over the internet. The solution was designed to be scalable irrespective of user count featured, with centralised deployment and monitoring with almost zero user intervention and Anytime Anywhere secure access to applications by auto connecting to nearest Cloud Data Centre globally, with state-of-the-art security irrespective of boundaries using Zero Trust principle.

Business Resilience

Tata Steel uses the Remote Operations and Supply Chain visibility programmes to view, instruct and inform our operations remotely. This has helped us to get remote expertise during the Covid pandemic for major shutdowns and has also created capabilities to access such expertise faster during breakdowns/emergencies. We have also sharpened our Quick Response Team protocols to detect and respond to any safety, security or surveillance issue contributing to our resilience and recovery capabilities

Tata Steel has deployed CFIN – Central Finance project on SAP, which has connected all our subsidiaries to our central S4 Hana system, increasing our capabilities of inter-company reconciliations and closing our books of account faster. This reduces audit touch time and diminishes risks via tighter supervision across the different legal entities globally. Tata Steel is also in the process of deploying Anaplan for integrated planning and forecasting purposes across the Tata Steel Group.

We have further created plug and play Mergers & Acquisitions capabilities via our single instance SAP and surround systems, whose deployment allows us to integrate acquisitions with speed and minimum disruptions. This has been demonstrated twice, during the acquisition and integration of Bhushan Steel and Neelachal Ispat.

Tata Steel has further consolidated and outsourced various transactional activities, ensuring a diminishing cost profile for the same transactions on one hand, while leading to better Service Level management on the other. End to end visibility on 'order to cash' and 'procure to pay' processes with a large and reliable partner has reduced the overall risk in our ability to scale up or down the processes.

Geopolitical developments that have an impact on technology and the implications for the steel industry/Tata Steel, are being monitored by engaging with experts from Geotechnology advisors and technology advisors.

Tata Steel works with world leaders in digital technology to ensure it has cutting edge computing power, connectivity, data quality & accessibility and Artificial Intelligence capabilities available to its employees. Robust governance with partners is set in place, with partners incentivised to collaborate with each other to bring the best products, services, solutions and ultimately the desired outcomes to Tata Steel. It has also contractually protected itself against changes in regulation by working with partners to localise data pro-actively, where required.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard:

There has been no significant adverse impact arising from the value chain of Tata Steel.

Tata Steel has a long-integrated value chain that extends from mining to finished steel products, with an interconnected network of suppliers, mines, ports, manufacturing locations, stockyards, warehouses, processing facilities, channel partners and customers, handling over 100 million tonnes of material in a year. The production, transportation, storage and handling of materials like iron ore, coal, limestone, refractory, aluminium, zinc, ferro alloys etc. have a negative impact on the environment, including greenhouse gas and other emissions. These materials also have adverse impact on the environment during their use in iron and steelmaking.

As a responsible corporate, starting in FY2022-23, Tata Steel has started studying the Environment, Social & Governance risks associated with the above-mentioned commodities extensively, considering their sourcing geographies, understanding the impact of key developments, and identifying likelihood of price volatility/supply chain disruption and their impact on the steel industry. Such an exercise will allow the Company to formulate risk scores for specific or a group of commodities and help in decision-making.

To contribute to the Company's goal of 'Zero Waste' using the 3R (Reduce, Reuse & Recycle) principles of circular economy, Tata Steel has collaborated with suppliers and taken up several projects for refurbishment of equipment under use, thereby improving their life and preventing unnecessary waste. In a first-of-its-kind initiative in India, Tata Steel successfully recycled 12,000 tonnes of used refractories, contributing towards its sustainability goals. Through the refurbishment of critical imported spares in India, the Company has been able to reduce 200 metric tonnes of CO_2 equivalent in FY2022-23. Tata Steel plans to continue this effort in FY2023-24 with a target of 25% further reduction in CO_2 emissions through similar initiatives. Tata Steel also initiated trial runs with its suppliers to switch from using high speed diesel to alternate fuels, such as Liquified Natural Gas, to decarbonise its mining operations.

In addition to implementing a Responsible Supply Chain Policy, Tata Steel is also collaborating with its suppliers to take up projects for jointly tackling climate change issues. In FY2022-23, the Company initiated partnerships with strategic suppliers to reduce its Scope 3 emissions, to decarbonise its operations, and to explore innovative solutions.

For its downstream supply chain, the Company is exploring third-party logistics, modern state-of-the-art warehouses, use of energy-efficient and newer design eco-friendly ships, coastal shipping to reduce landside tonne miles and use of digital means to simplify the cargo flow of raw materials and other bought-out goods and services. Please refer to the Social and Relationship Capital section of Tata Steel's Integrated Report for FY2022-23 for other specific initiatives on sustainable logistics.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:

Tata Steel's Responsible Supply Chain Policy focusses on the four principles on Environmental, Social, and Governance (ESG) parameters - Fair Business Practices, Health and Safety, Human Rights and Environmental Management. Additional information on Tata Steel's approach on the above four principles is included under Section C, Principle 2 of this report.

A summary of value chain partners assessed by key Tata Steel entities is provided below:

Parameter	% of value chain partners assessed (by value of business)		
	Tata Steel Limited	Tata Steel Nederland BV	Tata Steel UK Ltd.
Environmental Impact	78%	77%	100%

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a) **Number of affiliations with trade and industry chambers/ associations:**

Tata Steel Limited has 12 affiliations with trade and industry chambers/ associations. Additionally, Tata Steel's subsidiary companies have affiliations with various industry chambers/ associations in their respective context. These would include state level, national and international bodies.

b) **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:**

Sl. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Federation of Indian Chambers of Commerce & Industry (FICCI)	
3	Indian Steel Association	
4	International Chamber of Commerce	
5	Institute for Steel Development & Growth	
6	World Steel Association	International
7	ResponsibleSteel™	
8	UN Global Compact	
9	Eurofer	
10	UK Steel Association	

2. **Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities:**

None.

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

The Company works with all stakeholders, relevant government & regulatory bodies and apex industry associations. Industry associations include global, national and regional industry bodies, like the Worldsteel Association, Confederation of Indian Industry, Federation of Indian Chambers of Commerce & Industry and Indian Steel Association.

The Company is guided by the Tata Code of Conduct in all its advocacy. Some of areas where the Company pursues policy advocacy are listed below:

Public Policy Advocated	The Company's public policy advocacy efforts are focused on helping the mining and steel industry improve its competitiveness and the country achieve its major strategic objectives. In particular, we focus on increasing steel demand and usage, improving the ease and cost of doing business, sustainability, environment and climate change, initiatives to decarbonise the Indian steel industry and alignment with United Nation's Sustainable Developmental Goals.

Method resorted for such advocacy	1. Engaging in discussions with government and industry peers for laying down the framework/roadmap for the decarbonisation of the steel sector in India and related policies for the short, medium and long-term 2. Advocacy for putting in place a robust National Carbon Market in India for providing the right price signals for incentivising green growth 3. Advocating a uniform 'Green Taxonomy' mechanism - e.g. formulation of a technologically agnostic definition of low carbon steel in the Indian context, along with the advocacy for strengthening circular economy, to accelerate the transition to lower carbon emission steel through increasing the availability of scrap and scrap processing facilities in the country, deeper adoption of Life Cycle Cost analysis, etc. 4. Advocacy for adoption of Best Available Technologies for improving energy and material efficiencies in steel operations 5. Advocacy for increasing availability of transition fuel and technology for smoothening the steel sustainable transition pathway. E.g. Greater access and affordability of Natural Gas 6. Access to lower cost 'Green Finance' for undertaking projects with low technological readiness pilot/ demonstration projects for decarbonisation 7. Advocacy for accelerating adoption of deep decarbonisation technologies like Carbon Capture and Utilisation/Storage and the use of green hydrogen in steelmaking, etc. 8. Advocacy for implementation of policies supporting 'Sustainable Mining' and recommending policies for boosting demand for low carbon green products.
Information available in public domain (Yes/No)?	Yes
Frequency of review by Board	Quarterly, as part of the Business Performance Update to the Board
Weblink, if applicable	Tata Steel publishes details of its public policy advocacy on its website. The website link is as follows: https://www.tatasteel.com/sustainability/esg-indicators-factsheet/

Principle 8: Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:**

   Not Applicable for this reporting period

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Sl. No.	Name of the project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹ Crore)
1	Tata Steel's plant at Kalinganagar	Odisha	Jajpur	1,234	97.2% (1,200)	~7.3

3. **Describe the mechanisms to receive and redress grievances of the community:**

   Tata Steel's grievance redressal mechanisms are customised based on specific requirements of each of its locations, so as to be most effective.

   For its Indian operations, Tata Steel has incorporated a wholly-owned subsidiary called the Tata Steel Foundation (TSF), which acts as the fulcrum of Tata Steel Group's Corporate Social Responsibility activities in India, driving it in its entirety. TSF also leads Tata Steel's engagement with the local community in the areas where Tata Steel operates within India.

   TSF predominately operates across 4,500 villages in the states of Jharkhand and Odisha through a 1,000+ member team, reaching over 3.15 million lives through our programmes in FY2022-23. TSF is focused on co-creating solutions with the tribal and excluded communities in order to address their development challenges. During this process of co-creation, TSF endeavours to develop and implement change models that are replicable at a national scale, enable significant and lasting betterment in the well-being of communities proximate to the Company's operating locations, and embed a societal perspective in key business decisions.

Over the years, TSF has created a grievance redressal ecosystem that facilitates inputs to come in from communities in and around Tata Steel's sites. This ecosystem ensures real-time information flow with respect to Tata Steel's Corporate Social Responsibility initiatives on the ground and enables issues to emerge before they even reach the stage of a grievance, requiring redressal. The ecosystem consists of the following:

1. Contact numbers and names of Unit Heads and Key Personnel are prominently displayed in all TSF offices and in various publicly approachable places for anyone to approach them. This has resulted in easy and immediate approachability of senior leadership of TSF to anyone from the community. The TSF leadership team receives regular feedback regarding TSF's work on the ground, thereby ensuring corrective action is taken in advance and concerns are addressed.

2. Additionally, TSF offices across locations are always accessible to the communities as well as stakeholders who regularly visit the team to discuss their problems. Meetings are held at length on the concerns of community members as well as their feedback on the work being done by TSF. This is a source of continuous learning by identifying lessons and preventing recurrence of similar grievances in the future.

3. Tata Steel has set up several forums involving communities and their representatives, with significant participation from citizens. These forums are designed with a participatory approach in mind, rather than a formal grievance redressal system, and thereby not only ensures a free flow of input but also enables understanding of different perspectives & concerns. Thus, they help to establish a deep two-way relationship between the Company and the communities. Some of the key forums are:

    a) Scheduled Tribe stakeholder's council

    b) Scheduled Caste stakeholder's council

    c) Citizens' forum of Jamshedpur

Furthermore, since TSF is deeply intertwined with communities and panchayats, wherein there are continuous one-to-one interactions between communities and the TSF team. TSF interacts with communities and stakeholders every day on ground to implement Corporate Social Responsibility initiatives of Tata Steel. This enables continuous feedback on work done to flow back to the TSF team, including any grievances that communities may have. In most cases, the concerns are addressed swiftly to the satisfaction of relevant community. This is further supported by many of the team members of TSF being recruited from local communities, which helps them become a bridge between the Company and communities as they have a good and comprehensive understanding of different perspectives and are familiar with the ground situation.

TSF team members also regularly interact with community members during their visits to villages where TSF runs various Corporate Social Responsibility programmes. There is an in-built mechanism in the working of the TSF teams where the field staff, the programme team and the Unit Heads regularly speak with individuals and groups within the communities, as well as with various stakeholders, to ensure that any grievances reach appropriate attention at the senior most level. This is further supported through regular interactions between the communities and other stakeholders and the Thematic and Geographic Heads of TSF and the TSF leadership team.

During their visits, TSF team members conduct interactive sessions to listen to complaints of community members and provide the necessary assistance. On the basis of the grievances received, TSF also identifies the problem areas which are complaint-prone, which are then subjected to studies and remedial measures are put in place. Outcome monitoring and evaluation is also carried out internally to understand pain-points of communities to ensure all grievances are addressed timely and strategically.

Public hearing is also a mandatory step in the process of environmental clearance for certain projects. This provides a legal space for people of an area to come face-to-face with the project proponent and the government and express their concerns. The Company frequently faces public hearings where community members express their concerns. Based on the concern raised during the hearing, the Company takes up projects as special commitments to communities and stakeholders.

Similarly, in the Netherlands, in order to address concerns among residents and employees – who often also live nearby – Tata Steel has intensified communication with the community. Employees from neighbourhood towns often receive many questions from their community. Tata Steel updates its employees on a regular basis, so that they can, in turn, update their respective communities.

Tata Steel is also looking to leverage technology to enable the grievance redressal mechanism to the community, where necessary. In the Netherlands, Tata Steel has created an online link accessible to the community members to raise environment related grievance. For all other geographies where Tata Steel operates, there are means and measures to take feedback from all categories of stakeholders, including those on relatively smaller sites, wherein the management directly interacts with local communities.

To map the grievances experienced by the community as accurately as possible, Tata Steel has also initiated an online residents' panel in 2019 at IJmuiden, Netherlands. This enables residents from the community to share experiences and other feedback with the Company. The residents' panel consisted of 35 participants.

Tata Steel also uses various media to be easily accessible and traceable for stakeholders, especially in the community, across all its geographies. All stakeholders can contact the Company through the website and through Tata Steel's social media channels.

Tata Steel also published various newsletters and communications at various locations to share information on the Company with the community and other stakeholders and provide clarifications. One such example is the Staal & IJmond publication, which was started in May 2022 at IJmuiden. Staal & IJmond is an environment newspaper which is distributed door-to-door and has a circulation of 75,000 in the IJmond region, four times a year. In this newspaper Tata Steel provides updates on its measures for a cleaner environment, the decarbonisation route and Tata Steel as an employer. Other newsletters in the Netherlands include the digital newsletter RondomStaal (a digital newsletter with relevant Tata Steel news for the community) for the IJmond region and the 'Tata Steel & Omgeving' for the Wijk aan Zee region.

Tata Steel in IJmuiden has also started 'Open Vizier', a series of live broadcasts with the Chief Executive Officer of Tata Steel Nederland, where he personally interacts with local residents and other stakeholders. Tata Steel has also set up a sounding board group in which representatives of nature and environmental organisations, village and district councils and the business community in the IJmond come together to discuss Tata Steel's environmental measures.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	FY2022-23	FY2021-22[2]
Directly sourced from Micro, Small and Medium Enterprises/small producers[1]	32%	26%
Sourced directly from within the district and neighbouring districts[3,4]	41%	44%

[1] *Share of the purchase across Maintenance, Repair and Operations, Services, Bulk Materials and IT Buy at Tata Steel's Jamshedpur, Kalinganagar and Meramandali operations, hence, defined as '**Total Addressable Spend**'.*

[2] *Spend of Meramandali operations not included in FY2021-22.*

[3] *Data considered for Tata Steel and its Indian subsidiaries, overseas entities are not considered.*

[4] *District and Neighbouring district include suppliers from the states of Odisha, Jharkhand, and West Bengal.*

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable	Not Applicable

2. **Provide the following information on Corporate Social Responsibility projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Sl. No.	State	Aspirational District	Amount Spent (₹)
1	Odisha	Dhenkanal	15,75,64,799
2	Jharkhand	East Singhbhum (Purbi Singhbhum)	1,14,88,06,943
3	Jharkhand	Ramgarh	15,80,97,038
4	Jharkhand	West Singhbhum (Paschimi Singhbhum)	45,08,95,539
5	Jharkhand	Ranchi	1,81,79,538

Note: During FY2022-23, Tata Steel spent ₹ 481 Crore on CSR, out of which ₹ 234 Crore was spent in Jharkhand and ₹ 239 Crore was spent in Odisha.

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)**

Yes. Tata Steel has an Affirmative Action Policy, a preferential policy guided by the Tata Affirmative Action Programme focusing on three principles – Social Equity, Equal Opportunity, and Inclusion across Affirmative Action communities.

To support local communities and Affirmative Action suppliers, Tata Steel has taken several initiatives to develop their entrepreneurial capabilities by creating positive differentiation. c. 2,590 of the Company's 7,049 suppliers in India, i.e. nearly 37% of its supply chain partners, are locals, of which 75 are Affirmative Action vendors (Scheduled Castes, Scheduled Tribes, and Partners displaced due to greenfield project of the Company).

(b) **From which marginalised/vulnerable groups do you procure?**

Tata Steel procures from socially disadvantaged sections of the society such as the Scheduled Caste vendors, Scheduled Tribe vendors and from the displaced persons vendors under its Affirmative Action Policy.

In FY2022-23, Tata Steel also started the process of integrating persons with disabilities and women into its Affirmative Action supplier group and is developing a dedicated Affirmative Action Vendor Entrepreneurship Development Policy to scale up the capabilities of its Affirmative Action suppliers.

(c) **What percentage of total procurement (by value) does it constitute?**

The business volume from Affirmative Action suppliers stands at ₹112 crore in FY2022-23, 60% higher than that of FY2021-22, and is 0.7% of the Total Addressable Spend of Tata Steel Limited.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

None

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:**

None

6. Details of beneficiaries of Corporate Social Responsibility Project:

S. No.	CSR Themes	No. of People benefitted from the project	% of beneficiaries from vulnerable and marginalized groups
1	Public Health	10,46,438	95%
2	Education	9,01,734	95%
3	Livelihoods (Agriculture)	3,33,287	98%
4	Gender And Community Enterprises	2,73,190	100%
5	Tribal Identity	1,69,154	100%
6	Rural Infrastructure & Urban Services	1,59,239	55%
7	Drinking Water	1,58,068	62%
8	Livelihoods (Skill Development)	48,255	34%
9	Disability	26,330	34%
10	Development Corridor	16,495	5%
11	Environment	9,539	97%
12	Sports	5,008	53%
13	Disaster Management	4,941	100%
14	Embed Societal Perspective	517	0%
Total		**31,52,195**	**90%**

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback:

Tata Steel's consumer centric approach views consumer complaint as an opportunity for raising the bar of consumer expectations for value creation with each subsequent supply. To achieve consumer expectations, Tata Steel's complaint management process has evolved over the years, thereby remaining agile to changing consumers expectations with respect to complaint acknowledgement and resolution.

Dissatisfaction expressed by consumers related to Tata Steel's product and services is regarded as a complaint and is managed through SAP based consumer complaint management system tool called "CRM Cruise", till its complete resolution to the satisfaction of the consumer.

The system has evolved over time to ensure relevant stakeholders across Tata Steel's value chain, including sales managers, application experts, hub managers, steel processing centre managers and the Technology Group, work in close coordination to provide speedy resolution to all consumer complaints. Dedicated application experts, sales managers & hub managers help in providing first response to consumers within 48 hours of the notification of a complaint. All complaints notified or reported by consumer are also flagged off to the Plant Operation and Quality Assurance team through the Daily Product Application Group Communication Report (DPCR) system. The DPCR system is a closed loop system, wherein all key stakeholders at the plant are immediately made aware about the quality issues faced by consumer. Defective samples are sent through the Integrated Product and Component Analysis (IPCA) system, where detailed analysis of consumer complaints is undertaken. IPCA system is also a closed loop system which helps to track and monitor the technical investigation of any consumer complaints.

Consumer complaints registered in CRM Cruise are classified into different categories based on defect types, occurrences, source etc., to facilitate a thorough investigation as well as to assign accountability for preventing recurrence. The IT platform also routes them through 'express', 'short' and 'long' loop workflows, based on predefined classifications of defect type & material quantities, thereby ensuring that complaints are fast tracked to their resolution.

Similar processes, customised for local practices, are deployed across various subsidiary companies of Tata Steel in various geographies.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and Social Parameters	50
Safe and Responsible Usage	13
Recycling and/or Safe Disposal	19

3. Number of consumer complaints in respect of the following:

	FY2022-23		Remarks	FY2021-22		Remarks
	Received during the year	Pending at the end of the year		Received during the year	Pending at the end of the year	
Data Privacy	0	0	Nil	0	0	Nil
Advertising	0	0		0	0	
Cyber security	0	0		0	0	
Essential services delivery	0	0		0	0	
Restrictive trade practices	0	0		0	0	
Unfair trade practices	0	0		0	0	
Product and service related complaints	5,596	223		5,515	159	

Note: The complaints cover the various categories such as, those related to payments, order entry and fulfillment, product quality, logistics etc

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy:

Yes, Tata Steel has a comprehensive policy on data privacy. Tata Steel's Privacy Policy explains how Tata Steel may collect, use, store, disclose or otherwise process personal data, including personal data provided when accessing Tata Steel's websites, and describes the rights with respect to personal data.

Tata Steel is committed to providing the highest level of protection regarding the processing of its employees', vendors' and clients'/customers' personal data based on applicable data protection laws and regulations.

Personal data comprises all the details that Tata Steel collects and processes directly or indirectly about individuals, for instance information about their identity and contact details (such as name, email address, contact number etc.), including information received from third parties and information collected through the use of Tata Steel's website(s), cookies or other similar tools. Tata Steel is committed to first and foremost comply with local law, where it exists.

Tata Steel's Privacy Policy can be found on the following link: https://www.tatasteel.com/privacy-policy/

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/ action taken by regulatory authorities on safety of products/ services:**

   There has been no such instance which has occurred during FY2022-23.

Leadership Indicators

1. **Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available):**

   All Tata Steel Group entities have dedicated sections on their websites where detailed information on products and services are provided. Some key websites are listed below:

   1. www.tatasteel.com
   2. https://ecafez.tatasteel.co.in
   3. https://digeca.tatasteel.com/
   4. www.tatasteellp.com
   5. www.tatametaliks.com
   6. www.tatatinplate.com
   7. www.tatasteelmining.com
   8. https://aashiyana.tatasteel.com/in/en.html
   9. www.tatasteeleurope.com
   10. www.tatasteelthailand.com
   11. www.tatasteeluisl.com
   12. www.tsdpl.in
   13. www.iswp.co.in

   Tata Steel has focused on creation of digital platforms to strengthen direct connect with customers and channel partners. These solutions are designed to provide innovative services and solutions for all segments.

   For retail consumers, Tata Steel has continued to enhance & improve Tata Steel Aashiyana, a digital platform for individual home builders, with value added features like an inspirational design library, material estimator, service provider directory & e-commerce. In FY2022-23, Tata Steel Aashiyana successfully migrated to Adobe's Digital Experience Platform with features like hyper personalisation, vernacular content in 9 Indian languages & analytics-based insight generation.

   The Tata Steel supply chain visibility digital solution – COMPASS, was redesigned in FY2022-23 with an improved user interface to provide better user experience. In terms of material visibility, greater than 90% of both road & rail movement can be accessed real time by Business-to-Business customers. A mobile app for the COMPASS platform has also been designed and launched to ensure easy accessibility on hand-held devices.

   DigECA, an end-to end lead management portal for micro, small and medium enterprise segment customers, has helped connect all major stakeholders in the value chain and provide live monitoring of sales and the opportunity loss in the form of "lost sales". In FY2022-23, DigECA Mobile app, with e-commerce enablement to enquire, negotiate and place orders & register complaints, was launched with an aim to enhance customer convenience in terms of access to key modules on the go.

   Tata Steel has also launched an online portal, called MagicBox, for sale of 'extra to order' steel products to existing Tata Steel distributors via the online bidding route. Tata Steel in Europe also participates in events like Euroblech and Blechexpo for the Automotive and Engineering sectors and Metpack for the Packaging sector. We also organise webinars and steel courses to provide the requisite information.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services:**

Tata Steel connects with its varied customer groups to spread awareness on the unique selling propositions of its products, their technical features and effective & responsible usage. Product information brochures are available on public platforms for information and shared with all channel partners to communicate product features and unique selling propositions to our customers.

Different brands of the Company also have periodic programmes to educate customers about effective usage, details of some select initiatives are provided below:

1. Under the name of "Create (Value in use-VIU)", "Techtalk "and "Skilling India", knowledge sharing sessions are conducted for micro, small and medium enterprise segment customers to discuss which products and services best suit their business requirements, share technology updates and help support upgrade their technical skills.
2. Customised Application specific micro segments meets, like Solarix for customer of Solar segment, Panorama for Panel segment, Applicon for Appliance segment, Ducticon for Ducts and Heating, Ventilation and Air Conditioning segment, are conducted to educate them on product usage. Tata Steel, in collaboration with industry experts, also conducts technical training sessions to resolve technical issues critical to quality, choice of materials and manufacturing.
3. Business to Consumer brands, like Tata Shaktee and Tata Kosh, run the Learner's Academy to upgrade technical, managerial and behavioural skills of the channel sales force. Tata Tiscon provides technical service to consumers as well as bar benders & masons through customer service engineers of distributors and Tata Pravesh organises product demonstration and awareness sessions through digital media and provides customer support through call centres, Whatsapp and chatbots.
4. Tata Shaktee and Tata Kosh brands also connect with the consumer through multiple platforms like BTL (Below the line), ATL (Above the line) & Digital medium.
5. Dealer, Consumer and Influencer (fabricator, mason, bar benders, farmers, etc.) meets are regularly organised to inform customers on right usage of Tata Steel's products.
6. Value Addition, Value Engineering, Early Vendor Involvement and Customer service team initiatives are periodically undertaken on usage of Tata Steel's products for large Business to Business segment.
7. Tata Steel's Product Application Group helps customers by suggesting suitable grades of steel to improve their end-product, productivity, service and cost and carries out knowledge sharing sessions.

Apart from the above, many of Tata Steel's brands/products have social media handle on Facebook, Twitter, LinkedIn etc., to connect and educate the consumers.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:**

Tata Steel has put in place effective communication protocols, both formal and informal, to inform its customers on any supply disruptions, as listed below:

a) The sales and marketing teams, the customer relationship management teams and the supply chain management teams are in constant touch with their counterparts in our customer organisation(s) and the dealership network. The teams promptly inform the customers and the dealership network of any disruption in supply.

b) Tata Steel has launched the 'COMPASS' portal and the 'COMPASS' mobile app, which provide detailed supply chain visibility across various market segments for its Indian operations and keep customers up to date on the delivery during both normal times and during disruptions.

c) In case of any major disruption, Tata Steel also has the ability to use its website, social media handles and press releases to inform customers of any disruption.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/ No/ Not Applicable) If yes, provide details in brief:

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No).

Product information: Yes, Tata Steel displays product information up and over mandated requirement in form of GreenPro Ecolabel, where applicable. Test certificates capturing mechanical and chemical properties are also provided to the customers for information on the product. Tata Steel has taken the lead in the Indian Steel Industry for environmental certification of its products. As on date, Confederation of Indian Industry's GreenPro certification has been conferred on the following products/brands of Tata Steel.

a) Steel Rebars (Tata Tiscon)

b) Tubes (Tata Structura, Tata Pipes, Tata Ezyfit)

c) Steel Doors and Windows (Pravesh)

d) Ground Granulated Blast Furnace Slag

Tata Steel in Europe is also the first steel manufacturer to become an approved Environmental Product Declaration (EPD) programme operator in Europe. Tata Steel is able to create product specific EPDs that comply with EN 15804 and ISO 14025 standards. Being able to supply product specific and externally verified EPDs, along with responsible sourcing certification, enables Tata Steel to help its construction supply chains to accrue points under building certification schemes.

In order to promote purchase of cleaner and greener products by customers, Tata Steel also conducts Life Cycle Assessment study for many of its products to evaluate their environmental impact considering various life cycle stages. The Life Cycle Assessment approach is a holistic and scientific way of understanding a product's environmental impact and Tata Steel shares the Life Cycle Assessment outcome with its customers to enable them to make choices based on the lowest lifecycle impact of the product on the environment. A summary of products for which Tata Steel has conducted Life Cycle Assessment is provided under Section C, Principle 2 of this report.

Customer satisfaction survey: Yes, Tata Steel conducts an annual customer satisfaction survey, covering its channel partners, direct customers and micro, small and medium enterprise segment customers, to measure customer satisfaction and arrive at a quantitative index (Customer Satisfaction Index). The index is arrived at through ratings received from respondents on a 6-point scale across attributes like Product, New Product Development, Delivery, Commercials, Relationship & Engagement, Complaint Handling and Technical Support. The findings and action plan taken are shared with the senior leadership team and used to develop future plans of the Company.

The trend of Tata Steel Limited's Customer Satisfaction Index over the last three calendar years is provided below:

	CY 2022	CY2021	CY2020
CSI Score Trend (out of 100)	83.8	83.3	82.3

5. Provide the following information relating to data breaches:

S no		FY2022-23	FY2021-22
1	Number of instances of data breaches along-with impact	-	-
2	Percentage of data breaches involving personally identifiable information of customer	-	-

BOARD'S REPORT

To the Members,

Your Directors take pleasure in presenting the 8th Integrated Report [prepared as per Integrated Reporting <IR> framework of the International Integrated Reporting Council (IIRC) (now consolidated into IFRS Foundation)] and the 116th Annual Accounts on the business and operations of Tata Steel Limited ('**Tata Steel**' or '**Company**'), along with the summary of standalone and consolidated financial statements for the financial year ended March 31, 2023.

A. Financial Results

(₹ crore)

Particulars	Tata Steel Standalone		Tata Steel Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from operations	1,29,006.62	1,29,021.35	2,43,352.69	2,43,959.17
Total expenditure before finance cost, depreciation (net of expenditure transferred to capital)	1,01,304.65	77,891.50	2,11,052.53	1,80,469.22
Operating Profit	27,701.97	51,129.85	32,300.16	63,489.95
Add: Other income	3,325.48	1,452.02	1,037.48	784.89
Profit before finance cost, depreciation, exceptional items and tax	31,027.45	52,581.87	33,337.64	64,274.84
Less: Finance costs	3,792.14	2,792.08	6,298.70	5,462.20
Profit before depreciation, exceptional items and tax	27,235.31	49,789.79	27,038.94	58,812.64
Less: Depreciation and amortisation expenses	5,434.61	5,463.69	9,335.20	9,100.87
Profit / (Loss) before share of profit/(loss) of joint ventures & associates, exceptional items & tax	21,800.70	44,326.10	17,703.74	49,711.77
Share of profit / (loss) of Joint Ventures & Associates	-	-	418.12	649.16
Profit / (Loss) before exceptional items & tax	**21,800.70**	**44,326.10**	**18,121.86**	**50,360.93**
Add/(Less): Exceptional Items	(778.78)	(235.45)	113.26	(134.06)
Profit before tax	**21,021.92**	**44,090.65**	**18,235.12**	**50,226.87**
Less: Tax Expense	5,526.81	11,079.47	10,159.77	8,477.55
(A) Profit/(Loss) after tax	**15,495.11**	**33,011.18**	**8,075.35**	**41,749.32**
Total Profit / (Loss) for the period attributable to:				
Owners of the Company	-	-	8,760.40	40,153.93
Non controlling interests	-	-	(685.05)	1,595.39
(B) Total other comprehensive income	100.37	694.90	(13,849.07)	1,305.42
(C) Total comprehensive income for the period [A + B]	15,595.48	33,706.08	(5,773.72)	43,054.74
Retained Earnings: Balance brought forward from the previous year	**76,498.67**	**46,480.00**	**55,647.79**	**16,476.70**
Add: Profit for the period	15,495.11	33,011.18	8,760.40	40,153.93
Less: Distribution on Hybrid perpetual securities	-	1.46	-	1.46
Add: Tax effect on distribution of Hybrid perpetual securities	-	0.37	-	0.37
Add: Other Comprehensive Income recognised in Retained Earnings	210.31	5.67	(9,981.60)	366.39
Add: Other movements within equity	-	9.99	(33.12)	1,656.02
Balance	92,204.09	79,505.75	54,393.47	58,651.95
Which the Directors have apportioned as under to:-				
(i) Dividend on Ordinary Shares	6,233.11	3,007.08	6,227.15	3,004.16
Total Appropriations	**6,233.11**	**3,007.08**	**6,227.15**	**3,004.16**
Retained Earnings: Balance to be carried forward	**85,970.98**	**76,498.67**	**48,166.32**	**55,647.79**

Notes:

i. On July 4, 2022, Tata Steel Long Products Limited ('**TSLP**'), a non-wholly owned listed subsidiary of the Company, had completed the acquisition of Neelachal Ispat Nigam Limited ('**NINL**') for a total purchase consideration of ₹12,100 crore as per the terms and conditions of the Share Sale and Purchase Agreement ('**SPA**'). The financial statements of NINL have been consolidated effective July, 4 2022.

ii. Pursuant to an order pronounced by the Hon'ble National Company Law Tribunal, Kolkata Bench ('**Hon'ble NCLT**') on April 7, 2022, Tata Steel Mining Limited ('**TSML**'), an unlisted wholly-owned subsidiary of the Company completed the acquisition of a controlling stake of 90% in Rohit Ferro-Tech Limited ('**RFT**') on April 11, 2022, under the Corporate Insolvency Resolution Process ('**CIRP**') of the Insolvency and Bankruptcy Code, 2016 ('**Code**'). Vide the same order, the Hon'ble NCLT also approved the amalgamation of RFT with TSML subject to TSML acquiring 100% equity stake in RFT. On July 7, 2022, RFT was amalgamated with TSML.

iii. Figures for the previous periods have been regrouped and reclassified to conform to the classification of the current period, where necessary.

iv. During the year under review, exceptional items (Consolidated Accounts) primarily represents:

a. Gain on sale of non-current investments at Tata Steel Europe ('**TSE**') amounting to ₹67 crore.

b. Impairment reversal ₹96 crore at TSE on deferred consideration of Speciality Business.

c. Net impairment reversal in respect of property, plant and equipment (including capital work-in-progress), right-of-use assets and other assets at TSE amounting to ₹37 crore.

d. Fair valuation gain on non-current investments amounting to ₹31 crore at Tata Steel Limited (Standalone).

Partly offset by,

a. Net Provision for Employee Separation Scheme ('**ESS**') amounting to ₹92 crore under Sunehere Bhavishya Ki Yojana ('**SBKY**') scheme at Tata Steel Limited (Standalone).

b. Expenses incurred in stamp duty and registration fees for a portion of land parcels and mines acquired as part of business combination amounting to ₹2 crore at TSLP.

c. Impairment of Mini Blast Furnace at Tata Steel Thailand ('**TSTH**') amounting to ₹11 crore.

d. Net impairment charge of ₹12 crore on Inter Corporate Deposit ('**ICD**') & investments in one of the associates at Tata Steel Limited (Standalone).

The exceptional items (Consolidated Accounts) in Financial Year 2021-22 primarily include:

a. Restructuring and other provisions which includes charge on Employees Family Protection Scheme for COVID-19 amounting to ₹215 crore at Tata Steel Limited (Standalone), Tata Steel Downstream Products Limited ('**TSDPL**') and at Tata Steel Utilities and Infrastructure Limited ('**TSUISL**').

b. Impairment charges (net of reversal) ₹172 crore in respect of property, plant and equipment (including capital work-in-progress), right-of-use assets and other assets primarily at TSE and TSTH.

c. Provision for ESS amounting to ₹331 crore includes provisions made primarily under SBKY scheme amounting to ₹208 crore and Second Innings Scheme amounting to ₹123 crore, at Tata Steel Limited (Standalone).

d. Impairment of Inter Corporate Deposits ('**ICDs**') given to an associate of the Company amounting to ₹100 crore at Tata Steel Limited (Standalone).

e. Expenses incurred on stamp duty and registration fees for a portion of land parcels and mines acquired as part of business combination amounting to ₹27 crore at TSLP.

f. Redundancy provisions at TSE amounting to ₹14 crore.

g. Impairment on outstanding deferred consideration at TSE amounting to ₹81 crore.

Partly offset by,

a. Profit on sale of subsidiaries and non-current investments in NatSteel Holdings Pte. Ltd. ('**NSH**') amounting to ₹725 crore.

b. Reversal of fair valuation loss previously taken on investment in debentures of a joint venture of the Company amounting to ₹50 crore at Tata Steel Limited (Standalone).

c. Gain on sale of land amounting to ₹31 crore at Tata Metaliks Limited ('**TML**').

1. Dividend Distribution Policy

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('**SEBI Listing Regulations**') the Board of Directors of the Company (the '**Board**') formulated and adopted the Dividend Distribution Policy (the '**Policy**').

The Policy is available on our website at https://www.tatasteel.com/media/6086/dividend-policy-final.pdf

2. Dividend

For the Financial Year 2022-23, the Board has recommended a dividend of ₹3.60 per Ordinary (equity) Share of face value of ₹1/- each (previous year: ₹51/- per fully paid-up Ordinary (equity) Share of face value of ₹10/- each).

The Board has recommended dividend based on the parameters laid down in the Dividend Distribution Policy. The dividend will be paid out of the profits for the year.

The dividend on Ordinary (equity) Shares is subject to the approval of the Shareholders at the Annual General Meeting ('**AGM**') scheduled to be held on Wednesday, July 5, 2023 and will be paid on and from Monday, July 10, 2023.

Based on the number of Ordinary (equity) Shares as on the date of this report, the dividend, if approved would result in a cash outflow of ~₹4,400 crore. The dividend on Ordinary (equity) Shares is 360% of the paid-up value of each share. The total dividend pay-out works out to 28% (previous year: 19%) of the net profit (on standalone basis).

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the shareholders effective April 1, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

The Register of Members and Share Transfer Books of the Company will remain closed from Friday, June 23, 2023 to Wednesday, July 5, 2023 (both days inclusive) for the purpose of payment of the dividend and AGM for the financial year ended March 31, 2023.

3. Transfer to Reserves

The Board of Directors has decided to retain the entire amount of profit for the Financial Year 2022-23 in the statement of profit and loss.

4. Capex and Liquidity

During the year under review, the Company, on a consolidated basis, spent ₹14,142 crore on capital projects across India and Europe, largely towards ongoing growth projects in India, essential sustenance and replacement schemes.

The Company's liquidity position, on a consolidated basis, is ₹28,688 crore as on March 31, 2023, comprising ₹17,083 crore in cash and cash equivalent and balance in undrawn credit lines.

5. Management Discussion and Analysis

The Management Discussion and Analysis as required in terms of the SEBI Listing Regulations forms part of this Integrated Report and Annual Accounts 2022-23 (**Annexure 1**).

B. Integrated Report and Business Responsibility and Sustainability Report

In keeping with the Company's valued tradition of 'thinking about society and not just the business', in 2016, we transitioned from compliance based reporting to governance based reporting by adopting the <IR> framework of the International Integrated Reporting Council (IIRC) (now consolidated into IFRS Foundation). Our 8th Integrated Report highlights the measures taken by the Company that contributes to long-term sustainability and value creation, while embracing different skills, continuous innovation, sustainable growth and a better quality of life.

In accordance with Regulation 34(2)(f) of the SEBI Listing Regulations, the Securities and Exchange Board of India ('**SEBI**'), in May 2021, introduced new sustainability related reporting requirements to be reported in the specific format of Business Responsibility and Sustainability Report ('**BRSR**'). BRSR is a notable departure from the existing Business Responsibility Report and a significant step towards giving platform to the companies to report the initiatives taken by them in areas of Environment, Social and Governance. Further, SEBI has mandated top 1,000 listed companies, based on market capitalisation, to transition to BRSR from FY2022-23 onwards. Accordingly, we are glad to present our inaugural BRSR for FY2022-23.

C. Operations and Performance

1. Tata Steel Group

During the year under review, the consolidated crude steel production for Tata Steel Group ('**TSG**') was

30.65 MnT as against 31.03 MnT of FY2021-22, a marginal decline of 1%. The production increased at Tata Steel Limited (Standalone) by 3%, to 18.97 MnT, (FY2021-22: 18.38 MnT), Tata Steel Europe ('**TSE**') produced 9.35 MnT, lower by 8% (FY2021-22: 10.11 MnT) as TSUK undertook a significant maintenance programme focused on its steelmaking assets in Port Talbot in order to improve operational stability along with weakening of market during the 2nd half of the financial year. Tata Steel Long Products (standalone) produced 0.71 MnT (FY2021-22: 0.68 MnT). Moreover, with the completion of the acquisition of Neelachal Ispat Nigam Limited ('**NINL**') during the year, the production further increased by 0.20 MnT. Production at South-East Asia ('**SEA**') was 1.43 MnT (FY2021-22: 1.86 MnT) which was lower due to disposal of Singapore operations of NatSteel Holdings Pte. Ltd. ('**NSH**') during FY2021-22. The consolidated steel deliveries of TSG was at 28.79 MnT in FY2022-23 as against 29.52 MnT in FY2021-22, a marginal decrease of 2%, primarily at TSE due to weakening of market and at SEA.

The turnover of TSG at ₹2,43,353 crore was marginally lower over FY2021-22 by ₹606 crore. This was on account of decline in steel realisations across geographies except European operations, attributable to decrease in demand and implementation of export duty on steel in India during the year, along with lower steel deliveries by 0.73 MnT.

The EBITDA of TSG for FY2022-23 at ₹32,698 crore was lower over FY2021-22 by ₹31,132 crore (49%), primarily due to increase in input cost mainly in coking coal along with lower steel realisations in India.

2. India

During the year under review, the crude steel production in Tata Steel Limited increased by 3% to 18.97 MnT on account of better operational performance. During the year under review, total deliveries at Tata Steel Limited (Standalone) were at 18.22 MnT (previous year: 17.62 MnT). Turnover was ₹1,29,007 crore (previous year: ₹1,29,021 crore), which was at par against the previous year mainly due to higher deliveries, offset by decline in steel prices. EBITDA was at ₹28,175 crore (previous year: ₹51,456 crore), 45% lower than that of the previous year, primarily on account of higher raw material cost, mainly coking coal.

TSLP on a consolidated basis achieved crude steel production of 0.91 MnT, while deliveries stood at 0.82 MnT, both higher than previous year, due to acquisition of NINL during the year. The turnover at ₹8,992 crore was significantly higher on account of higher deliveries and higher prices. EBITDA was at negative ₹613 crore and loss after tax was at ₹2,304 crore. This was primarily on account of higher input cost, mainly coking coal prices along with expenditure incurred on revamping NINL which started production within 3 months of its acquisition. Increase in finance cost and depreciation and amortisation charge post NINL acquisition further impacted the profits.

Total deliveries of Tata Steel from its Indian operations (including TSLP) stood at 18.87 MnT which is higher than the previous year by 3%. The turnover was ₹1,37,030 crore, a marginal increase by ~1% against previous year and EBITDA (excluding inter-company eliminations and adjustments) was ₹27,561 crore, 48% decline over previous year, owing to sharp increase in operating cost due to increase in imported coking coal prices and decline in steel realisations, which was partly offset by, higher steel deliveries.

3. Europe

During the year under review, liquid steel production from European operations was 9.35 MnT (previous year: 10.11 MnT), a decrease of 8% against the previous year due to low demand from the market in the second half of the year following the general economic slowdown in Europe, although production was not as low as deliveries due to a build-up of inventory in TSN in order to support operations during an extended outage for the Blast Furnace 6 reline at the start of FY2023-24. Deliveries from European operations decreased by around 10% to 8.16 MnT primarily due to decline in demand. Turnover from operations was ₹90,300 crore (previous year: ₹90,023 crore) which was marginally higher than FY2021-22. However, in GBP terms, revenue increased by 5% due to improved average revenue per tonne which more than offset the lower deliveries.

EBITDA stood at ₹4,632 crore (previous year: ₹12,164 crore) which declined over the previous year. This reflected contrasting EBITDA performance between the first and second half of the year with the first half benefitting from exceptionally high selling prices resulting in record EBITDA performance. The second half however experienced a reduction in selling prices due to lower market demand following the economic slowdown in Europe although raw material and energy costs remained high which resulted in EBITDA losses.

D. Key Developments

1. Amalgamation

a) Amalgamation of Tata Steel Long Products Limited into and with Tata Steel Limited

The Board of Directors of the Company ('**Board**'), at its meeting held on September 22, 2022, approved the scheme of amalgamation of Tata Steel Long Products Limited ('**TSLP**') into and with the Company ('**TSLP Scheme**'). TSLP is the listed subsidiary of the Company. The Board has recommended a share exchange ratio of 67 fully paid-up equity shares of nominal value of ₹1/- each of the Company for every 10 fully paid-up equity shares of nominal value of ₹10/- each held by the public shareholders of TSLP. As part of the TSLP Scheme, the equity and preference shareholding of the Company in TSLP shall stand cancelled. The Company has received the 'observation letter' dated March 31, 2023 from the National Stock Exchange of India Limited and BSE Limited and has filed an application before the Hon'ble National Company Law Tribunal, Mumbai Bench for necessary directions. The amalgamation is subject to approval from the shareholders and other regulatory/governmental authorities.

b) Amalgamation of The Tinplate Company of India Limited into and with Tata Steel Limited

The Board, at its meeting held on September 22, 2022, approved the scheme of amalgamation of The Tinplate Company of India Limited ('**TCIL**') into and with the Company ('**TCIL Scheme**'). TCIL is the listed subsidiary of the Company. The Board has recommended a share exchange ratio of 33 fully paid-up equity shares of nominal value of ₹1/- each of the Company for every 10 fully paid-up equity shares of nominal value of ₹10/- each held by the public shareholders of TCIL. As part of the TCIL Scheme, the equity shareholding of the Company in TCIL shall stand cancelled. The Company has received the 'observation letter' dated March 31, 2023 from the National Stock Exchange of India Limited and BSE Limited and has filed an application before the Hon'ble National Company Law Tribunal, Mumbai Bench for necessary directions. The amalgamation is subject to approval from the shareholders and other regulatory/governmental authorities.

c) Amalgamation of Tata Metaliks Limited into and with Tata Steel Limited

The Board, at its meeting held on September 22, 2022, approved the scheme of amalgamation of Tata Metaliks Limited ('**TML**') into and with the Company ('**TML Scheme**'). TML is the listed subsidiary of the Company. The Board has recommended a share exchange ratio of 79 fully paid-up equity shares of nominal value of ₹1/- each of the Company for every 10 fully paid-up equity shares of nominal value of ₹10/- each held by the public shareholders of TML. As part of the TML Scheme, the equity shareholding of the Company in TML shall stand cancelled. The Company has received the 'observation letter' dated March 31, 2023 from the National Stock Exchange of India Limited and BSE Limited and has filed an application before the Hon'ble National Company Law Tribunal, Mumbai Bench for necessary directions. The amalgamation is subject to approval from the shareholders and other regulatory/governmental authorities.

d) Amalgamation of TRF Limited into and with Tata Steel Limited

The Board, at its meeting held on September 22, 2022, approved the scheme of amalgamation of TRF Limited ('**TRF**') into and with the Company ('**TRF Scheme**'). TRF is the listed associate of the Company. The Board has recommended a share exchange ratio of 17 fully paid-up equity shares of nominal value of ₹1/- each of the Company for every 10 fully paid-up equity shares of nominal value of ₹10/- each held by the public shareholders of TRF. As part of the TRF Scheme, the equity and preference shareholding of the Company in TRF shall stand cancelled. The Company has received the 'observation letter' dated March 31, 2023 from the National Stock Exchange of India Limited and BSE Limited and has filed an application before the Hon'ble National Company Law Tribunal, Mumbai Bench for necessary directions. The amalgamation is subject to approval from the shareholders and other regulatory/governmental authorities.

e) Amalgamation of The Indian Steel & Wire Products Limited into and with Tata Steel Limited

The Board, at its meeting held on September 22, 2022, approved the scheme of amalgamation of The Indian Steel & Wire Products Limited ('**ISWP**') into and with the Company ('**ISWP Scheme**'). ISWP is an unlisted subsidiary of the Company. Upon the Scheme coming into effect, the shareholders of ISWP (except the Company) shall receive ₹426/- for every 1 fully paid-up equity share of nominal value of ₹10/- each of ISWP held by the shareholders of ISWP. As part of the ISWP Scheme, the equity shareholding of the Company in ISWP shall stand cancelled. The Company has received the 'observation letter' from the National Stock Exchange of India Limited and BSE Limited on March 24, 2023. The amalgamation is subject to approval from the shareholders and other regulatory/governmental authorities.

f) Amalgamation of Tata Steel Mining Limited into and with Tata Steel Limited

The Board, at its meeting held on September 22, 2022, approved the scheme of amalgamation of Tata Steel Mining Limited ('**TSML**') into and with the Company ('**TSML Scheme**'). TSML is a wholly-owned subsidiary of the Company and upon the TSML Scheme coming into effect, the entire paid-up share capital of TSML shall stand cancelled. The TSML Scheme is pending approval before the Hon'ble National Company Law Tribunal, Cuttack Bench. The amalgamation is also subject to approval from other regulatory/governmental authorities.

g) Amalgamation of S & T Mining Company Limited into and with Tata Steel Limited

The Board, at its meeting held on September 22, 2022, approved the scheme of amalgamation of S & T Mining Company Limited ('**S&T Mining**') into and with the Company ('**S&T Scheme**'). S&T Mining is a wholly-owned subsidiary of the Company and upon the S&T Scheme coming into effect, the entire paid-up share capital of S&T Mining shall stand cancelled. The S&T Scheme is pending approval before the Hon'ble National Company Law Tribunal, Kolkata Bench. The amalgamation is also subject to approval from other regulatory/governmental authorities.

h) Amalgamation of Angul Energy Limited into and with Tata Steel Limited

The Board of Directors of the Company, at its meeting held on February 6, 2023, approved the scheme of amalgamation of Angul Energy Limited ('**AEL**') into and with the Company ('**AEL Scheme**'). Upon the AEL Scheme coming into effect, the shareholders of AEL (except the Company) shall receive ₹1,045 for every 1 fully paid-up equity share of nominal value of ₹10/- each of AEL held by the shareholders of AEL. The Company has filed the application with the National Stock Exchange of India Limited and BSE Limited for necessary directions. The amalgamation is subject to approval of the shareholders and other regulatory/governmental approvals.

2. Acquisitions & Investments

a) Acquisition of Rohit Ferro-Tech Limited through Tata Steel Mining Limited, a wholly-owned subsidiary

On April 11, 2022, in terms of the approved Resolution Plan under the Corporate Insolvency Resolution Process ('**CIRP**') of the Insolvency and Bankruptcy Code 2016 ('**Code**'), the Company through Tata Steel Mining Limited ('**TSML**'), a wholly-owned subsidiary, completed the acquisition of 90% stake in Rohit Ferro-Tech Limited ('**RFT**').

On June 22, 2022, TSML acquired the remaining 10% equity stake of RFT held by the financial creditors for a consideration of ~₹20.06 crore which was paid by TSML on June 14, 2022. Upon completion of the said acquisition, RFT became a wholly-owned subsidiary of TSML. Further, on July 7, 2022, RFT was amalgamated with TSML, pursuant to the order of the Hon'ble National Company Law Tribunal, Kolkata Bench dated April 7, 2022 approving the Resolution Plan submitted by TSML for acquisition of RFT.

b) Acquisition of Preference Shares of TRF Limited

On May 13, 2022, the Company acquired 1,30,00,000 - 11.25% Optionally Convertible Redeemable Preference Shares ('**OCRPS**') of face value ₹10/- each of TRF Limited ('**TRF**'), a listed associate of the Company, on a preferential basis aggregating to ₹13 crore. Further, on June 8, 2022 and March 1, 2023, the Company acquired 16,50,00,000 - 12.17% (effective yield) Non-cumulative, Non-convertible, Non-Participating, Redeemable Preference Shares ('**NCRPS**') and 7,40,00,000 - 12.17% (effective yield) NCRPS, respectively of face value ₹10/- each of TRF on a preferential basis aggregating to ₹165 crore and ₹74 crore, respectively.

The OCRPS and NCRPS have been acquired to assist TRF in repayment/prepayment of the whole or a part of it's existing indebtedness (including financial and operational creditors), additional working capital requirements, payment against long-outstanding vendor dues, to seek their support towards material supplies for completing legacy projects and delivering other committed orders and/or for other general corporate purposes.

The voting rights of the Company as a preference shareholder of TRF will be as per the provisions of the Companies Act, 2013 read with the Articles of Association of TRF. Further, the equity stake of the Company in TRF remains at 34.11%.

c) Investment in Tata Steel Mining Limited

On June 14, 2022 and August 30, 2022, the Company acquired 1,04,75,196 equity shares and 2,81,98,433 equity shares, respectively of face value ₹10/- each of Tata Steel Mining Limited ('**TSML**') at a premium of ₹9.15 per share on a preferential basis aggregating to ~₹20.06 crore and ~₹54 crore, respectively. TSML continues to be a wholly-owned subsidiary post both the investments.

d) Acquisition of Neelachal Ispat Nigam Limited through Tata Steel Long Products Limited and investment in Neelachal Ispat Nigam Limited

On July 4, 2022, the Company through its listed subsidiary Tata Steel Long Products Limited ('**TSLP**'), completed the acquisition of 93.71% stake in Neelachal Ispat Nigam Limited ('**NINL**'). The acquisition was completed for an aggregate consideration of ₹12,100 crore as per the terms and conditions of the Share Sale and Purchase Agreement entered into by the Company in accordance with the process carried out by Department of Investment and Public Asset Management ('**DIPAM**') and consequently, NINL became a step-down subsidiary of the Company.

During the year, the Company directly acquired equity shares aggregating to 5.24% in NINL by way of purchase of equity shares from minority shareholders and by acquiring additional equity shares issued by NINL on preferential basis. As on March 31, 2023, TSLP holds 92.68% and the Company holds 5.24% in NINL.

e) Investment in Tata Steel Downstream Products Limited

During the year under review, the Company acquired 7,11,743 equity shares of ₹10/- each at a premium of ₹130.50 per share, of Tata Steel Downstream Products Limited, a wholly-owned subsidiary of the Company, on a preferential basis for an amount aggregating to ₹10 crore.

f) Investment in Tata Steel Advanced Materials Limited

During the year under review, the Company acquired 4,26,93,207 (75.94%) equity shares of Tata Steel Advanced Materials Limited ('**TSAML**') from Tata Steel Downstream Products Limited, for an aggregate amount of ₹54.69 crore. Further, on March 23, 2022, the Company acquired the balance 1,35,29,959 (24.06%) shares held by Tata Steel Downstream Products Limited for an aggregate amount of ₹17.33 crore. Post the said acquisition, TSAML has become a direct wholly-owned subsidiary of the Company. The shares of TSAML are of face value of ₹10/- each and were acquired at a premium of ₹2.81 per share.

g) Investment in Tata Steel Utilities and Infrastructure Services Limited

On January 31, 2023 and March 23, 2023, the Company acquired 26,97,674 and 4,65,116 equity shares, respectively of face value ₹10/- each of Tata Steel Utilities and Infrastructure Services Limited ('**TSUISL**') at a premium of ₹205/- per share, on rights basis for an aggregate amount of approximately ₹68 crore. TSUISL continues to be a wholly-owned subsidiary of the Company.

3. Divestments

Divestment of partial stake in Al Rimal Mining LLC, Oman

On October 3, 2022, T S Global Holdings Pte. Ltd. ('**TSGH**'), an indirect wholly-owned subsidiary of the Company, set up in South-East Asia, concluded the divestment of its 19% equity stake in Al Rimal Mining LLC ('**Al Rimal**') to Oman National Investments Development Company ('**Tanmia**') pursuant to an agreement entered into between TSGH and Tanmia, thereby reducing its equity stake in Al Rimal from 70% to 51%.

4. Financing and Debt Redemption

a) Issue of Non-Convertible Debentures

During FY2022-23, the Company allotted the following Unsecured, Rated, Listed, Redeemable, Non-Convertible Debentures ('**NCDs**') to identified investors on a private placement basis:

No. of NCDs	Face value (₹)	Amount (₹ crore)	Date of allotment	Coupon	Tenure	Date of Maturity
5,000	10,00,000	500	September 20, 2022	7.50% (Series 1)	5 years	September 20, 2027
15,000	10,00,000	1,500	September 20, 2022	7.76% (Series 2)	10 years	September 20, 2032
2,15,000	1,00,000	2,150	February 27, 2023	8.03%	5 years	February 25, 2028

The NCDs are listed on the wholesale debt market segment of BSE Limited.

b) Redemption of NCDs

The Company has redeemed the following NCDs on the relevant due date as per their respective terms of issue:

Amount (₹ crore)	Date of allotment	Coupon	Date of Maturity
1,025	April 17, 2020	7.85%	April 17, 2023
510	April 22, 2020	7.85%	April 21, 2023
1,000	April 27, 2020	Floating Rate	April 27, 2023
500	April 30, 2020	Floating Rate	April 28, 2023

c) Credit Rating

During the year under review, international rating agency, S&P Global Ratings reaffirmed Tata Steel's Corporate Family Rating at 'BBB-' and revised the Outlook to Positive from Stable. Further, Moody's also reaffirmed the rating to 'Ba1' and revised the Outlook to Positive from Stable due to the Company's track record of good operating performance and conservative financial policy.

During the year, the domestic rating agencies, India Ratings and CARE had reaffirmed Tata Steel's long term credit rating at AA+. India Ratings revised the outlook from Stable to Positive.

d) First and Final Call on Partly Paid-up Equity Shares

On February 9, 2021, the Board of Directors of the Company approved the making of the first and final call of ₹461/- (comprising ₹7.498 towards face value and ₹453.504 towards securities premium) per partly paid-up equity share ('**First and Final Call**') on 7,76,36,788 outstanding partly paid-up equity shares of face value ₹10/- each (paid-up: ₹2.504 per share), issued by the Company, on a Rights basis, pursuant to the Letter of Offer dated January 22, 2018. As on March 31, 2022, the Company had 2,23,288 partly paid-up equity shares of face value ₹10/- each (paid-up: ₹2.504 per share) on which the first and final call money remained unpaid.

On March 18, 2023, the Stakeholder Relationship Committee approved the conversion of 3,16,580 partly paid-up shares of face value of ₹1/- each (31,658 partly paid-up equity shares of face value of ₹10/- each on which ₹2.504 was paid-up).

5. Corporate Actions

a) Sub-division of Ordinary Shares of the Company

On May 3, 2022, the Board of Directors of the Company, considered and approved the proposal for sub-division of 1 (one) equity share of the Company having face value of ₹10/- each into 10 (Ten) equity shares of the Company having face value of ₹1/- each ('**sub-division**') and consequential amendments in the Capital Clause of the Memorandum of Association of the Company and Articles of Association of the Company, subject to the approval of the Shareholders of the Company and other necessary approvals. The said proposal was approved by the Shareholders of the Company at the Annual General Meeting held on June 28, 2022. The Record Date for the sub-division was set as July 29, 2022 and consequently, the face value of the equity shares of the Company (fully paid-up and partly paid-up) was sub-divided to ₹1/- each from ₹10/- each.

b) Forfeiture of shares

The Board of Directors, at their meeting held on March 27, 2023 considered and approved the forfeiture of 19,16,300 partly paid-up equity shares of face value ₹1/- each (prior to sub-division 1,91,630 partly paid-up equity shares of face value of ₹10/- each and paid-up ₹2.504 per share) on which the first and final call money was not paid.

6. Operations

MoU with Punjab Government to set up a steel scrap based electric arc furnace steel plant

On August 26, 2022, the Company signed a Memorandum of Understanding ('**MoU**') with the Government of Punjab for setting up a 0.75 MnTPA long products steel plant with a scrap-based electric arc furnace ('**EAF**'). This greenfield facility will be set up at Kadiana Khurd, Hitech Valley, Ludhiana in Punjab.

The state-of-the-art EAF-based steel plant would produce construction grade steel rebar under the Company's flagship retail brand 'Tata Tiscon', which would enable Tata Steel to further augment its market presence in the construction segment.

This is a part of the Company's commitment to investing in a circular economy and transitioning to low-carbon steelmaking through the steel recycling route. It is a step aligned to the Company's goal of achieving Net Zero carbon emission by 2045.

E. Sustainability

Tata Steel is committed to sustainability and the environment. In alignment with Tata group sustainability initiative, 'Project Aalingana', the Company is committed to achieving Net Zero emissions by 2045 and is working on a decarbonisation road map that combines short, medium, and long-term goals.

Tata Steel's philosophy of steel production is deep rooted on the principles of zero harm, resource efficiency, circular economy, minimising ecological footprint and care for community & workforce. The Company has adopted the United Nations Sustainable Development Goals ('**UN SDGs**') and linked it with its long-term strategy and has revised its sustainability targets. The Company's strategy is to significantly reduce carbon emissions, minimise fresh water intake, become leader in nature based solutions, and include critical supply chain partners for Company's ESG risk assessment.

The Company takes it as its inherent responsibility to protect the rights of its stakeholders. The Company has adopted the Business and Human Rights Policy. The Policy is in consonance with the Universal Declaration of Human Rights, the UN Principles on Business and Human Rights, and the International Labour Organization Convention and Indian laws.

Tata Steel had identified supply chain sustainability as a key material issue and in order to take this forward, the Company had adopted the Tata Steel Responsible Supply Chain Policy. During the year under review, the Company took initiatives in deployment of the Policy through various communication channels, including a framework for shared growth between its suppliers and distributors for a sustainable supply chain.

The Company continues to be committed to serve its customers through a portfolio of products and disclosure of the environmental impact of its products by using the Life Cycle Assessment ('**LCA**') methodology. To accelerate its efforts in becoming a leader in product sustainability, Tata Steel strives to use LCA tool effectively in its products. During the year under review, the Company has undertaken LCA studies based on worldsteel LCA methodology guided by ISO 14040 and ISO 14044. Aligning with the goal to cover all steelmaking and downstream sites under LCA, this year we have completed the LCA study for downstream facilities at TSM Khopoli, TSM Sahibabad and CRC West covering a total of 8 different product categories. In FY2022-23, Tata Steel published its first Environment Product Declaration ('**EPD**') for Steel Rebar for facilities in Jamshedpur Works as well as other manufacturing SPC followed by EPD for Steel structural hollow section under the brand Tata Structura manufactured at Tata Steel Tubes division along with other different production units and EPD for Steel Hot Rolled Coil covering all manufacturing locations across Jamshedpur, Kalinganagar and Meramandali. Also, Tata Ezyfit, which is a brand of innovative tubes for windows & door frame section received GreenPro certification. We have also carried out a LCA study for one of our Fibre Reinforced Polymer ('**FRP**') product to understand its life cycle environmental impact. In alignment to the Company's sustainability strategy, it aspires to obtain eco-labels (GreenPro and Environment Product Declaration) for its key products and proactively respond to its customers who seek product related sustainability information. In Europe, the Company has published Environmental Product Declarations with entire product range of the European operations certified with BES 6001 sustainable sourcing standard.

Further, towards sustainability, Tata Steel is supporting Task Force on Nature Related Disclosures in developing a risk management and disclosure framework to factor nature-related risks and opportunities while making financial and business decisions.

The Company continues to integrate Biodiversity within its business ecosystem. Towards this, the Company has aligned its actions with the National and International Biodiversity Targets and the Sustainable Development Goals. To augment the Company's efforts in Biodiversity conservation, Tata Steel has constituted Centre of Excellence for Biodiversity Management to strategically formulate and implement Biodiversity Management Plans ('**BMPs**') across locations. As on March 31, 2023, the Company has implemented BMPs across 15 locations in India.

Across Europe, there is a growing recognition that steelmakers need government support to decarbonise. Steelmakers and governments in a number of countries are working together to develop their decarbonisation plans, with such discussions covering selection of suitable technologies, access to abundant green energy supplies and infrastructure at a competitive price, possible fiscal support from the national Governments, and the need to create a competitive regulatory environment. Tata Steel has been involved in detailed engagement with the Dutch, UK and Welsh Governments on these complex themes.

Tata Steel Nederland and the Dutch government signed an Expression of Principles in FY2022-23 to transition to low CO_2 steelmaking, with an ambition to reduce CO_2 emission by 5 MnT by 2030.

1. **Environment**

Being a responsible corporate citizen, Tata Steel continues to strive for environmental sustainability across operations. To achieve this, the Company has taken necessary initiatives for environmental protection and addressing environmental concerns associated with its operations and supply chain. The Safety, Health & Environment Committee of the Board provides oversight and necessary guidance on safety, health and environmental matters. The Company has dedicated Environment Management teams at its key operating locations, globally. As part of responsible advocacy, the Company syndicates its stance with key stakeholders on environmental policy matters including regulatory issues and actively participates in various national and international forums on diverse environmental issues.

Guided by our Code of Conduct and internal corporate policies, the Company endeavours to set steel industry benchmark in environmental performance. With the strategic objective of 'Leadership in Sustainability', Tata Steel has achieved significant reduction in its environment footprint over the years through its commitment of being a responsible stakeholder in the community. The Company has taken several initiatives in areas of resource conservation, pollution control and waste management, amongst others. Tata Steel has adopted environment friendly processes, best available technologies, real-time monitoring systems and has IT enabled real-time dashboards to facilitate environmentally-friendly operational control. The Company has digitised the systems of real-time monitoring of environmental parameters to faster identify probable environmental impacts of its operations in order to undertake mitigating actions to control environmental pollution. Tata Steel maintains transparency of its environmental performance through various disclosures to stakeholders from time to time. During the year under review, Tata Steel has taken initiatives to retain its Indian benchmark position in stack dust emissions and fresh-water intake.

During the year, Tata Steel in Netherlands accelerated the measures under the Roadmap+ programme by implementing measures to reduce dust, noise, odour and other emissions. In April 2022, the Company commissioned several new slag pits with a mobile covering to reduce dust, which is expected to reduce dust emissions by approximately 80%. Tata Steel is also building windbreaker screens of around 18 metres height and around a kilometre length around the raw material storage facilities, thereby reducing wind speeds and the associated dust dispersal.

Tata Steel is also constructing a dedusting plant at it's IJmuiden Pellet Plant, which is expected to be completed in 2023. The dedusting plant is expected to reduce emissions of lead by 70%, alongside reduction in dust.

2. **Climate Change**

Climate change is one of the most pressing issue the world faces today and the Company recognises its obligation to work towards mitigation of climate change related risks and strives to reduce its carbon footprint especially of steelmaking facilities across all geographies. The Company is committed to be aligned with national commitments on climate change in geographies we operate in.

The Company is signatory to the Task Force on Climate-related Financial Disclosures ('**TCFD**') and has identified transition risks and opportunities. Specific mitigation and contingency plans for each of the identified risks have been integrated within the Company's long-term strategy.

Tata Steel is collaborating with wide range of organisations in developing the ecosystem to mitigate climate change transition risk. To move closer towards lower carbon route, the Company is working towards natural gas based DRI kiln and be future-ready in use of hydrogen by replacing natural gas. The Company continues to work towards integrating hydrogen gas in iron making processes as a non-fossil fuel and reductant. It is aligned with Tata Group's aspiration to achieve Net Zero by 2045.

In India, the Company has:

- reduced its carbon footprint by improving resource efficiency through adoption of best available technologies & good practices and strives to reduce CO_2 emission intensity significantly with intermedial goals for 2030;
- identified physical risks present at steel plant sites of operation and is developing mitigation strategies for the same;
- collaborations with various academia, startups and other reputed organisations to work towards decarbonisation with an aspiration to emerge as

a business leader across the hydrogen and CCU value chains.

During the year under review, Tata Steel has taken initiatives to retain its global benchmark positions in CO_2 intensity of IJmuiden Plant in Netherlands and Jamshedpur Steel Works in India amongst Blast Furnace-Basic Oxygen Furnace (BF-BOF) based steelmaking facilities. Enhancing use of recycled scraps in steelmaking, renewables in electricity mix, energy efficiency of production processes and multiple improvement initiatives across value chain have enabled this improvement.

Tata Steel has undertaken a detailed and systematic assessment of Physical and Transition risks in a Climate Risk assessment focusing on its key steelmaking sites in India, the Netherlands and the UK. The assessment was conducted by an independent third-party advisor and was fully aligned with the recommendations of the Taskforce on Climate Related Financial Disclosures. The outcome of the risk assessment has been incorporated in the Climate Action Report included in the Integrated Report.

3. Health and Safety

The Company is deeply committed to prioritising Health and Safety Management and achieving 'Zero Harm.' In order to accomplish this, the Company is pursuing six strategies, which include building safety leadership capabilities at all levels, reinforcing contractor safety management standards to ensure zero harm to contract employees, improving the competency and capability to identify hazards and manage risks, enhancing road and rail safety throughout the Company, striving for achieving excellence in process safety management, and establishing industrial hygiene alongwith improving occupational health.

During the year under review, the Company undertook several initiatives, including the establishment of a Practical Safety Training Centre in Jamshedpur. This initiative exemplifies the Company's commitment to improve risk perception of the workforce by imparting hands-on training on different modules and leveraging advanced technologies to visualise potential hazards through virtual reality scenarios. Additionally, the Company has introduced a Behavioral Safety Theme Park, which serves as a forum for promoting learning through interactive discussions and fostering a cross-learning culture.

The Company has also made efforts to alleviate congestion of heavy vehicles on the road by constructing a new transport park at Meramandali, capable of accommodating 110 trailers/trucks, complete with amenities such as restrooms and canteens for heavy vehicle drivers. Furthermore, to reduce the risks posed by the simultaneous movement of heavy vehicles and two-wheelers on the road, two-wheeler entry has been restricted at Tata Steel Meramandali ('**TSM**') and Tata Steel Kalinganagar ('**TSK**'). A segregated timing has been implemented at Tata Steel Jamshedpur ('**TSJ**') to regulate the movement of two-wheeler and heavy vehicle and prevent their simultaneous movements.

With a view to promote a positive safety culture throughout the organisation, the Company had organised the Safety, Health, and Environment Reward & Recognition Function for the third time. This programme aims to recognise and reward employees and departments for their remarkable contributions towards maintaining the safety standards and drive the positive safety culture at all levels within the organisation. The benefits of this programme have also been extended to cover vendor partners and non-officers.

The safety of contractors has continuously been a primary focus for the Company and the organisation has made considerable efforts to enhance the safety competency of its workforce by training them on simplified safety standards through e-modules and providing them safety training at Safety Leadership Development Centre at Jamshedpur. Contractor Safety Management System ('**CSMS**') is being deployed in all stockyards and Steel Processing Centers ('**SPCs**') of Tata Steel India.

The implementation of the 'Centre of Excellence' ('**CoE**') methodology for Process Safety has gained traction, leading to improved process safety competencies among employees. At present, the CoE-driven process safety initiative has been rolled out in most of the high hazard departments at TSJ, TSM & TSLP. With an endeavor to create a safer, more resilient, and sustainable organisation, identification of the top five safety risks across all departments of the Company was done and implementation of strategic risk mitigation plan is in progress. The Company also organised advance level training programme on Process Safety which was conducted by National Examination Board in Occupational Safety and Health ('**NEBOSH**') certified experts.

The Company has been working towards Occupational Health, and has implemented a comprehensive Industrial Hygiene programme which includes identification of occupational health hazards, risk analysis, and assessment of actual exposure through hazard quantification. The programme also focusses on implementation of hazard control measures to maintain minimum exposure level and to reduce occupational health related risks. During the year under review, over 500 awareness sessions on 'Health & Wellbeing' have been organised across Tata Steel India for the employees and contract employees. Further, the Company has been recognised for 'Wellness at Workplace' by World Steel Association in Safety & Health Excellence Recognition Programme 2022.

Fatality of contract employees has been the topmost safety concern for the Company. It is with deep regret that Tata Steel Limited reports four (4) fatalities during the year under review. The Company launched hazard specific Safety campaigns viz. 'Slip/Trip/Fall', 'Hands are not Tools', 'Road Safety', etc. across locations to address gaps and improve safety awareness. Lost Time Injuries ('**LTIs**') at Tata Steel (India & South-East Asia) have reduced by 16% from the previous year.

At Tata Steel Europe, Health and Safety continues to be of utmost priority. It is with deep regret that Tata Steel UK reports one (1) fatality during the year under review. Both at TSN and TSUK, an integrated health and safety management system ensures a consistent approach to health and safety throughout the organisation. The Health and Safety Management System follows the Plan, Do, Check, Act management model, which is a process of continuous improvement.

4. Research and Development

The Company has embarked on a journey for technology leadership and has made significant progress on several fronts in Research and Development ('**R&D**'). Working on the theme of 'Value from waste', the R&D team has developed a novel technology to produce synthetic anode material from coal tar, which is a by-product of steel. This material exhibits higher specific capacity compared to commercially available anode materials. Further, a process has also been developed to use low grade manganese ore for the synthesis of lithium manganese oxide for cathode application. The said anode and cathode materials have been demonstrated in 48V and 20Ah battery packs. The Company has successfully demonstrated a solid state thermo-electric generator ('**TEG**') to harness green electricity of 1 kW/hr from low grade waste heat of ammoniacal liquor at TSK.

Tata Steel has been working towards digitisation and key highlight in this regard is the development of a first principle-based model by exploiting of advance analytics & modelling tools. The model has been implemented on Integrated Computational Materials Engineering ('**ICME**') framework to assist new product development related to Advanced High Strength Steels. The model can predict microstructure as well as mechanical properties along the length of the rolled coils and further enable flexible control of the run-out-table at the Hot Strip Mill.

The R&D team has had some noteworthy new product development projects which include cryogenic treated bearings for automotive segments which can extend life of bearings by at least two-folds, high-strength steels with high stretch flangeability, and successful trial production of API X65 sour for H2 transport application.

The Company has also been working towards achieving cost competitiveness through increasing efficiency of the existing processes. These include implementing of a newly designed hydrocyclone at Noamundi and Khondbond Wet plant which has improved the yield of the hydrocyclone plant up to 12%. The Company has deployed Super Absorbent Polymer ('**SAP**') in blast furnaces which resulted in reduction of moisture in coke by 2-3%. Further, the Company has successfully installed a Microbolometer at 'F' blast furnace which has resulted in coke rate reduction of ~30kg/thm.

The Company has been engaging with leading academic institutes in India and across the world to build strong industry-academia partnership for creating strategic advantages for the Company. During the year under review, the Company has set up a Centre for Innovation in Mobility ('**CIM**') at IIT Madras Research Park and an Innovation Centre on Mining and Mineral Research at the Indian Institute of Technology (Indian School of Mines), Dhanbad.

The Company's focus on Intellectual Property creation has further intensified, and during the FY2022-23, Tata Steel has filed over 130 new patent applications, which is highest ever number by the organisation in any given financial year. A number of these patent applications have been harvested from the collaborative projects with academia and research institutes.

In UK, the R&D work was focussed on five major themes – (a) Digitalisation (b) Future of Mobility (c) Sustainability (d) Innovations in Packaging and (e) Collaborative Research with the UK Innovation Ecosystem.

The TSUK R&D is actively engaged in using data analytics and process simulation technologies to improve plant processes. The Company has successfully implemented the intervention of Monitoring and Assessment of the Run Out Table Banks in the Hot Strip Mill at Port Talbot and development of Through Process Record ('**TPR**') sets that track the production history of the products that the user is interested in and collects process data from each of the manufacturing processes along the product route. This methodology has been utilised to investigate and monitor datasets on projects such as surface defects in Surahammar, caster laminations, mechanical properties of DP800 and DP800GI products, full finish through process yield, coil weights in Shotton, body strength test data of tubes, among others.

The Company has developed a material database, Aurora Online which is a type of computer modelling design to check manufacturability and crash performance before any physical prototyping or tool manufacture. This has been recognised by users as industry leading because of the accuracy of its data and associated expertise. The R&D continues to engage closely with its global automotive customers through Value Analysis Value Engineering ('**VAVE**') and Early Vendor Involvement ('**EVIs**') programmes which help the Company to strengthen the position of new grades of its steel products in comparison to competitive products e.g. Aluminium.

With a view to make its functioning sustainable, the Company is presently looking into new bio-based or inorganic insulation materials as well as recycling options for existing Poly Iso Cyanurate ('**PIR**') based composite panels. Further, in the UK Colors Business, sustainable plastisol carbon products are being developed that can reduce the carbon emissions by one third. The use of curing technologies such as ultra-violet and electron beam curing are also being explored instead of traditional technologies which will allow for 33% of carbon emission reduction.

Tata Steel produces over 400 KT coated products at its Packaging plant in Trostre. The R&D at UK are currently establishing a new 'can' end production facility to support Trostre. Further, in order to increase the capability, R&D is collaborating with the University of Warwick, to produce a full set of tools to manufacture Easy Open End ('**EOE**') can lids. This will allow R&D to run trials on the various coatings, grades and gauges for commissioning and enable Tata Steel to remain competitive in the market.

The UK Research & Innovation ('**UKRI**') Council funds projects that can demonstrate models and prototypes at a pre-commercial stage. Within this framework, the UK operations of the Company has been successful in applying and winning grants to work on future ready materials and technologies. The notable ones being novel coating technologies enabling 'wet on wet' paint coating of steel strips, new steel grades for next generation of electric vehicles and bi-steel electric motor core.

In Netherlands, the Company has progressed in its product developments by introducing a total of 10 new products which include formable grades for packaging, engineering grades (e.g. line pipe but also Hyperloop), and the expansion of the range for Serica FLOTM. Further, there has also been an initiative for various process improvements like the introduction of a new run-out table cooling control in the Hot Strip Mill ('**STORM**'), a major step and part of the whole investment in the HSM to expand its capacity, and the implementation of High Turbulence roll cooling in HSM2, which allows a better cooling at significantly lower energy consumption.

Further, R&D has been vital in getting many potential new products to reach higher level of Technology Readiness throughout the year and supported the customer interactions on a technical level. R&D continues to help the Company in its operations at Netherlands and its customers in its drive to become more sustainable and more environment friendly. Within R&D, work continues on HIsarna project as a novel and more flexible reduction technology for iron production, but also a special programme on decarbonisation is now in full swing. This programme especially addresses the aspects of the new DRI based production route and will support the shorter term preparations for the investments as well as the longer term optimisation of the use of these installation. During the year under review, the focus of R&D has also been on the 'data driven steel' programme, that links to the Advanced Analytics expertise in technical and develops data-intense through-process solutions.

5. New Product Development

In line with the Company's vision to become the best-in-class manufacturer and preferred choice of steel mill in the domain of presence, Tata Steel has continued its focus on new product development. During the year under review, the Company developed 68 new products in India.

In the Hot Rolled Flat Products of high strength automotive grades, the Company has successfully developed the AHSS-HS900 for bulk trailer application which has resulted in a weight reduction of 20% by usage of thinner and stronger HS900 replacing the low strength thicker grade. AHSS-HS900 has demonstrated light weighting and higher pay load capability. Further, the development of JSH590B with 100% Hole Expansion Ratio ('**HER**') for control arm application is another promising development over existing grades with 75% HER. On hot-rolled automotive segment, TSM-Meramandali has successfully developed E46 for long member application and YST38 for wheel disc application in heavy commercial vehicles along with SAPH 370 and Grade-CF for car wheel application. Development of ASTM Gr-50-Type-1 for PEB application from TSM further strengthens the supply chain.

In the Oil and Gas segment, the Company has successfully completed the trial production and ERW pipe making of X42Sour and X60Sour with Hydrogen Induced Cracking ('**HIC**'), Sulphide Stress Cracking ('**SSC**') and Stringent (80% Actual Yield Strength i.e AYS) Stress-Oriented Hydrogen Induced Cracking ('**SOHIC**') guarantee. API X65Hydrogen for 100% gaseous hydrogen transport has been cast and rolled under trial production route. 16 inches ERW pipes have been made from the coils produced with stringent guarantee on impact toughness, drop weight tear test and fracture toughness at -29°C, HIC, SSC and SOHIC. In Lifting & Excavation ('**L&E**') and Engineering segment, the Company has developed S700MC for telescopic boom arm application for one of its customers and S355MC with impact toughness guarantee at -48°C for arctic region transformer cover application, which constitute other significant developments leading towards import substitution.

In the Cold Rolled and Coated Products Technology, the Company has secured approvals from two-wheeler manufacturers for Chromium-free secondary coated Galvannealed fuel tanks of Bharat Stage VI (BS-VI) compliant two-wheelers. Through these approvals, the Company has demonstrated its continuing commitment to environment by partnering with customers and enabling implementation of critical BS-VI technology in two-wheelers. These approvals are also a major milestone in Company's intent to make its secondary coatings Cr-free. In CRCA products , development of HSLA340 for tube application using a leaner chemistry, and IFHS390 for automotive panel application are worth mentioning. IFHS390 from Development of 0.65-Si, Cold Rolled Non-Grain Oriented ('**CRNO**') steel for electrical motor application is another significant development.

In the long products segment, the Company has developed high strength, high ductility 6mm air cooled rebars with superior weld shear strength for welded wire mesh which will help in expediting construction process. Further, the Grade Fe 550D Corrosion Resistant Steel Rebar was developed to cater to the requirement of high strength corrosion resistant rebar. These are first in India products. Addressing the customer requirement of high-speed direct drawing wire rod grade, the Company has developed HC58A wire rod which could be drawn at 10m/s to fine wire. Further, Grade HC78BX wire rod was developed with lower level of decarb and surface defect for rope application.

In Tata Steel UK, 12 new products were launched during the year. These launches cover a wide range of high value products and end applications for automotive, engineering, renewables and construction markets for both the UK and export opportunities. During the year under review, the Company launched new off-site manufactured construction solutions with Catnic Matrix and Trimawall Fast-Fit. These enable quicker, safer and standardised onsite construction. In the renewables sector, the Company launched Magizinc® for Solar S450 product which has 25 years guarantee. Additionally, the Company's Hot Rolled Dry specifications which were certified to ASTM standards, to enable the products to be used across the NAFTA region for export.

In Netherlands, the Company has launched 10 new products across the Automotive, Engineering, Packaging and Construction end-markets in the FY2022-23. In the Automotive segment, the Company launched the DP600-GI Hyperform product, which offers improved forming capabilities resulting in weight saving and yield improvement for Original Equipment Manufacturer ('**OEMs**'). Further, the launch of C45 medium carbon grade has led to further diversification of the portfolio for reroller customers.

The agriculture sector is served by 27MnCrB5, a new product which is used to produce harrow discs which results in a wider range of products of the Company. The Company also launched 3 products in the packaging sector which included variants of TS245 to cater to the high-end packaging market. Building systems launched Montana R12 Montaline®, which offers wide widths for smooth façade panels for application in commercial buildings in the German, Swiss and Dutch markets.

6. Customer Relationship

During the year under review, the Company focused on strengthening its relationship with customers in line with the theme for the year 'Vision Next' – strive to own the future. Despite the global headwinds, the Company remained steadfast in its belief that customer focus can lead to superior performance. Various initiatives and activities were undertaken to elevate the customer experience. The digital initiatives and platforms served as a major backbone in achieving a new customer base, enabling more customer centric engagements, and easing the order flow.

The Company continued its efforts to enhance its relationship with B2B automotive OEMs and their large value chain partners. Considering the changing business requirements and to serve the customers better, the Company focused on the fast growth of the Light Commercial Vehicle segment, technical services offerings such as Vehicle Teardown and Benchmarking Services, Early Vendor Involvements ('**EVIs**') on upcoming models amongst others and broadening supply chain capabilities through new processing partners. Further, the Company's flagship initiative for weight and cost reduction - VAVE (Value Analysis & Value Engineering) and supply chain visibility through COMPASS platform, has enhanced value driven engagements with customers.

In servicing B2B non-automotive segment (IPPE - Industrial Products, Projects and Exports), the Company entered into a MoU with one of the key players in Oil and Gas Sector for development of hot rolled steel for green hydrogen pipeline. The Customer Service Teams ('**CST**') with key customer accounts continued to play a pivotal role in re-enforcing and nurturing the relationship with the Company. VAVE initiatives for L&E segment also helped in customer value creation. As a part of the digital initiatives, the Company has increased the onboarding of customers on the COMPASS platform covering ~67% of sales while continuing to add new customised features, improving the User Interface / User Experience, introducing mobile tracking, mobile application amongst others. The Company has also collaborated with various academia and industry bodies to increase the usage of Flat products in the construction segment in India. Knowledge summit 'Wired2Win+' for Wire Rod customers was relaunched for enhancing customer connect through networking and cross market knowledge sharing. In partnership with our overseas customers, first ever Electronic B/L for imports into Turkey was pioneered.

The MSME Sector is the largest provider of employment in the country and the Company attaches a lot of significance and value in serving them well. In order to address the requirements of the MSMEs, the Company offers branded products which are uniquely positioned to meet their application needs. The Company reaches out to its MSME customers through an elaborate All India distribution network. The Company has undertaken multiple engagement initiatives in a phygital manner on the ECAfez Qualithon platform. Some key offline initiatives include, customised microsegment meets like 'Ducticon' (for ducting & HVAC customers) & 'Panorama' (for panel customers) which were conducted along with industry associations, knowledge exchange & capability building initiative, 'insIITe', was held in collaboration with IIT Bombay and multiple ECA Connects were held across the country to capture key market trends, resolve customers' shop floor issues and strengthen customer relationship. Online initiatives like Skilling India, Tech Talk and Safety First have helped in improving the knowledge base of customers by connecting more than 500 ECA customers online.

The construction landscape in India is evolving rapidly and is becoming more challenging. To address the growing needs in this sector, the Company has been working towards designing customised solutions as against conventional methods thereby generating value in the form of savings in time, cost and manpower for its long products customers. Platforms like 'Building Bonds' and 'Converse to Construct' have helped to facilitate the interactions of Channel Partner end-customers and influencers respectively with the senior leadership of the Company. During the year under review, 4 Building Bonds and 8 Converse to Construct events were organised. Similarly, across 4 'Igni8: The Spark', monthly webinar sessions, success stories of Channel Partners and segment specific knowledge was shared in collaboration with Academia and Industry experts.

Tata Steel brand offerings (Tata Tiscon, Tata Shaktee, Tata Kosh) to the retail consumers have attained respect and recognition by virtue of the quality and the value that they have delivered and continue to deliver.

During FY2022-23, Tata Tiscon through the Individual House Builder (IHB rebar brand) enabled over 6 lakh consumers to build their dream home. Under the Golden Home Consumer (having purchase volume > 3T) initiative, the brand connected with over 26,000 consumers. Further, over 500 'Ask Experts' camps were conducted across the country, with an aim to provide guidance in home construction to IHBs. 'Stories of Joy' – a consumer testimonial series was also curated with over 30 stories released during the year to capture the home building journey of consumers across the country.

The Company's flagship galvanised brands, Tata Shaktee & Tata Kosh organised the 3rd edition of Nexplore, the Annual Dealer Meet where the Company engaged with the top 250 dealers & fabricators. As part of Farmers Day celebrations, 22,000 farmers (consumers) were connected directly through Kissan Diwas Meets which was flanked by an ATL (Above the line) campaign, reaching out to 74 million people. Through 'Gaon Gaon Shaktee ki Chaon' a rural consumer van activation campaign, 51,000 prospective consumers were directly reached out on a daily basis. In addition to this, through the ongoing fabricator meets, Dealer Meets, Sub-Dealer Meets and Consumer Meets nearly 15,000 fabricators, 8,000 dealers, 600 sub-dealers and 1 lakh consumers were connected directly and further reaching out to 84 lakh people through various social media platforms.

Company's two solutions offering – Tata Pravesh (Steel doors and windows) and Nest-In (smart steel based modular construction solution) have consolidated their position as numero uno in a very competitive market. During the year under review, Tata Pravesh became the number 1 brand in doors and fenestration industry by volume of sales. The brand also continued to render superior and uniform customer experience through augmented IT infrastructure and best in class industry practices through Authorised Service Centre – SmartCare, increasing the presence to 14 numbers from the 1st year baseline of 7 numbers. During the year under review, Tata Pravesh achieved NPS Score of 60%. Additionally, Tata Pravesh expanded its Privileged Dealer ('**PDP**') network to 470 outlets.

Nest-In has implemented Sales Force Dot Com ('**SFDC**') - a Customer Relationship Management ('**CRM**') for end-to-end monitoring, control and a 360-degree customer view. A QR Code based authentication was also implemented for assurance of genuine products to customers. The B2C segment of Nest-In has upgraded to delivering luxurious and premium Nestudio. It has brought real-life experiences to the customers using AR-VR (Augmented Reality - Virtual Reality) for key solutions, offering a 360-degree view of select Nest-In projects.

In UK, the Company continues to expand its connection and engagement with the customer base both within the UK market and overseas. TSUK focused communication attention to key industrial events in the UK, such as the Resource & Waste Management Exhibition, showcasing Company's construction offering at the 'Grand Designs Live' exhibition and leading the support of the 'UK Metals Expo' at the NEC in Birmingham, the first year for this event bringing together manufacturers and value change companies in the metals industry. At the UK Metals Expo, the Company announced its plan to pursue signing up to the Science Based Targets Initiative (SBTi) and the pursuit of Port Talbot site accreditation to ResponsibleSteel™.

Business development activities of the UK business led to a diverse range of successes across the global market. The Company secured constructional steelwork for the forthcoming Guggenheim Museum in Abu Dhabi. In the home market, sale of highly differentiated products received global exposure at the Commonwealth Games where several specialised products were used to construct a number of the showcase stadiums. Noticeable success was achieved through the TSUK e-commerce portal, Nexus, which launched to customers in the Engineering, Automotive and General Sales sectors. TSUK won the prestigious Steelie award for the Life Cycle Assessment tool which was developed to work with the customer to demonstrate the life cycle benefit of steel in customer applications.

In the Netherlands, the Company maintains its differentiation strategy, which aims to increase the proportion of high margin differentiated products. As part of the strategy, the Company has launched various new products in Europe during the year. These launches include major developments for the engineering, automotive, packaging, and construction markets. In the digital area, the Company has been navigating its competitive commercial landscape and recently set a new direction to bolster the commercial strategy, harnessing digital technologies in a way to create intelligent service solutions and products. The Company's platforms - Nexus and Arisings, continue to offer customers an e-Commerce platform to sales and order management.

In Europe, the Company is developing new green steel solutions and strives to build and maintain partnerships with it's customers to create value through sustainable steel production and responsible supply throughout the entire value chain, tailoring offers that allow excellence in the client markets. In the Netherlands and UK, the first low CO2 steel products were launched offering the market a Scope 3 emissions reduction, using a mass balanced approach through the carbon in-setting scheme called Carbon Lite. Tata Steel has committed to reinvest all revenues from Carbon Lite certificates to further drive the de-carbonisation journeys of Zeremis for Tata Steel Netherlands and Optemis for Tata Steel UK.

7. Corporate Social Responsibility

The objective of the Company's Corporate Social Responsibility ('**CSR**') initiatives is to improve the quality of life of communities through long-term value creation for all stakeholders. The Company's CSR policy provides guidelines to conduct CSR activities of the Company. The salient features of the Policy forms part of the Annual Report on CSR activities annexed to the Board's Report. The CSR policy is available on the website of the Company at https://www.tatasteel.com/media/11804/tata-steel-csr-policy-latest-2019.pdf

For decades, the Company has pioneered various CSR initiatives. The Company continues to address societal challenges through societal development programmes and remains focused on improving the quality of life. During the year under review, the Company has impacted the lives of over 3.15 million people from the most vulnerable sections of society, including initiating a large-scale national programme in response to the COVID-19 pandemic. The Company implements its CSR programmes primarily through the Tata Steel Foundation, which works in close collaboration with public systems and partners. Through its CSR, the Company envisions an enlightened, equitable society in which every individual realises her/his potential with dignity through work with tribal and excluded communities to co-create transformative, efficient and lasting solutions to their development challenges.

Through large-scale, proven Signature Theme Models of change, the Company addresses core development gaps in India, while being replicable at global platform. These include programmes on maternal and child mortalities, access to school and learning enrichment for rural children, pan-India focus on key aspects of tribal identity, and comprehensive development through empowerment of panchayats between the manufacturing locations at Jamshedpur and Kalinganagar.

The Company also fosters Regional Change Models enabling lasting betterment in the well-being of communities, prioritising those who are excluded and proximate to its operating areas. The Company undertakes its CSR Programmes in areas of health, nutrition, water, education, livelihoods, infrastructure, sports, disabilities, grassroots governance and empowering the voice of women within communities.

During the year under review, the Company spent ₹480.62 crore on CSR activities. The Annual Report on CSR activities, in terms of Section 135 of the Companies Act, 2013 and the Rules framed thereunder, is annexed to this Report (**Annexure 2**).

In the UK, the Company strives to enrich its local communities and contribute to their future economic and social wellbeing. Its programme of proactive community partnerships embraces three aspects: health and wellbeing, environment, and education and learning. The Company encourages employees to make an active contribution to their local community by taking part in various social causes. The Company sponsors local sports events and activities for children.

In the Netherlands, the Company maintains close relationship with employees, customers, local residents, suppliers, the local business community, NGOs and educational institutions and drives community development programmes and provides guest lectures and workshops on various topics that support the Company's strategy to become a green, clean and circular steel company. The Company continues to partner with organisations on various social causes such as activities for primary and secondary schools, social wellbeing of its local communities in the areas of education, environment as well as health and well-being and coaching of children with learning difficulties towards a healthy lifestyle. The Company also sponsors local activities and sports teams and supports charities and children's events which promote community spirit and brings improvement in fields of healthy eating, teamwork and behaviour.

F. CORPORATE GOVERNANCE

At Tata Steel, we ensure that we evolve and follow the corporate governance guidelines and best practices diligently, not just to boost long-term shareholder value, but also to respect rights of the minority. We consider it our inherent responsibility to disclose timely and accurate information regarding the operations and performance, leadership, and governance of the Company.

In accordance with our Vision, Tata Steel aspires to be the global steel industry benchmark for value creation and corporate citizenship. Tata Steel expects to realise its Vision by taking such actions as may be necessary in order to achieve its goals of value creation, safety, environment and people.

Pursuant to the SEBI Listing Regulations, the Corporate Governance Report along with the Certificate from a Practicing Company Secretary, certifying compliance with conditions of Corporate Governance, forms part of this Integrated Report & Annual Accounts 2022-23 (**Annexure 3**).

1. Meetings of the Board and Committees of the Board

The Board met seven times during the year under review. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the SEBI Listing Regulations. The Committees of the Board usually meet the day before or on the day of the Board meeting, or whenever the need arises for transacting business. Details of composition of the Board and its Committees as well as details of Board and Committee meetings held during the year under review and Directors attending the same are given in the Corporate Governance Report forming part of this Integrated Report & Annual Accounts 2022-23.

2. Selection of New Directors and Board Membership Criteria

The Nomination and Remuneration Committee ('**NRC**') engages with the Board to evaluate the appropriate characteristics, skills and experience for the Board as a whole as well as for its individual members with the objective of having a Board with diverse backgrounds and experience in business, finance, governance, and public service. The NRC, basis such evaluation, determines the role and capabilities required for appointment of Independent Director. Thereafter, the NRC recommends to the Board the selection of new Directors.

Characteristics expected of all Directors include independence, integrity, high personal and professional ethics, sound business judgement, ability to participate constructively in deliberations and willingness to exercise authority in a collective manner. The Company has in place a Policy on appointment & removal of Directors.

The salient features of the Policy are:

- It acts as a guideline for matters relating to appointment and re-appointment of Directors
- It contains guidelines for determining qualifications, positive attributes of Directors, and independence of a Director
- It lays down the criteria for Board Membership
- It sets out the approach of the Company on board diversity
- It lays down the criteria for determining independence of a Director, in case of appointment of an Independent Director

The Policy is available on the website of the Company at https://www.tatasteel.com/media/6816/policy-on-appointment-and-removal-of-directors.pdf

3. Familiarisation Programme for Directors

As a practice, all new Directors (including Independent Directors) inducted to the Board go through a structured orientation programme. Presentations are made by Senior Management giving an overview of the operations, to familiarise the new Directors with the Company's business operations. The new Directors are given an orientation on the products of the business, group structure and subsidiaries, Board constitution and procedures, matters reserved for the Board, and the major risks and risk management strategy of the Company. Visits to plant and mining locations are organised for the new Directors to enable them to understand the business better.

Details of orientation given to the new and existing Independent Directors in the areas of strategy/industry trends, operations & governance, and safety, health and environment initiatives are available on the website of the Company at https://www.tatasteel.com/media/12333/familiarisation-program.pdf

4. Evaluation

The Board evaluated the effectiveness of its functioning, of the Committees and of individual Directors, pursuant to the provisions of the Act and the SEBI Listing Regulations.

The Board sought the feedback of Directors on various parameters including:

- Degree of fulfillment of key responsibilities towards stakeholders (by way of monitoring corporate governance practices, participation in the long term strategic planning, etc.);
- Structure, composition and role clarity of the Board and Committees;
- Extent of co-ordination and cohesiveness between the Board and its Committees;
- Effectiveness of the deliberations and process management;
- Board/Committee culture and dynamics; and
- Quality of relationship between Board Members and the Management.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The Chairman of the Board had one-on-one meeting with the Independent Directors ('**IDs**') and the Chairman of NRC had one-on-one meeting with the Executive and Non-Executive, Non-Independent Directors. These meetings were intended to obtain Directors' inputs on effectiveness of the Board/Committee processes.

In a separate meeting of the IDs, the performance of the Non-Independent Directors, the Board as a whole and Chairman of the Company were evaluated taking into account the views of Executive Directors and other Non-Executive Directors.

The NRC reviewed the performance of the individual Directors and the Board as a whole.

In the Board meeting that followed the meeting of the Independent Directors and the meeting of NRC, the performance of the Board, its Committees, and individual Directors were discussed.

Outcome of Evaluation

The evaluation process endorsed the Board Members' confidence in the ethical standards of the Company, the resilience of the Board and the Management in navigating the Company during challenging times, cohesiveness amongst the Board Members, constructive relationship between the Board and the Management and the openness of the Management in sharing strategic information to enable Board Members to discharge their responsibilities and fiduciary duties.

In the coming year, the Board intends to enhance focus on sustainability and decarbonisation.

5. Remuneration Policy for the Board and Senior Management

Based on the recommendations of the NRC, the Board has approved the Remuneration Policy for Directors, Key Managerial Personnel ('**KMPs**') and all other employees of the Company. As part of the policy, the Company strives to ensure that:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- relationship between remuneration and performance is clear and meets appropriate performance benchmarks; and
- remuneration to Directors, KMPs and Senior Management involves a balance between fixed and incentive pay, reflecting short, medium and long-term performance objectives appropriate to the working of the Company and its goals.

The salient features of the Policy are:

- It lays down the parameters based on which payment of remuneration (including sitting fees and remuneration) should be made to Independent Directors (IDs) and Non-Executive Directors (NEDs).
- It lays down the parameters based on which remuneration (including fixed salary, benefits and perquisites, bonus/performance linked incentive, commission, retirement benefits) should be given to whole-time directors, KMPs and rest of the employees.
- It lays down the parameters for remuneration payable to Director for services rendered in other capacity.

During the year under review, there has been no change to the Policy. The Policy is available on the website of the Company at https://www.tatasteel.com/media/6817/remuneration-policy-of-directors-etc.pdf

6. Particulars of Employees

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('**Rules**') are annexed to this report (**Annexure 4**).

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Rules, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits set out in the said Rules forms part of this report. Further, the report and the annual accounts are being sent to the Members excluding the aforesaid statement. In terms of Section 136 of the Act, the said statement will be open for inspection upon request by the Members. Any Member interested in obtaining such particulars may write to the Company Secretary at cosec@tatasteel.com

7. Directors

The year under review saw the following changes to the Board of Directors ('**Board**').

Inductions to the Board

Based on the recommendations of the NRC and in terms of the provisions of the Companies Act, 2013, the Board, on November 23, 2022, appointed Ms. Bharti Gupta Ramola (DIN: 00356188) as an Additional Director of the Company effective November 25, 2022. Further, based on the recommendations of the NRC and subject to the approval of the Members, the Board, in accordance with the provisions of Section 149 read with Schedule IV to the Act and applicable SEBI Listing Regulations, appointed Ms. Ramola as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 years commencing from November 25, 2022 through November 24, 2027. Ms. Ramola brings to the Board her extensive knowledge and experience in areas of strategy, finance, governance, regulatory affairs, environment and sustainability. On January 31, 2023, the Shareholders of the Company, by way of a special resolution passed through postal ballot, approved the appointment of Ms. Ramola as an Independent Director of the Company for the abovementioned tenure.

Re-appointment

a. **Director retiring by rotation**

In terms of the provisions of the Companies Act, 2013, Mr. N. Chandrasekaran (DIN: 00121863), Director of the Company, retires at the ensuing AGM and being eligible, seeks re-appointment. The necessary resolution for re-appointment of Mr. Chandrasekaran forms part of the Notice convening the ensuing AGM scheduled to be held on Wednesday, July 5, 2023.

The profile and particulars of experience, attributes and skills that qualify Mr. Chandrasekaran for Board membership, are disclosed in the said Notice.

b. **Whole-time Director (Designated as Executive Director & CFO)**

Mr. Koushik Chatterjee (DIN: 00004989) was appointed as the Whole-time Director designated as Executive Director and Group Chief Financial Officer of the Company effective November 9, 2012 through November 8, 2017. He was then re-appointed as the Whole-time Director of the Company designated as Executive Director and Chief Financial Officer for a further period of five years effective November 9, 2017 through November 8, 2022 Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on October 31, 2022, re-appointed Mr. Chatterjee as the Whole-time Director designated as Executive Director and Chief Financial Officer for a further period of five years effective November 9, 2022 through November 8, 2027, subject to approval of the shareholders.

On January 31, 2023, the Shareholders of the Company, by way of an ordinary resolution passed through postal ballot, approved the appointment of Mr. Chatterjee as Executive Director and Chief Financial Officer of the Company for the abovementioned tenure.

Cessations

As per the terms of her appointment, Ms. Mallika Srinivasan (DIN: 00037022), completed her second term as an Independent Director on May 21, 2022 and accordingly ceased to be an Independent Director and Member of the Board of Directors of the Company. The Board of Directors place on record their deep appreciation for the wisdom, knowledge and guidance provided by Ms. Srinivasan during her tenure.

Further, Mr. David W. Crane (DIN: 09354737), Independent Director, stepped down as an Independent Director and Member of the Board effective September 5, 2022 since he was joining the United States Department of Energy as the Director of the Office of Clean Energy Demonstration. The said position required him to step off from all private sector positions. He also confirmed that there were no other material reasons for his resignation. The Board of Directors place on record their deep appreciation for the contributions and guidance provided by Mr. Crane during his tenure.

8. Independent Directors' Declaration

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Act and Regulations 16(1)(b) and 25(8) of the SEBI Listing Regulations, that he/she meets the criteria of independence as laid out in Section 149(6) of the Act and Regulations 16(1)(b) of the SEBI Listing Regulations.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

9. Key Managerial Personnel

In terms of Section 203 of the Act, the Key Managerial Personnel of the Company are Mr. T. V. Narendran, Chief Executive Officer & Managing Director, Mr. Koushik Chatterjee, Executive Director & Chief Financial Officer and Mr. Parvatheesam Kanchinadham, Company Secretary & Chief Legal Officer (Corporate & Compliance).

During the year under review, there has been no change in the Key Managerial Personnel.

10. Audit Committee

The Audit Committee was constituted in the year 1986. The Committee has adopted a Charter for its functioning. The primary objective of the Committee is to monitor and provide effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting.

The Committee comprises Mr. Deepak Kapoor (Chairman), Mr. O. P. Bhatt, Ms. Farida Khambata, Ms. Bharti Gupta Ramola and Mr. Saurabh Agrawal. The Committee met seven times during the year under review, the details of which are given in the Corporate Governance Report.

During the year under review, there were no instances when the recommendations of the Audit Committee were not accepted by the Board.

11. Internal Control Systems

The Company's internal control systems commensurate with the nature of its business, the size, and complexity of its operations and such internal financial controls with reference to the Financial Statements are adequate. Details on the Internal Financial Controls of the Company forms part of Management Discussion and Analysis forming part of this Integrated Report and Annual Accounts 2022-23.

12. Risk Management

Tata Steel operates in a dynamic and uncertain business landscape. Hence the Company has developed and deployed its Enterprise Risk Management ('**ERM**') framework to create long-term value and become a risk-intelligent organization that drives informed decision-making to proactively prepare for unforeseen scenarios. The framework, principles and standards incorporate benchmark industry practices, international standards (including Committee of Sponsoring Organization of the Treadway Commission - COSO & ISO 31000), while also being customised to suit the business of the Company.

The Risk Management Committee ('**RMC**') of the Board provides an oversight and sets the context for implementation of the ERM across the organisation.

The RMC ensures that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company. It reviews the status of key risks, progress of ERM implementation across locations and any exceptions as flagged to it, on a quarterly basis.

The risk appetite of the organisation is approved by the RMC and the Board and is aligned to the Vision of the organisation. It is an important metric for governing all business actions and strategic decisions. The Risk appetite is driven by the following:

- Health and safety of our employees and the communities in which we operate are our prime concern and our operating strategy is focused on the above objective;
- All business decisions are aligned to the Tata Code of Conduct;
- Management actions are focused on continuous improvement;
- Environment and Climate Change impacts are assessed on a continuous basis and business decisions support systems including capital allocation, considers climate impact through the internal carbon pricing framework;
- The long-term strategy of the Company is focused on generating profitable growth and sustainable cashflows that creates long term stakeholder value.

Risk Owners may accept risk exposure to their annual and long-term business plans, which after implementation of mitigation strategies, is aligned to our risk appetite. The Company's risk appetite has been cascaded across the organisation including the Tata Steel Group Companies ('**TSGCs**') through focused communication during the Annual Business Plan cycle.

In order to drive the ERM implementation, the Company has also constituted a Management Committee called Apex Risk Committee ('**ARC**') which comprises of key executives of the Company including the Chief Executive Officer & Managing Director, Executive Director & Chief Financial Officer and Vice President – Corporate Finance, Treasury & Risk Management as its members. The ARC periodically reviews the business plan of ERM, engages on the framework and processes and deliberates on the risks that the Company faces.

Driven by an experienced and dedicated Central ERM team, the ERM framework is deeply embedded across business units, levels, and functions. It has been a key factor in managing highly impactful economic, supply chain and climate change risks, as well as increasing resilience in the organisation.

The Central ERM team is a dedicated business vertical led by Vice President - Corporate Finance, Treasury & Risk Management who acts as the Chief Risk Officer ('**CRO**') of the Company. The ERM team continuously scans the external and internal environment for developments which may throw up emerging risks for the organisation. The risk flags and risk insights are shared with the Business Units ('**BU**') as inputs for identification and management of bottom-up risks, which are periodically reviewed as per defined ERM Governance mechanism. The risks are escalated and aggregated for reporting to ARC and RMC. This is complemented by a top-down process, which helps in identification of strategic Enterprise level risks.

The Company follows co-ordinated risk assurance and the ERM process is integrated with Corporate Audit, Corporate Strategy & Planning, Corporate Legal, Ethics, Compliance and Security functions. The two-way communication with these functions brings further rigor in driving the process across the organisation and the TSGCs. The ERM process being data intensive, an in-house built IT system has been developed across the organisation for real time management of risks through live dashboards. The IT system supports risk analytics and helps in developing a uniform risk culture as the same ERM framework is used while identifying, assessing, evaluating, monitoring & reviewing risks.

The subsequent waves of COVID-19 pandemic, its associated fallouts, Russia-Ukraine war, and the commodity upcycle led to an unprecedented business environment over the last two years. The Company's Central Enterprise Risk Management team facilitated the Business Units in identifying and assessing risks as the situation was evolving. 'Scenario-based risk assessment' is continuously undertaken across the Company in view of dynamic operating environment and multiple externalities that continue to challenge business.

The Company remained vigilant of the evolving macroeconomic, geopolitical situation and global financial market sentiments to proactively manage risks in FY2022-23. The focus on identification and tracking of 'Early Warning Indicators' and implementation of risk mitigation strategies proactively has been a key enabler in managing the growing uncertainties and achieving business objectives.

The Company was conferred with the 'RIMS Global ERM Award of Distinction' in 2022. The award recognises the Company's outstanding ERM achievements that have enabled the organisation to streamline processes and strengthen collaboration across the enterprise in order to achieve strategic objectives.

The Company has also been recipient of IRMA awards 'Masters of Risk in Metals & Mining' at the 9th edition of The India Risk Management Awards for seventh time in a row.

13. Vigil Mechanism

The Company has a Vigil Mechanism that provides a formal channel for all its Directors, employees and business associates including customers to approach the Chairman of the Audit Committee or Chief Ethics Counsellor and make protected disclosures about any unethical behaviour, actual or suspected fraud or violation of the Tata Code of Conduct ('**TCoC**'). No person is denied access to the Chairman of the Audit Committee. The Vigil Mechanism in the Company fosters a culture of trust and transparency among all its stakeholders.

The Company's Vigil Mechanism has policies that include the Whistle-Blower Policy for Directors & Employees, the Whistle-Blower Policy for Business Associates, the Whistle-Blower Protection Policy for Business Associates (vendors/customers), Gift and Hospitality Policy ('**G&H**'), the Conflict-of-Interest ('**COI**') Policy for Employees, the Anti-Bribery and Anti-Corruption ('**ABAC**') Policy, and Anti-Money Laundering ('**AML**') Policy.

The Whistleblower Policies for Directors & Employees and Business Associates encourages every Director, employee, and Business Associate to promptly report any actual or possible violation of the TCoC or any event that he/she becomes aware of that could affect the business or reputation of the Company. The Company ensures protection for the whistleblowers and any attempts to intimidate the whistleblower is also treated as a violation of the TCoC. The Whistleblower Policy includes reporting of incidents of leak or suspected leak of Unpublished Price Sensitive Information ('**UPSI**') as required in terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended.

The Whistle-Blower Protection Policy for Business Associates, including vendors and customers, provides protection to Business Associates from any victimisation or unfair trade practices by the Company. While the Whistle-blower policy encourages whistle blowers to make protected disclosures in good faith, it also forbids raising concerns with malicious intent.

The ABAC and AML policies primarily cover risk assessment, development of processes & guidelines, third party due diligence through a third party, training & awareness, and audit & reporting.

The Gift and Hospitality Policy aims to provide guidance to its employees or persons who perform services for or on behalf of the Company on what is appropriate and acceptable, and what is not acceptable, for offering, giving, and accepting gifts and hospitality. The policy is in consonance with ABAC and AML policies.

The Company has also adopted a Conflict of Interest Policy that requires employees to act in the best interest of the Company without any conflicts and declare conflicts, if any (real, potential or perceived).

The Whistleblower Reward and Recognition Guidelines for employees has been implemented to encourage employees to genuinely blow the whistle on any misconduct or unethical activity taking place in the Company. The disclosures reported are addressed in the manner and within the time frame prescribed in the Whistleblower Policy.

In addition to the abovementioned policies, the Company continues to provide a Third-Party Whistleblowing helpline service which is available to our stakeholders in the Company and TSGCs to raise their concerns or disclosures. This helpline is provided through an external service provider. The Ethics helpline services include toll-free number, web access, postal services, and e-mail facilities.

The Company, during the year under review, conducted a series of communication and training programmes for internal and external stakeholders, with an aim to create awareness amongst them about TCoC and other ethical practices of the Company. An online training through e-learning modules on ABAC/AML and POSH was also conducted for the stakeholders. Further, customised training and awareness sessions on 'Third Party Due Diligence' were conducted in relevant departments and divisions and business associate meets were conducted with an aim to provide the business associates a platform to discuss their issues and clarify their dilemmas if any on the abovementioned policies.

During the year under review, the Company received 303 Whistle Blower Complaints ('**WBC**') and 875 grievances & other concerns. Out of these, 158 WBC were investigated and closed after taking appropriate actions, 717 grievances & other concerns were addressed as appropriate. A total of 145 WBC were open as of March 31, 2023 for which investigations are underway. The unaddressed 158 grievances & other concerns are being looked into by the relevant agencies and will be closed as appropriate.

14. Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Tata Steel has a zero tolerance towards sexual harassment at the workplace. The Company has adopted a policy on prevention, prohibition, and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

The Company has complied with the provisions relating to the constitution of the Internal Complaints Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, the above mentioned policy and guidelines were revised and amended to incorporate the changes associated with the hybrid workplace model and explicit definition of inappropriate behaviour under the parlance of sexual harassment.

During the year under review, the Company received 31 complaints of sexual harassment, of which 24 complaints have been resolved by taking appropriate actions and 7 complaints are under investigation.

15. Subsidiaries, Joint Ventures and Associates

We have 149 subsidiaries and 44 associate companies (including 24 joint ventures) as on March 31, 2023. During the year under review, the Board of Directors reviewed the affairs of material subsidiaries. There has been no material change in the nature of the business of the subsidiaries.

We have, in accordance with Section 129(3) of the Act prepared Consolidated Financial Statements of the Company and all its subsidiaries, associates and joint ventures which form part of the Integrated Report. Further, the report on the performance and financial position of each subsidiary, associate and joint venture and salient features of their Financial Statements in the prescribed Form AOC-1 is annexed to this report (**Annexure 5**).

In accordance with the provisions of Section 136 of the Act and the amendments thereto, read with the SEBI Listing Regulations the audited Financial Statements, including the consolidated financial statements and related information of the Company and financial statements of the subsidiary companies are available on our website www.tatasteel.com

The names of companies that have become or ceased to be subsidiaries, joint ventures and associates during the year under review are disclosed in an annexure to this report (**Annexure 6**).

16. **Related Party Transactions**

In line with the requirements of the Act and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions. The Policy can be accessed on the Company's website at https://www.tatasteel.com/media/5891/policy-on-related-party-transactions.pdf

During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were at arm's length and in the ordinary course of business. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis. The Company did not have any contracts or arrangements with related parties in terms of Section 188(1) of the Companies Act, 2013.

Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY2022-23 and hence does not form part of this report.

Details of related party transactions entered into by the Company, in terms of Ind AS-24 have been disclosed in the notes to the standalone/consolidated financial statements forming part of this Integrated Report & Annual Accounts 2022-23.

17. **Directors' Responsibility Statement**

Based on the framework of internal financial controls and compliance system established and maintained by the Company, work performed by the internal, statutory, cost, and secretarial auditors and external agencies including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during financial year 2022-23.

Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of its knowledge and ability confirms that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there were no material departures;

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual accounts on a going concern basis;

e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;

f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were in place, are adequate and operating effectively.

18. **Auditors**

Statutory Auditors

Members of the Company at the AGM held on August 8, 2017, approved the appointment of Price Waterhouse & Co. Chartered Accountants LLP (Registration No.- 304026E/E300009) ('**PW**'), Chartered Accountants, as the statutory auditors of the Company. Further, the Shareholders approved the re-appointment of PW for a second term of five years commencing the conclusion of the 115th AGM held on June 28, 2022 until the conclusion of 120th AGM of the Company to be held in the year 2027.

The report of the Statutory Auditor forms part of this Integrated Report and Annual Accounts 2022-23. The said report does not contain any qualification, reservation, adverse remark or disclaimer.

Cost Auditors

In terms of Section 148 of the Act, the Company is required to maintain cost records and have the audit of its cost records conducted by a Cost Accountant. Cost records are prepared and maintained by the Company as required under Section 148(1) of the Act.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, approved the appointment of M/s Shome & Banerjee as the cost auditors of the Company (Firm Registration No. 000001) for the year ending March 31, 2024. M/s Shome & Banerjee have vast experience in the field of cost audit and have been conducting the audit of the cost records of the Company for the past several years.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration of ₹30 lakh plus applicable taxes and reimbursement of out-of-pocket expenses payable to the Cost Auditors for conducting cost audit of the Company for FY2023-24 as recommended by the Audit Committee and approved by the Board has to be ratified by the Members of the Company. The same is placed for ratification of Members and forms part of the Notice of the AGM.

Secretarial Auditors

Section 204 of the Act, *inter alia*, requires every listed company to annex to its Board's report, a Secretarial Audit Report, given in the prescribed form, by a Company Secretary in practice.

The Board had appointed Parikh & Associates, (Registration No. P1988MH009800), Practicing Company Secretaries, as the Secretarial Auditor to conduct Secretarial Audit of the Company for the FY2022-23 and their Report is annexed to this report (**Annexure 7**). There are no qualifications, observations, adverse remark or disclaimer in the said Report.

Reporting of Fraud

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees to the Audit Committee under Section 143(12) of the Act, details of which need to be mentioned in this Report.

19. Annual Return

The Annual Return for financial year 2022-23 as per provisions of the Act and Rules thereto, is available on the Company's website at https://www.tatasteel.com/media/18332/mgt7.pdf

20. Significant and Material Orders passed by the Regulators or Courts

There has been no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and the Company's future operations. However, Members' attention is drawn to the statement on contingent liabilities, commitments in the notes forming part of the Financial Statements.

21. Particulars of Loans, Guarantees or Investments

Particulars of loans, guarantees given and investments made during the year under review in accordance with Section 186 of the Act is annexed to this report (**Annexure 8**).

22. Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Details of the energy conservation, technology absorption and foreign exchange earnings and outgo are annexed to this report (**Annexure 9**).

23. Deposits

During the year under review, the Company has not accepted any deposits from public in terms of the Act. Further, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

24. Secretarial Standards

The Company has in place proper systems to ensure compliance with the provisions of the applicable secretarial standards issued by The Institute of the Company Secretaries of India and such systems are adequate and operating effectively.

25. Other disclosures

(a) There has been no change in the nature of business of the Company as on the date of this Report.

(b) There were no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

(c) There was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

G. ACKNOWLEDGEMENTS

We thank our customers, vendors, dealers, investors, business associates and bankers for their continued support during the year. We place on record our appreciation of the contribution made by employees at all levels. Our resilience to meet challenges was made possible by their hard work, solidarity, co-operation and support.

We thank the Government of India, the State Governments and the Governments in the countries where we have operations and other regulatory authorities and government agencies for their support and look forward to their continued support in the future.

On behalf of the Board of Directors

sd/-
N. CHANDRASEKARAN
Chairman
DIN: 00121863

Mumbai
May 2, 2023

ANNEXURE 1

Management Discussion and Analysis 2022-23

I. Overview

The objective of this report is to convey the Management's perspective on the external environment and steel industry, as well as strategy, operating and financial performance, material developments in human resources and industrial relations, risks and opportunities and internal control systems and their adequacy in the Company during FY2022-23. This should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in this Integrated Report and Annual Accounts 2022-23. The Company's financial statements have been prepared in accordance with Indian Accounting Standards ('**Ind AS**') complying with the requirements of the Companies Act, 2013, as amended and regulations issued by the Securities and Exchange Board of India ('**SEBI**') from time to time.

II. External Environment

1. Global Economy

Global GDP growth is estimated to fall from 3.4% in 2022 to 2.8% in 2023. The continuing Russia-Ukraine war along with central banks hiking rates to tame inflation continues to weigh on economic activity. Growth in 2022 was dampened due to rapid spread of COVID-19 variants in China and the ongoing war in Ukraine. The concerted sanctions on Russia, which supplies around 10% of the world's energy, lead to dampening growth and further straining of supply chain. The war worsens the persistent inflation across developed economies. However, the recent re-opening may lead to faster than expected recovery in 2023.

Growth rate in 2023 in USA is expected to be 1.6%, while the eurozone is expected to remain strained at 0.8%. The energy shock, a result of the war in Ukraine, continues to impact the economic activity in Europe. China's economy is set to rebound to 5.2% as mobility and industrial activity pick up after lifting of pandemic restrictions. The contraction in real estate remains a major headwind. Long-term headwinds to growth include a shrinking population and slowing productivity growth.

Economic Outlook

The factors that drove inflation in 2022 are already reversing. These include increase in commodity prices, expansive fiscal and monetary policy, and supply chain disruptions. Global inflation is expected to fall from 8.7% in 2022 to 7% in 2023 on the back of lower commodity prices. Inflation has already peaked in the US and Europe in early 2023. It is also declining in other major economies including Japan, China and India.

In the US, economic growth is expected to be slower in 2023 given the tightening monetary and fiscal policy. Contrary to late 2022 estimates, US will avoid a recession due to declining energy prices, strong employment growth, and easing of supply chain stress.

Threat of recession continuous to loom over Europe as wages and consumer spending has fallen significantly. Elevated natural gas prices are fuelling inflation and driving down purchasing power. The tightening of monetary policy by ECB and Bank of England along with energy shock resulting from the Russia-Ukraine war will play a key impact on the growth potential.

2. Indian Economy

GDP growth rate in 2023 is expected to be 5.9%, lower than the 2022 growth of 6.8% due to subdued external demand and tightening monetary policy. However, India will remain the fastest growing major economy.

Brent oil prices are expected to remain rangebound in 2023, given the continuing war in Ukraine and sanctions imposed in response by the USA and European Union. India meets nearly 80% of its oil needs through imports. High oil prices will also have a trickledown effect on the prices paid by consumers for goods and services. Persistent inflation resulted in RBI to increase the repo rate by 250 basis points throughout FY2022-23. Further rate hikes are expected in the coming year, despite no rate hike in the April Monetary Policy Committee meeting.

Capital investment of close to 3.3% of GDP is expected to crowd-in private investment, strengthen job creation and demand, and raise India's overall growth potential. Focus is expected in the energy sector, with significant capital investments towards energy transition and green hydrogen mission.

Overall, the key steel consuming sectors are expected to perform well in FY2023-24 supported by a rise in infrastructure spend by the Government and gradually improving semiconductor supply. High CAPEX allocation in key steel consuming sectors such as railways, national highways and housing is expected to drive steel consumption.

III. Steel Industry and Developments

1. Global Steel Industry

The recovery momentum of global economy after the pandemic has been affected by persisting inflation, US monetary tightening, China's economic deceleration and continued supply disruptions due to Russia-Ukraine war. High energy prices, rising interest rates, and falling confidence have limited recovery of the steel demand after a dip in 2022. However, positive factors like China's re-opening, Europe's resilience during the energy crisis and preliminary easing in supply chain bottleneck will lead to a Y-o-Y rise in global steel demand by ~2.3% (~1,822 MnT) in 2023.

The Chinese steel demand is expected to grow by ~2% in 2023 after 3.5% decline in 2022. The growth may be attributed to base effect and slight uptick in real estate after decline in 2022 due COVID-19 lockdowns, slump in the property market and continued focus on sustainability. The European steel demand is expected to fall further by 0.4% in 2023 after ~8% decline in 2022. Demand in the USA is expected to grow moderately by ~1% in 2023 backed by relief in infrastructure segment with 2021 Infrastructure Law and Inflation Reduction Act.

The year witnessed very high volatility in raw material, especially coking coal on account of the on-going geopolitical concerns and supply chain bottlenecks impacting steel price across geographies.

2. Demand Outlook

Demand in the US is expected to grow moderately by 1.3% in 2023 by relief in infrastructure segment aided by recent legislations like 2021 Infrastructure Law and Inflation Reduction Act.

Recovery in Japan and South Korea may gain pace with strengthening construction segment and easing supply chain and exports.

Global steel demand is expected to grow by 1.7% reaching 1,854 MnT driven by growth in Asia, China's re-opening, diversifying supply chains and Europe's resilience. Demand in Europe is expected to see a 5.6% rebound in 2024 after 4 consecutive years of Y-o-Y contraction in the steel demand.

Sustained inflation remains a downside risk, potentially keeping interest rates high. Exports are expected to decline further with rise in protectionism and slowdown in global demand. As China's population declines and moves to consumption-driven growth, its contribution to global steel demand growth will lessen. Outlook for India remains positive led by strong urban consumption and infrastructure spending.

3. Indian Steel Industry

India remains the 'bright spot' for global steel demand. After growth of 8.2% in 2022, demand is expected to show healthy growth of 7.3% in 2023 backed by consumption led demand. Having managed inflation well, the Indian economy is on a healthy growth track, with a rising share of investment in GDP, appropriate budget allocations and expenditure by the Government in the infrastructure segment. India also faced supply disruptions due to raw material constraints and volatility of prices.

4. Outlook for Indian Steel Industry

Indian steel demand is expected to be robust and growing by 6.2% in FY2023-24 supported by strong GDP growth forecast, private consumption and Government expenditure. India's capital goods sector is also expected to benefit from the momentum in infrastructure and investment in renewable energy. Automotive and consumer durables are expected to maintain healthy growth driven by sustained growth in private consumption.

Integrated Steel Players will continue to add capacity in FY2023-24, and utilisation levels are expected to remain healthy at ~80%. Net export position is expected to strengthen with removal of export duty.

5. Global Raw Material Market (Iron Ore and metallurgical coal)

The steel raw materials market in FY2022-23 continued to see volatility particularly in coal markets amid intermittent weather disruptions in Eastern Australia while trade flows drastically shifted following the Russian-Ukraine war.

i) Demand & Supply

Total global crude steel production for 2022 stood at 1.88 billion tons, falling 4.2% Y-o-Y from a record high in 2021 as tighter fiscal and monetary policy impacted global steel demand.

Chinese steel production mainly led the decrease as steel output fell for a second straight year, down 21 MT or ~2% to 1.01Bt. European steel mills had also been largely impacted by the shrinkage in steel demand, with EU27 steel production falling 16.5 MT or 10.4% Y-o-Y to 136 MT.

China's iron ore imports for 2022 fell 1.5% Y-o-Y to 1.11Bt, in line with the lower overall steel production. China's coking coal imports in contrast rose 16.6% Y-o-Y to 63.8 MT, following improved logistics from Mongolia after COVID-19 restrictions eased, while excess Russian coals were also being diverted to China at competitive prices.

China had also continued an aggressive coal production regime through 2022 in effort to reduce import reliance. Chinese raw coal production hit a record high in December 2022 of 403 MT, with volumes for the full year estimated rising 11% from the year prior. China had also removed its unofficial ban for Australian coals at the end of 2022 with trade flow expected to pick up in 2023, subject to cost competitiveness for Chinese end-users.

Meanwhile, Australian coking coal exports had fallen for its third consecutive year down by 4.5% Y-o-Y to 158.6 MT. A third consecutive La Nina year had also plagued eastern Australian miners with heavy rainfall and occasional flooding at the mines and ports. Queensland weather stations had reported approximately 40-45% higher rainfall for 2022 as compared to its 5-year trailing average.

ii. Prices

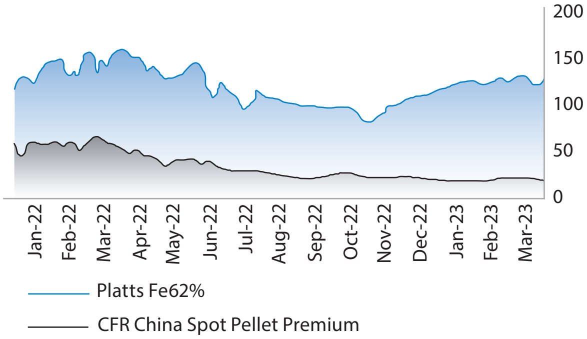
Seaborne Iron ore prices in 2022 had corrected from its record highs in 2021 amid a slump in Chinese steel demand and prices. 62% Fe CFR China prices ranged between $80.15/t and $162.75/t in 2022 compared to $87.20/t and $233.10/t in 2021. Average iron ore prices stood at ~$120.10/t for the year, a 25% decrease from ~$159.5/t for 2021.

Iron ore prices hit a peak in March 2022 before embarking on a sharp downtrend due to a decline in steel prices and margins. Key property metrics in China like new home sales and new home starts averaged 25%-40% lower Y-o-Y through 2022. Steel margins reported by Chinese steel mills were largely negative for the second half of the year which also weighed on iron ore prices.

On the supply front, total shipments from Australia and Brazil were largely flat on the year averaging 24.2 MT/week, compared to 24.5 MT/week in 2021.

Into 2023, Iron ore prices have largely been rangebound for the January-March 2023 quarter, with some market participants citing uncertainty towards China's downstream recovery for steel. The Chinese government has also been in discussions of further lowering crude steel production by 2.5% this year which would further impact seaborne iron ore demand. Shipments from Australia have also been benefiting from a drier than seasonal January-March 2023 quarter, with export volumes estimated 6% higher Y-o-Y.

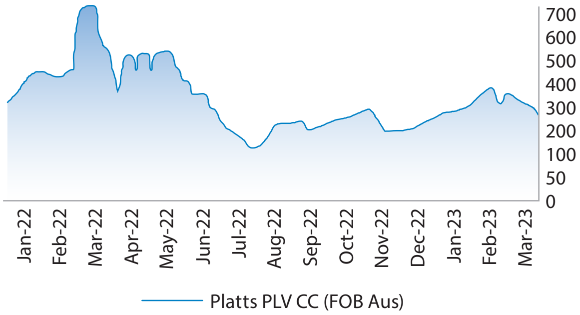
Iron Ore Prices ($/t)



Seaborne Coking coal prices saw sharp volatility through the year due to frequent weather disruptions alongside the impact of the Russian-Ukraine war. PHCC FOB Australian prices ranged between $188/t and $670.5/t in 2022, compared to $102/t and $408.5/t in 2021. Average coking coal prices stood at $363.7/t for the year up from $313.4/t the year prior.

FOB Australian prices were driven to record highs in the first half of the year, as an anticipated ban on Russian coal exports led to panic buying across Europe. While prices cooled off in the later half of the year, prices were still elevated on a historical basis as last year's La Nina weather conditions impacted Australian miners' ability to meet production guidance for the year.

Coking Coal Price ($/t)



Into 2023, coking coal prices have traded in a tighter range albeit still volatility surrounding weather developments particularly in Eastern Australia. The Bureau of Meteorology have officially announced an end to La Nina weather conditions in March which could lessen the risk of supply disruptions for the rest of the year. Meanwhile, the expected re-emergence of China as a spot buyer of Australian coking coal this year may leave the market more tightly balanced

Initiatives by Tata Steel

The Company took several key initiatives in its raw material procurement. Strategic Initiatives during FY2022-23 are:

- **New products trials:**

  In order to ensure long term supply security and stable supply, new coal trials were undertaken by the Company, through a structured trial process, which helped the Company to diversify the source and supplier base.

  The Company also engaged in development of LD Sludge based pellets by utilising hazardous waste (LD Sludge), which is an example of first in the industry.

- **Blend optimisation to take advantage of market opportunities:** Considering wide spreads in prices across grades of raw material (RB1 vs RB2 grade DRI coal, mid-phos vs low phos nut-coke, etc.) value creation was achieved by optimising blends through cross functional collaboration.

- **MoU signed with strategic suppliers for decarbonisation projects:** Memorandum of Understanding was signed with one of the leading coal suppliers for exploring and developing use of biomass/biochar in steelmaking process, developing carbon capture utilisation and storage technologies, as well as using biofuels for shipment of raw materials.

IV. Tata Steel Group Operations

Major Highlights

During the year under review, the consolidated crude steel production for Tata Steel Group ('**TSG**') was 30.65 MnT as against 31.03 MnT for FY2021-22, a marginal decline of 1%. The production increased at Tata Steel Standalone to 18.97 MnT which was higher by 3% (FY2021-22: 18.38 MnT). At the Tata Steel European Operations, Tata Steel Nederland ('**TSN**') produced 6.32 MnT, lower by 4% (FY2021-22: 6.61 MnT) mainly due to weakening of market during the 2nd half of FY2022-23. Production at Tata Steel UK ('**TSUK**') at 3.02 MnT was lower by 14% against previous year (FY2021-22: 3.50 MnT) as TSUK undertook a significant maintenance programme focused on its steelmaking assets in Port Talbot in order to improve operational stability. Tata Steel Long Products produced 0.71 MnT (FY2021-22: 0.68 MnT), moreover, with the completion of NINL acquisition, the production further increased by 0.20 MnT during the year. Production at South-East Asia ('**SEA**') was 1.43 MnT (FY2021-22: 1.86 MnT) which was lower due to disposal of Singapore operations of NatSteel Holdings Pte. Ltd. ('**NSH**') during FY2021-22. The consolidated steel deliveries of TSG was at 28.79 MnT in FY2022-23 as against 29.52 MnT in FY2021-22, a marginal decrease of 2% primarily at TSE due to weakening of market and at SEA.

The turnover of TSG was marginally lower over FY2021-22 by ₹606 crore on account of decline in steel realisations across geographies except European operations attributable to decrease in demand and implementation of export duty on steel in India during the year, along with lower steel deliveries by 0.73 MnT.

The EBITDA was lower over FY2021-22 by ₹31,132 crore (49%), primarily due to increase in input cost mainly in coking coal along with lower steel realisations in India, partly offset by favorable foreign exchange rate movement at India.

TSG reported a consolidated Profit after Tax of ₹8,075 crore which was lower over FY2021-22 in line with decline in EBITDA, along with higher net finance charges by ₹642 crore which is primarily due to additional loans taken during the year in India and higher tax charge by ₹1,682 crore mainly due to higher non cash deferred tax charge at TSUK attributable to insurance buy-in of pension liabilities which was offset by lower tax charge at India on account of lower profitability. Exceptional gain of ₹113 crore in FY2022-23 against a charge of ₹134 crore in FY2021-22 contributed to the profit during the year.

1. Tata Steel Limited (Standalone)

The turnover and profit/(loss) figures of Tata Steel Limited are given below:

(₹ crore)

	FY 23	FY 22
Turnover	1,29,007	1,29,021
EBITDA	28,175	51,456
Profit before tax (PBT), before exceptional	21,801	44,326
Profit before tax (PBT)	21,022	44,091
Profit after tax (PAT), before exceptional	16,274	33,247
Profit after tax (PAT)	15,495	33,011

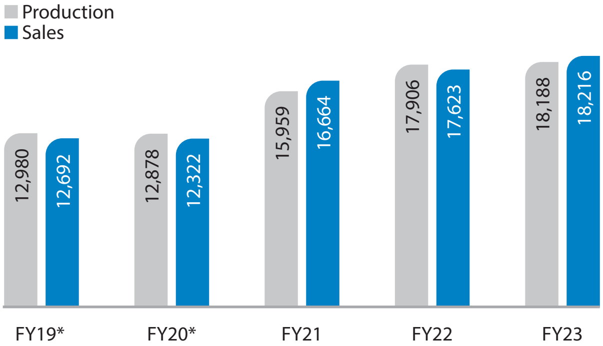
a) Operations

(mn tonnes)

	FY 23	FY 22	Change (%)
Hot Metal	19.25	18.90	2
Crude Steel	18.97	18.38	3
Saleable Steel	18.19	17.91	2
Sales	18.22	17.62	3

The saleable steel production and sales trend over the years is as follows:

Production and Sales of Steel Division (k tonnes)



*Note: Production and sales from FY21 onwards includes TSM post-merger

The combined saleable steel production of FY2022-23 stood at 18.19 MnT which was higher than that of FY2021-22 (17.91 MnT) by 2% and the combined steel sales of FY2022-23 stood at 18.22 MnT, higher by 3% over FY2021-22 (17.62 MnT).

i) Tata Steel Jamshedpur

Tata Steel Jamshedpur ('**TSJ**') produced crude steel of 10.64 MnT in FY2022-23 as against 10.25 MnT in FY2021-22 which was higher by ~3.80%. The hot metal production of FY2022-23 stood at 11.05 MnT (10.83 MnT in FY2021-22) higher by ~2%. Blast Furnaces operated at a fuel rate of 526 kg/thm in FY2022-23 as against 535 kg/thm in FY2021-22 which was better by 9 kg/thm. For improving fuel rate, idea of injection of Coal-Colemanite was implemented in TSJ Blast Furnaces. In steelmaking, scrap consumption increased to 8.5% in FY2022-23 from 8.1% in FY2021-22 thereby achieving lower CO_2 emission.

During FY2022-23, there has been significant improvement in overall refractory consumption, specific power consumption and specific energy consumption for TSJ. The Company has continuous operational improvement programmes through Shikhar25 which is a focused EBITDA improvement programme which works across departments of Tata Steel to improve operational efficiencies, lower costs, optimise product mix, reduce, and recycle waste and energy efficiency.

ii) Tata Steel Kalinganagar

Phase-1 (3 MTPA) of Tata Steel Kalinganagar ('**TSK**') had started commercial production in June 2016 and attained the production levels at its rated capacity in less than 2 years. FY2022-23 has been TSK's best year in terms of production volumes and operating KPIs, with almost all operating units expected to achieve their best-ever annual production figures.

The production volumes achieved by various plants are: Coke Plant – 1.56 MnT (FY2021-22: 1.55 MnT) of Gross Coke, Blast Furnace – 3.59 MnT (FY2021-22: 3.47 MnT) of hot metal, Steel Melting Shop – 3.37 MnT (FY2021-22: 3.24 MnT) of crude steel, and Hot Strip Mill – 3.57 MnT (FY2021-22: 3.24 MnT) of Hot Rolled Coils. Nearly 340 KT of slabs from Tata Steel Meramandali have been rolled at TSK mill during FY2022-23.

The product mix in FY2022-23 comprised Medium and Low Carbon, Interstitial-free (IF), peritectic and micro-alloy grades, which served different market segments with a special focus on High Tensile for Auto, API for Oil and Gas Sector, Structural grades for Solar, Crash Barrier, Pre-Engineered Building, Lifting and Excavation Segment. Trials for casting and rolling of 1.2% Si and 2.4% Si Electrical steel were successfully carried out. 3.2% Si Electrical steel was successfully casted. This grade will help the Company to develop expertise to foray into the fast-growing Electric Vehicle (EV) industry.

In FY2022-23, TSK undertook approximately 72,000 new plantations, contributing to the greenbelt coverage of 414 hectares (33% of overall area) complying with the State Government's statutory requirement. TSK achieved its best-ever figures in Blast Furnace fuel rate (530 kg/thm), CO_2 emission intensity (2.32 tCO_2/tcs) and specific water consumption (3.31 m^3/tcs). Additionally, TSK focused on the execution of the Zero Effluent Discharge ('**ZED**') project throughout the year and will achieve ZED from April 2024. TSK broke ground for a 10 TPD syngas pilot plant designed to generate syngas from bio-waste, which can be used as an alternative reductant in blast furnace. This project will enable TSK to gain domain expertise in means for carbon footprint reduction.

TSK's support played a crucial role in the successful and speedy revival of the NINL plant, which stands as a significant achievement for Tata Steel.

TSK is currently in the second phase of expansion, which aims to increase production capacity to 8 MnTPA. In February 2023, the Cold Rolling Mill PLTCM successfully rolled its first Full Hard Cold Rolled ('**FHCR**') coil, while the Pellet plant achieved its first phase pellet roll out in March 2023. Both units will focus on ramping up production in the coming financial year. The Pellet plant will provide support for the agglomerate mix used in blast furnace operations, while CRM will cater to the production of high-strength cold-rolled products to meet the requirements of our auto customers. The commissioning of the Continuous Annealing Line ('**CAL**') and Continuous Galvanising Line ('**CGL**') of CRM is expected to take place in H2 of FY2023-24 and FY2024-25, respectively. The Engineering and Projects team is currently engaged in the construction activities at Blast Furnace-2, new Coke ovens, and Caster-2, with continuous efforts being made to ensure that project timelines are met.

Community is at the centre of our enterprise: TSK has always placed equal focus on building local community relationships through improving their socio-economic status, enabled through a range of initiatives in areas like Health, Education, Drinking Water, Infrastructure Development, Livelihoods, Skill up-gradation, sports and Women Empowerment among others. Dedicated teams deploy these initiatives through two focused approaches:

(a) Communities entitled through the Resettlement & Rehabilitation ('**R&R**') process through an R&R team.

(b) Larger regional communities (predominantly rural) through the Tata Steel Foundation team in charge of Corporate Social Responsibility.

iii. Tata Steel Meramandali

Tata Steel Meramandali ('**TSM**') has produced hot metal during FY2022-23 of 4.60 MnT as against 4.59 MnT during FY2021-22, production of crude steel stood at 4.95 MnT in FY2022-23 as against 4.89 MnT in FY2021-22 and saleable steel production stood at 4.24 MnT in FY2022-23 as against 4.61 MnT in FY2021-22 thereby registering a decrease in production by 8%. The sales for FY2022-23 stood at 4.63 MnT as against 4.70 MnT in FY2021-22, registering a marginal decrease over previous year.

b) Marketing and Sales

During FY2022-23, the Company recorded sales of 18.22 MnT, which is higher over the previous year by 3%. Sales performance are summarised as below:

(mn tonnes)

	FY 23	FY 22
Automotive & Special products	2.38	2.22
Branded Products, Retail & Solutions	5.85	5.28
Industrial Products & Projects	6.91	6.10
Domestic	**15.14**	**13.60**
Exports	**1.61**	**2.61**
Domestic + Exports	**16.75**	**16.21**
Transfers (Wires, Tubes, IBMD, Agrico)	1.47	1.41
Total deliveries	**18.22**	**17.62**

Thus, FY2022-23 turned out to be the year of best-ever sales performance surpassing the previous best performance of FY2021-22. This was enabled by best-ever domestic sales performance achieved by all the three sales verticals.

Automotive and Special Products: FY2022-23 started off on a positive note with robust demand witnessed in Passenger Vehicle ('**PV**') due to pent-up demand driven by easing of semiconductor supply situation and new model launches. Strong growth of Commercial Vehicle ('**CV**') continued for FY2022-23 supported by replacement demand, improvement in the overall macroeconomic environment, pick-up in infrastructure, mining and construction activities and healthy fleet utilisation levels. The sector ended the year with overall growths of 24% and 27% in PV and CV respectively (Y-o-Y).

Automotive sales constitute ~16% of Tata Steel's annual domestic sales. It registered sales of 2.38 MnT in FY2022-23, a Y-o-Y growth of 7% with 20% growth in Hi-end sales (including 137 KT of PV outer panels and 253 KT of high tensile steels). The segment continues to command market leadership and high share of business in new model launches.

Branded Products and Retail ('BPR'): BPR (Flat Products) clocked sales volume of 4.10 MnT with Y-o-Y growth of 9%. Overall growth was driven by key Flat Product brands -Tata Astrum, Tata Steelium and Tata Kosh which registered growth ranging from 5% - 25% each and enhanced its market share to 23% (FY2021-22: ~21%). FY2022-23 was also a milestone year for two of the BPR-ECA brands - Tata Astrum (the Hot rolled brand for MSMEs) which has grown to become a 18,000 crore brand completed 10 years, and Tata Steelium (the cold rolled brand for MSMEs) completed 20 glorious years, while expanding their presence into 80+ micro-segments. Its foray into the retail space to cater to the small & micro customers/ fabricators, saw Tata Astrum super transacting actively with 1,400+ dealers and has registered a growth of 23% in FY2022-23. In addition, Tata Steel caters to 8,000+ ECA customers, through 85 ECA channel partners, for their regular needs of HR, CR & Coated steels, which are serviced in processed form through 57 service centres located near customer clusters.

Tata Steel B2C flat products brands (Tata Kosh and Tata Shaktee) have introduced a digital learning platform for Distributor Sales force called 'Learners Academy'. This initiative was adjudged as Winner of 'Golden Peacock Award' in the Innovative Product / Service category for FY2022-23. With 67 modules & 8,000+ skill completions, the app based online training programme is now graduating towards a campaign-based learning for focused & intensive learning. Tata Shaktee was adjudged the 'Consumer Super Brand 2023' for the 6th consecutive time by 'Superbrands India' for brand value, years of existence, customer loyalty, business growth and brand equity. Tata Shaktee & Tata Kosh consumers are currently catered to by 8,000 dealers through, 42 B2C channel partners and with active promotion support from a large influencer base.

Tata Tiscon (Long Products B2C brand) achived a growth of ~17% Y-o-Y & best ever sales volume in retail in FY2022-23. This was enabled by enhancing dealer base across the country from 6,200 to 9,000 dealers during FY2022-23 covering 8,000+ pincodes and enriched engagement with ~6,00,000 consumers and ~30,000 influencers. Architect, Contractors & Engineers ('**ACEs**') are the initial touchpoints for an Individual Home Builder ('**IHB**') and play a pivotal role in providing the required guidance on design, building material including TMT rebar, cement, etc. Tata Tiscon launched Tiscon Grand Masters programme to collaborate with ACE community and enable consumers to build their dream home. 5,500+ ACEs have been onboarded on the programme in FY2022-23. Tata Tiscon conducted phase 1 of Tiscon Green Home Awards – a design challenge to recognise pioneering engineers who are designing houses with 550 MPa strength rebars instead of current practice of designing with 500 MPa strength rebar without compromising on the safety of structure. Academia from IIT Roorkee, NIT Trichy and Jadavpur University formed the panel of jury for the award.

Industrial Products, Projects and Exports ('IPPE'): IPPE is made up of five segments – Commercial & VAP, Engineering, Downstream (FP & LP), Wire rod & SBQ and Exports. IPPE sales during FY2022-23 was 8.51 MnT with domestic sales of 6.90 MnT and Exports of 1.61 MnT. In FY2022-23, Domestic sales for IPPE registered a growth of ~14% led by strong recovery in domestic demand and growth in discerning and enriched subsegments of Engineering and Downstream products.

Engineering segment: IPPE continued its focus on Engineering segments and Value-Added Products ('**VAP**') through product mix enrichment. Engineering Segment achieved best ever sales at ~773 KT with Y-o-Y growth of 17% enabled by healthy growth across all key sub-segments such as Oil & Gas ('**O&G**'), Pre-Engineered Buildings ('**PEB**'), Railways and Construction & Projects. IPPE contributed towards construction of 3,300 km of O&G pipelines, ~47 Mn sq ft of PEB structures and production of ~23,000 L&E equipments. IPPE also achieved mix enrichment in L&E hi-strength steel supplies from 12% in FY2021-22 to 17% in FY2022-23 and grew supplies of API X70 in Oil and Gas by ~27% Y-o-Y.

Downstream: Flat Products (FP) Downstream business contributed ~897 KT sales in FY2022-23, a growth of 13% over FY2021-22 (792 KT). In our effort to position ourselves as a leading supplier in serving to the Indian Appliance & Furniture, Building & Construction, Packaging, Electrical Lamination and Capital Goods Segments, we focused on serviceability and customisation of products. In FY2022-23, supplies to building and construction segments was 495 KT against previous year supplies of 432 KT for different products like FHCR (full hard cold rolled), and coated products. Tata BlueScope Steel Private Limited is a major partner in serving this segment where we have started coated products supply and in very first year achieved a volume of 47 KT. Other segments like packaging have grown from 37 KT to 47 KT, Capital Goods from 35 KT to 39 KT, and Electrical Lamination supply increased from 14 KT to 22 KT level in FY2022-23 with respect to previous year.

Long Products (LP) Downstream business contributed ~210 KT of sales in FY2022-23, a growth of 42% over FY2021-22. Tiscon ReadyBuild sales (Cut & Bend rebar solution) crossed 200 KT mark for the first time and Sm@rtFAB (Welded Wire Fabric solution) clocked

6 KT which accounted for 4x growth, both achieving their highest-ever sales. In our effort to become leaders in Construction solutions by shaping the market and becoming knowledge-intensive leaders, we focused on capacity expansion, serviceability and customisation of solutions for all our customers. Key Marquee projects served through our solutions were Ahmedabad-Mumbai Bullet Train, Delhi International Airport, Chardham Tunnel Project, various Multinational Companies, and metro projects in Pune, Kanpur and Bangalore.

Wire Rods & SBQ: FY2022-23 sales growth of 15% happened in CWE (continuous welding electrode) segments (98 KT sales w.r.t. 86 KT in FY2021-22) as we focused on attaining the most preferred supplier status with our customers. New grades were developed in Tyre Bead (TB) segment as per changing BIS norms. We continued to maintain our share of business with discerning customers.

Exports: Steel exports contributed 1.61 MnT sales in FY2022-23. Post imposition of Exports duty for non-alloy steel in May 2022, in efforts to maintain exports levels in line with domestic market sentiments and inventory targets, team developed Technical Delivery Conditions ('**TDCs**') for alloy steel with Boron along with technology and planning teams and ensured swift customer acceptance. This aided in Exports of 0.9 MnT Alloy Steel to 5 geographies. We scaled-up our initiative of digital exports via smart Letter of Credit ('**L/C**') and electronic documents by converting 5.2% of total volume through shipments to 3 geographies, on-boarding of 7 customers and pioneering of the first-ever Electronic B/L for imports into Turkey.

Services & Solutions: In FY2022-23, Tata Pravesh Doors and Windows registered Gross Merchandise Value of ₹216 crore. The installation figures have increased to 150K units in FY2022-23, a Y-o-Y increase of 72%. Nest-In achieved an order book of ₹490 crore, execution of ₹205 crore and sustained to be EBITDA positive (₹4.5 crore). Nest-In also augmented business by nurturing Key Account Customers (69% of order contribution) resulting in smooth handing over of ~125 projects spanning around 5 lakh sqft.

Digital Initiatives: Tata Steel Aashiyana, an early engagement & e-commerce platform for Individual Home Builders (‘**IHB**’) achieved a growth of 17% over FY2021-22. Aashiyana moved to 100% digital payment modes in December 2022 and is available as a mobile application for Android and iOS users. The platform successfully migrated to Adobe’s Digital Experience Platform (DXP) with features like Hyper Personalisation, vernacular content in 9 Indian languages and analytics-based insight generation. The Company rolled out its channel and sales management application, Sampoorna, across its retail business verticals. Currently, there are 12,000+ dealers across brands Tiscon & Shaktee connected through the application. Tata Steel’s digital platform for ECA customers, DigEca has enabled a direct touchpoint for ECAs to place enquiries, negotiate, place & track orders & register complaints. The platform has helped Tata Steel to track and reduce sales loss from an average of 9.5% in FY2021-22 to 7.5% in FY2022-23. Over 1,100 customers have now organically registered onto DigEca. Further, DigEca Mobile native app was launched for both Android and iOS ECA users. For its B2B customers, Tata Steel rolled-out its end-to-end supply chain visibility platform, COMPASS, to a larger set of customers across flat products, long products, Automotive, Tubes and Wires businesses. To enhance customer experience and convenience in B2B segment, the platform’s UIUX (User Interface User Experience) was redesigned and Mobile native app was launched ensuring easy accessibility on hand-held devices.

c) Engineering & Projects

Engineering & Projects (‘**E&P**’) continued its effort to support Tata Steel’s growth and sustenance goals by ensuring capital projects progress in FY2022-23 amidst somewhat easing but continued recessionary pressure and sporadic supply disruptions, due to geopolitical tension. Significant progress has been made in growth projects at Tata Steel Kalinganagar (‘**TSK**’), Iron Ore Mines and other sustenance & improvement projects at Jamshedpur and Meramandali. Prioritisation of capex deployment is being done continuously considering future market opportunities, decarbonisation/sustainability impact and business value proposition.

During FY2022-23, the division has successfully completed the following projects:

- Paste Thickeners at Khondbond and Joda Iron Ore Mine.
- Commissioning Pellet Plant at TSK.
- First Full Hardened Cold Rolled (FHCR) Coil dispatch from CRM (Cold Rolling Mill) – PLTCM (Pickling and Tandem Cold Mill) at TSK.
- Dismantling of Batteries and major structures in Coke Plant at TSJ.
- Installation of 3 solar power plants at TSJ.
- Revamping of Pickling line of Narrow Cold Rolling Mill (NCRM) at TSM – Khopoli.

The division has successfully completed some of the first time initiatives such as single heaviest (680 MT) lift for erection of Stove Shell of Blast Furnace #2 at TSK, casting of largest raft (2,494 Cu.M) foundation in Iron Ore Processing Plant at Noamundi, largest single pour concreting (3,055 Cu.M) in Tertiary Treatment Plant, use of implosion technique for demolition of Chimney#5, 6 & Coal Tower#3 in Coke Plant at TSJ in running plant with zero deviation from planned line of fall and in-house manufacturing of Stamping, Charging & Pushing (SCP) machine for Coke Plant at TSK, 40 Ton Automatic Stacking & Reclaiming System crane for Cold Rolling Mill at TSK, 300 Ton test wagon & 2nd largest ladle turret in India at Tata Growth Shop ('**TGS**').

The key projects currently under execution are:

- Capacity expansion at TSK Phase 2 with a target of commissioning Caster#2, Continuous Annealing Line and progressing on other key facilities.
- Progress on electro-mechanical erection for Iron Ore Processing Plant at Joda East and Noamundi Iron Ore Mine.
- Engineering for 1 MTPA New Battery and mechanical erection for Air Separation Unit at Jamshedpur.

Tata Steel has started planning for doubling its crude steel capacity to ~40 MTPA by 2030. Growth proposals across multiple locations are being developed while ensuring consideration to decarbonisation targets. The Division has taken up the following key initiatives to improve its future readiness for achieving this target:

- Capability building initiatives in some of the key knowledge domains such as Project & Construction management and Value Engineering through tie up with leading academia and professional bodies.
- Improvement in Construction safety.
- Strengthening in-house manufacturing capability.
- Ramping up Infrastructure amenities and logistics capacity
- Increasing vendor base in identified categories.
- Developing smart and integrated digital platforms for the division.
- Benchmarking the processes against industry best practices.

d) Sustainable Steel Business Initiatives

i) New Materials Business

The New Materials Business ('**NMB**') was set up with the vision to create a knowledge intensive business in materials of future. Set up in 2018, the business has grown at a Compounded Annual Growth Rate ('**CAGR**') of ~200% over the last two years. NMB currently has three material verticals – Composites, Graphene and Medical Materials.

Fibre Reinforced Polymer ('FRP') Composites

Composites industry in India is expected to grow at a CAGR of 8-10% in FY2023-24. Tata Steel composites business is enabling this ecosystem by playing the role of an integrator in an otherwise fragmented industry structure.

Tata Steel composites business is driving the adoption of sustainable lightweight solutions in Industry, Infrastructure and Railway sectors. In FY2022-23, it is slated to be amongst the top 3 Indian composite players.

The business has continuously enriched its basket of offering by developing new products such as, Silicon Carbide lined pipes for Fulel Gas De-sulphurisers (FGDs). The business has been leveraging group synergy to offer world class solutions to Indian Railways. It has been awarded an order for complete seating system for 22 rakes of Vande Bharat Express. The manufacturing facility at Khopoli, Maharashtra, which will produce honeycomb-cored sandwich panels for railway applications, will start commercial operations by Q3 FY2023-24.

Graphene

The Graphene business has developed six technology platforms. WONDRA range of conveyance, construction and coating solutions on Elastomers, Thermoplastics and Dispersions technology platforms have witnessed strong traction in the market. Applications of Graphene in areas of Energy, Fibres and Filtration are under incubation.

Leading the Graphene revolution in India, the business in collaboration with Government of India has established the first Graphene Centre in India at Kochi. The business has also entered into a joint development programme with University of Manchester, to conceptualise and commercialise Graphene related applications.

Medical Material and Devices

The medical materials business further consolidated its position in the import dominated Advanced Ceramics material market with the dedicated bio-ceramic production facility running at 100% capacity. During the year, four grades of Hydroxyapatite were commercialised.

This is in line with the business' vision to create affordable and global standard health technology solutions for India and the World and, making India self-reliant in the medical technology space. Upscaling and validation for Collagen, Gelatin and Amino acid formulations were also completed during the year.

ii) Steel Recycling Business

Tata Steel has always prioritised its role as a corporate citizen towards the people & planet. Setting up Steel Recycling Business ('**SRB**') is a definitive step towards sustainable Steel production.

The SRB plant at Rohtak achieved ~280 KT dispatch with a revenue of ~₹1,255 crore in FY2022-23. This plant has achieved almost 100% capacity utilisation in Q4 FY2022-23.

SRB has leveraged the power of digital to set up robust supply chains, as the collection and aggregation of scrap for the recycling plant entails reverse logistics. FerroHaat, a digital app, was launched to source steel scrap from the scrapyards. This app has enabled deep penetration into the value chain & fostered transparency and ease of doing business in a hitherto trust deficit sector. The scrap is procured through the digital FerroHaat app, a first-of-its-kind in the world. Over 180 vendors have been registered on the app for supply of scrap.

Indian scrap market is poised to grow at a CAGR of ~7% to reach ~45 MnTPA by 2030. Policies like Vehicle scrappage policy and Steel Scrap Recycling Policy are likely to give an impetus to this sector. However, India is currently a scrap-deficit nation & imports a considerable amount of scrap from the US & Europe where there is surplus of scrap. Further scrap imports are likely to become more difficult owing to protectionist measures by exporting countries. Accordingly, the role of SRB gains prominence in securitising the supply chain of scrap which is one of the future raw materials for steel production.

Besides Sustainability benefits, the SRB is also dovetailed with the long product growth strategy of Tata Steel. Plans are afoot to set up EAFs & Mini Mills for forward integration into long products. This would pave the way for growth of long products in a sustainable manner.

e) Tubes Division

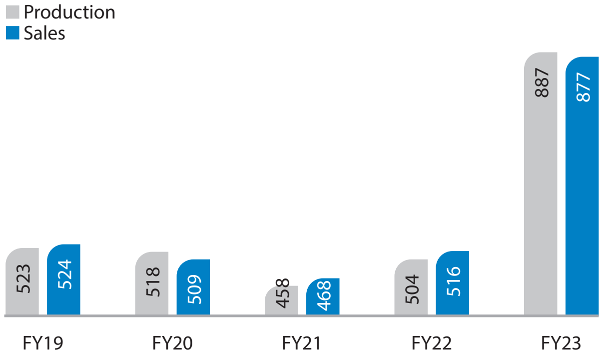
Tata Steel's Tubes Strategic Business Unit is a leading manufacturer of pipes and tubes in India having its manufacturing facility situated at Jamshedpur, Khopoli, Sahibabad and Hosur with an annual production capacity of around ~1,300 KTPA. The four main lines of businesses are Structural Tubes (Tata Structura), Precision Tubes (Boiler, Automotive and General Engineering), Conveyance tubes (Tata Pipes) and API Pipes (Oil and Gas Pipelines). Tubes Division has also ventured into the Services and Solutions segment with their latest offering Tata Ezyfit (door and window frames).

Tubes Division has expanded production capacity to 1,300 KTPA by addition of 4 new Tubes Manufacturing Partners (264 KTPA) in FY2022-23. Our product portfolio will now include High Aspect Ratio ('**HAR**') Tubes and capacities of thinner casing pipes, Tata EzyFit (door and window frames) and Large Dia Pipes (5" to 12") will increase. Increased focus on exports with ~5.5 KT of exports in FY2022-23.

While the demand for Electric Resistance Welded ('**ERW**') steel tubes and pipes was stable across the year, the high volatility in steel prices especially in the first and last quarters of the year owing to the Russia-Ukraine tension and import duty imposition led to some speculative calls by customers. The stable gap between HRC and secondary steel prices have ensured that the infiltration of strip (Patra) based tubes was low. While the O&G segment remained affected by the international gas crisis, the tube demand from automotive segment is yet to reach pre-pandemic levels.

The production and sales performance of Jamshedpur plant is as below:

Production and Sales of Tubes Division (KT)



Note: Tubes represents Jamshedpur tubes division and for FY2022-23 it represents Total tubes division including Jamshedpur, Khopoli, Sahibabad and Hosur.

During FY2022-23, the production and deliveries of Jamshedpur were better by 77 KT and 64 KT respectively over FY2021-22. The tubes and pipes of TSM was reported under steel, which is being dis-continued post-merger.

Key Business Highlights:

- Achieved best-ever production of 890 KT against previous best of 800 KT.
- Achieved best-ever Sales of 880 KT against previous best of 792 KT.

- Achieved lowest-ever customer claims at 775 PPM.
- Increase in market share from 11% to 14% in Tata Structura Retail Channel via channel augmentation.
- 16% Y-o-Y growth achieved in the Industrial and Infrastructural segment in FY2022-23 through effective utilisation of TSM Khopoli Large Dia Pipe ('**LDP**') mill capacity.

Recognition:

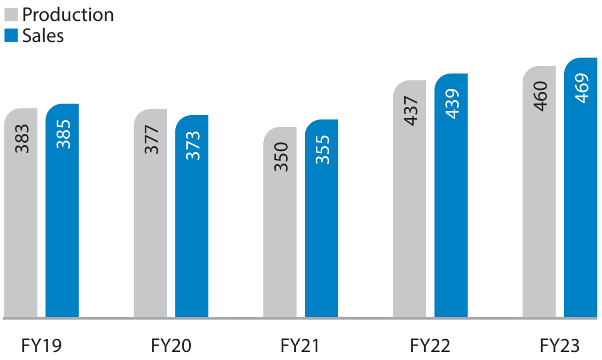
- Tata Structura won Global Brand Excellence Award by World Brand Congress.
- Tata Structura Hollow Sections becomes the 2nd Brand in Tata Steel after Tata TISCON to get EPD (Environmental Product Declaration) certified.
- Tubes Division becomes the first Tube Manufacturer in India to receive ResponsibleSteel™ Certification.
- Tata Structura was awarded with 'customer centric excellence' award at the GCC Business Leader of the Year event organised at Dubai, UAE.

f) Wires Division

The Company's Global Wires India ('**GWI**') Business Unit is the largest manufacturer of steel wires in India. The manufacturing plants are located at Tarapur, Pithampur and Jamshedpur, and contribute to nearly 65% of its sales volume, with remaining 35% being catered by Wires Processing Centres. GWI caters to the requirements of the Indian Automobile, Construction and the rural markets with various products.

The production and sales performance is as below:

Production and Sales of Wires Division (KT)



During FY2022-23, the division achieved a production of 460 KT, higher by 23 KT over FY2021-22 and deliveries of 469 KT higher by 30 KT over FY2021-22 with addition of new manufacturing capacity for Low Relaxed Prestressed Concrete ('**LRPC**') and debottlenecking initiatives.

Key Business Highlights:

- A new LRPC manufacturing line of 36 KTPA started to cater to rising infrastructure requirements as a result of Government's focus and initiatives in the sector.
- Enhancement in the downstream Services & Solutions portfolio with augmentation of Knotted Fence capacities and introduction of new product 3D Weld Mesh in the product portfolio.
- IHT spring wire capacity ramped up to 7.8 KTPA with speedy approvals from all major customers like Gabriel, Endurance, Bajaj Auto & Honda and thereby facilitating Atma Nirbhar Bharat by substituting imports.
- Capacity enhanced in Aayush coated GI wires to 30 KTPA.
- Launched the premium and compacted binding wire PIP which occupies 33% lesser storage space and is more resistant to damage during transit.

Recognition:

- Tata Wiron was awarded the Best Quality Improvement Project award in the CEAT's Quality Based Management Excellence League – A contest held by CEAT for its vendors in April 2022.
- Tata Wiron won TSL Environment Excellence Green Award'22 at Upstream & Downstream category.
- Tata Wiron – LRPC has won 'Most Trusted Brand Award of the Year' in the 'Construction Times BAM Awards 2022'.
- Tata Wiron received Best Innovative Product Award for Knotted Fence and Product Launch of the Year 3D Welded Mesh under Fencing Category in December 2022.
- Tata Wiron – IHT has won the prestigious 'National Pride Excellence Award' in the category 'Most promising New Product' in December 2022.
- Tata Wiron – LRPC has won Most Preferred Brand in Prestressed Concrete Projects at Construction Times Awards 2023 in January 2023.
- Tata Wiron – IHT won the prestigious 'Business Leadership Award' for the category 'Emerging Product in the Steel Industry'.

g) Industrial By-Products and Management Division

Industrial By-product Management Division ('**IBMD**') manages solid wastes or by-products generated across the steel value chain. The division operates on 3R (Reduce, Reuse, Recycle) principles of circular economy to create value from waste, and ensures just-in-time supply of recyclable or remelting scrap to steelmaking units. During the year under review, the division handled ~16 MnT of by-products across locations. Through a series of sustainable value creation initiatives, the division delivered its best ever revenue performance, and witnessed a 24% Y-o-Y business growth in FY2022-23. The product portfolio of IBMD spans across 25+ categories with over 250 SKUs. IBMD strives to remain an industry benchmark in managing by-products through deployment of state-of-the-art technologies and new product development, thereby promoting circularity.

In the year FY2022-23, the division continued its journey to augment the infrastructure for handling and supply of steel scrap to steel melt shops at TSJ, TSK and TSM. In line with the sustainability initiative of maximising scrap-based steelmaking to lower our CO_2 emissions, over 1.5 MnT of steel scrap was recycled in the melt shops across locations in FY2022-23 (previous best: 1.2 MnT in FY2021-22).

During the year under review, in a pioneering initiative, the steel slag supplied by Tata Steel has been used to construct the road connecting Sino-India border in Arunachal Pradesh, under Project Arunank by Border Roads Organisation (BRO). Continuing with dedicated market making activities, IBMD ramped up the sales of the two branded steel slag products - Tata Aggreto and Tata Nirman. While Tata Aggreto has been utilised extensively in road construction applications, Tata Nirman has been established as a raw material of choice for cement and brick manufacturing segments.

At TSK, the in-house developed technology of accelerated weathering (steam aging) of LD slag has been successfully deployed, which has facilitated supply of Tata Aggreto from TSK as well. As an outcome of the consistent pursuit of developing slag-based downstream products, IBMD along with Technology group, manufactured green pavers and beton blocks by replacing natural aggregates with processed slags. Trials of these products have been successful and going forward, mass production and horizontal deployment across locations will be taken up through External Processing Agencies (EPAs). At TSJ, the use of briquettes developed from LF slag fines (Ladle Furnace Slag) has been established in steelmaking, which has potential to reduce lime consumption thereby improving resource efficiency. Through above initiatives, 100% LD slag utilisation has been achieved at all sites including and especially at TSM (for the first time). In another key achievement, IBMD has ramped up the sales of Ground Granulated Blast Furnace Slag ('**GGBS**'), a Greenpro certified, value-added product based on Blast Furnace slag as partial replacement of cement in concrete and achieved best ever sales of ~87 KT in FY2022-23 (previous best: 68 KT in FY2021-22).

The new Processing & Sales Yard of IBMD at Marine Drive, Jamshedpur saw significant ramp-up of Flat Product (FP) scrap processing, providing major boost to the value-added metallics portfolio. The facility, which was inaugurated in November 2022, is equipped to deliver customised offering of Processed FP scrap to the customers, thereby generating incremental margin for the Company. With focus on safety and digitalisation, the sales yards infrastructure has been strengthened and has 100% CCTV coverage, man-less weighbridge operations, smart warehouse system and new transport parks with unidirectional traffic flow have been developed. Further the similar facilities are being commissioned at TSK & TSM for value addition to FP scrap. As a Retail Value Management initiative for Coal By-products, 'Sampark' campaign was rolled out with an aim to increase reach and share of business to ramp up sales of Coal Tailings in line with expansion plans of West Bokaro. During the year, IBMD developed a state-of-art Transport Park at Bhelatand, Jharia and commissioned a 5-lane wheel washing facility at West Bokaro aimed at improving environmental performance.

Going forward, IBMD continues to be guided by the long-term sustainability goals of Tata Steel with focus on circularity. A pipeline of projects based on circular business models are underway, such as commencement of sales of Ferroshots (granulated pig iron) from TSJ, LD slag granulation facilities at TSM and TSK, downstream products using LD slag such as Interlocking pre-cast blocks, tetrapods, etc. The infrastructure for storage & handling of remelting scrap across plant locations is being strengthened further to meet increasing requirement of scrap recycling in steelmaking in line with the Long-Term Plans.

Recognition:

- Recognised as 1st Winner of 'Excellence in 3R for Industry' Award (for 3rd consecutive time) at the CII International Conference on Waste to Worth 2022, for the exemplary work in managing own waste generated from the Jamshedpur plant.

- Adjudged as 'Company of the year' in Large Enterprise Category at Indian Circular Economy Forum (ICEF) 2022 as a recognition for adopting innovative & agile practices to promote Circular Economy.
- Received 'Most Innovative Environmental Project' award at 9th CII National Award for Environmental Best Practices 2022. The award was conferred for sustainable use of steelmaking slag in National Highways.

h) Ferro Alloys and Minerals Division

The Sukinda Chromite mine and Gomardih Dolomite mine leases expired as per the mining regulations on March 31, 2020. The Sukinda Chromite Mines was put up for auction and subsequently Tata Steel Mining Limited (formerly TS Alloys Limited), a wholly-owned subsidiary of Tata Steel Limited had participated in mining auction in Odisha for Sukinda Chromite Mine and won the auction for the mine.

Owing to the shift of chrome business to Tata Steel Mining Limited, the Ferro Alloys and Minerals Division ('**FAMD**') business is now limited to servicing the Steel Plants with Manganese alloys only and hence does not require any detailed discussion.

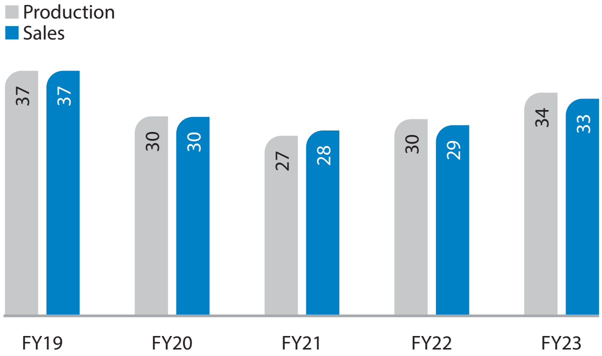
i) Bearings Division

Our Bearings Division is one of India's largest quality bearing manufacturers, having its manufacturing facility situated at Kharagpur, West Bengal with an annual production capacity of 40 million bearing numbers. The Company is foremost in the manufacturing of a wide variety of bearings and auto assemblies and the product range includes Ball Bearings, Taper Roller Bearings, Hub Unit Bearings, Clutch Release Bearings, Double Row Angular Contact Bearings, Centre Bearings and Magneto Bearings. The division is the only bearings manufacturer in India to win the TPM Award (2004) from Japan Institute of Plant Maintenance, Tokyo.

In the Domestic two-wheeler segment, the year witnessed a production growth of 17% from 17.7 Mn in FY2021-22 to 19.3 Mn in FY2022-23, which is primarily due to the recovery in urban segment. However, in the Export segment there was a sharp (18%) drop from 4.4 Mn in FY2021-22 to 3.6 Mn in FY2022-23. This was primarily due to the devaluation of currency in key export markets. The Domestic Tractor segment witnessed a 12% growth from 0.96 Mn in FY2021-22 to 1.08 Mn in FY2022-23. Tata Bearings serves Major OEMs in this segment.

The production and sales performance is as below:

Production and Sales of Bearings Division (mn nos.)



During the year under review, the division produced ~34 (mn nos.) and achieved deliveries of ~33 (mn nos.) which were higher over FY2021-22 by ~4.1 (mn nos.) (14%) in production and by ~4.2 (mn nos.) (14%) in deliveries respectively due to increase in demand.

Key Business Highlights:

- Bearing division has started commercial supplies to major EV two-wheeler manufacturers and is in the process of getting approvals from major OEMs.
- To enrich manufacturing set up, following facilities were added during the year:
  a. 2 Nos of Automatic Sizing machine.
  b. 1 No of Auto Greasing & Shielding (Single & Double RS/ZZ) Machine with Hopper.
  c. 500 LPH Water demineralisation Plant.

Recognition:

Bearings Division received '2022 India Long Term Association' award from Bosch Limited in 'Bosch India Regional Supplier Awards 2022' for Material Field Category – Bearings.

j) Business Improvement Initiatives

i) Total Quality Management and Shikhar 25 (Operational Improvement Programmes)

The Total Quality Management ('**TQM**') way of working has become a part of the DNA of Tata Steel for the past several years. The integrated TQM framework is used as the guiding principle to drive TQM practices in the Company.

At group level, Tata Steel remained the flag bearer on Business Excellence by continuing its lead in DATOM (Data and Analytics Target Operating Model) assessment and InnoVista awards. Tata Steel also organised group learning mission this year as part of our commitment to share the identified best practices with the group companies. 31 delegates from 18 Tata Group Companies participated in this mission and visited the operating facilities at TSJ and TSK. In our endeavor to make Tata Steel world class manufacturing organisation, we have extended the scope of 5S & VWM (Visual Workplace Management) to the service functions and also Total Productive Maintenance at Raw Material and Khopoli locations.

Recognitions and Felicitations:

A. At Group Level

- Tata Steel received the coveted 'JRDQV Award' and was also recognised as 'Benchmark Leader' in JRDQV function held on July 29, 2022, under the flagship Tata Business Excellence Model (TBEM).
- Tata Steel registered its best performance at Tata InnoVista by bagging 6 awards (including 1 most innovative partner) out of 15 total awards held on October 12, 2022.

B. Forums of Repute

- **International Convention on Quality Control Circles (ICQCC):** 4 SGA (Small Group Activity) and 1 MASS+(Manthan Ab Shopfloor Se+) team secured the highest category 'Gold' award in 47th ICQCC held during November 15-18, 2022 in Jakarta, Indonesia.
- **National Convention of Quality Concepts (NCQC):** 22 SGA circles and one MASS+ team won the Par Excellence award (highest category) in 32nd NCQC held during December 27-30, 2022 at Aurangabad.
- **Asian Network for Quality (ANQ):** 3 papers from India, all belonging to Tata Steel received 'Best Paper Award' in 20th ANQ Congress 2022 held virtually on October 26-27, 2022, at Beijing, China.
- **International Quality Innovation Award:** 2 applications of Tata Steel titled 'Online Quality Monitoring & Control at Sinter Plant' and 'Healthy Steel' were awarded under the categories Business Innovation and Potential Innovation respectively in the International Quality Innovation Award organised by China Association of Quality (CAQ) on February 23, 2023 in Almaty, Kazakhstan.
- **Tata Business Excellence Convention (BEC) 2022** was held in Mumbai on December 18-19, 2022, to celebrate the excellence in initiatives across the Tata Group. During the event, Tata Steel received awards under the categories 'Building Excellence Capability' and 'Significant Engagement in Improvement Interventions' for demonstrating highest engagement across the multiple channels of Improvement Interventions of the Group.
- **Annual Conference of Indian Society for Quality (ISQ):** 3 projects from Tata Steel were awarded under the categories 'Quality Sustainability Award' and 'Quality Innovation Award' in the Annual Conference of Indian Society for Quality (ISQ) held in Chennai on December 9-10, 2022.
- **ISQ Symposium:** One of the Tata Steel papers titled 'AMRIT – To improve value realisation from co-product steel powered by advanced analytics' won the 2nd best paper award in the 1st ever ISQ Symposium held at Bangalore on September 23-24, 2022.

Treading New Paths:

- Tata Education Excellence Programme (TEEP) in collaboration with Tata Steel Foundation and Gulmohur High School, Telco organised 'Career Expo 2022' for the Senior Secondary school students of Jamshedpur on November 18-19, 2022. 25 colleges and universities from across the country participated where 3,500+ students and 170 teachers from 56 schools visited the Career Expo 2022.
- Tata Steel InnoVista: In line with Tata Group InnoVista awards, 'Tata Steel InnoVista' programme has been rolled out to enhance and further promote culture of Innovation at Tata Steel this year. It saw an encouraging response with 368 Innovative entries across 5 award categories. The top 18 entries selected by the Jury members got recognised on July 20, 2022, in an Apex level function at Steelenium Hall with participation from Group Innovation team.
- TSM (Meramandali, Khopoli and Sahibabad) and it's 6 associated sites were recognised through a single Integrated Management System IMS (QMS + EMS + OHS) certification. This single certification enables standardisation of systems, cross-learning & deployment of audit findings and effective management of audits.

ii) **Shikhar25 (operational improvement programmes)**

The Shikhar25 programme, a multi-dimensional & cross functional initiative, is an EBITDA focused improvement programme across the value chain. A governance structure comprising cross-functional teams called 'IMPACT Centres' are put in place across Tata Steel Group to achieve the objectives of Shikhar25. At present, there are 50 IMPACT Centres functioning across the value chain wherein different TQM techniques are deployed for improving operational efficiency, process improvements, product mix optimisation, waste reduction and recycling, energy efficiency and revenue maximisation. The process includes comparing operating KPIs with internal and external benchmarks and identifying enablers to achieve best in class Yield, Energy, Throughput & Quality, etc. The initiatives include marketing and sales area and along with the digital initiatives help Tata Steel to improve customer connect. During the year under review, the Company, through its Shikhar25 programme achieved performance improvements of ₹6,309 crore (including ₹4,299 crore of value protection initiative).

With increase in complexity due to multilocational functionality, it was important to be agile enough to learn, evolve and transform faster, and to keep pace with the changing business needs. The impetus was on driving value by enabling global optima and resource synergy for the TSL Group resulting in synergy benefit of ~₹446 crore.

k) **Safety Health & Sustainability**

Health and Safety: The Company is committed to prioritising Health and Safety Management and achieve 'Zero Harm.' To accomplish this, the Company is pursuing six strategies, which include building safety leadership capabilities at all levels, reinforcing contractor safety management standards to ensure zero harm to contract employees, improving the competency and capability to identify hazards and manage risks, enhancing road and rail safety throughout the Company, achieving excellence in process safety management, and establishing industrial hygiene while also improving occupational health.

During the year under review, the Company undertook several initiatives, including the establishment of a Practical Safety Training Centre in Jamshedpur. This initiative exemplifies the Company's commitment to improve risk perception of the workforce by imparting hands-on training on different modules such as Working at Height, Material Handling, Gas Safety, Confined Space, Heavy vehicle simulators, First Aid & CPR, and leveraging advanced technologies to visualise potential hazards through virtual reality scenarios. Moreover, the Company introduced a Behavioral Safety Theme Park, which serves as a forum for promoting learning through interactive discussions and fostering a cross-learning culture. It focuses on four primary causes of injury that occur within the organisation, namely Slip, Trip & Fall, Manual Task and Tools, Moving Machinery and Fall of Object, where personnel behavior is a crucial contributing factor.

The Company also made efforts to alleviate congestion of heavy vehicles on the road by constructing a new transport park at Meramandali, capable of accommodating 110 trailers/trucks, complete with amenities such as restrooms and canteens for heavy vehicle drivers. Furthermore, to reduce the risks posed by the simultaneous movement of heavy vehicles and two-wheelers on the road, two-wheeler entry has been restricted at TSM and TSK. A segregated timing has been implemented at TSJ to regulate the movement of two-wheeler and heavy vehicle and prevent their simultaneous movements.

To promote a positive safety culture throughout the organisation, the Company organised the Safety, Health, and Environment Reward & Recognition Function for the third time. This programme aims to recognise and reward employees / departments for their remarkable contributions and drive the positive safety culture at all levels within the organisation. This policy has now been extended to vendor partners and non-officers as well.

The Company made considerable efforts to enhance the safety competency of its workforce by training them on simplified safety standards through e-modules and providing them safety training at Safety Leadership Development Centre, Jamshedpur. The safety of contractors has continuously been a primary focus for the Company. During the year under review, the Company undertook various initiatives like 'Ghar se Ghar Tak' programme to sensitise its contractor workforce. Contractor Safety Management System ('**CSMS**') has been deployed in all stockyards and Steel Processing Centers ('**SPC**') of Tata Steel as well as across Tata Steel Group Companies.

Moreover, the implementation of the 'Centre of Excellence ('**CoE**')' methodology for Process Safety has gained traction, leading to improved process safety competencies among employees. Presently, the CoE-driven process safety initiative has been rolled out in most of the high hazard departments at TSJ, TSM & TSLP. To create a safer, more resilient, and sustainable organisation, identification of the top five risk across all departments of TSL India was done and implementation of strategic risk mitigation plan is in progress. Advance level training programme on Process Safety was conducted by National Examination Board in Occupational Safety and Health (NEBOSH) certified experts.

To provide a holistic approach towards the adoption of digital and technology in maintaining safety within the organisation, the Apex Digital and Technology Safety Subcommittee prioritised standardising technological interventions for critical equipment while also improving the maturity of digital and technological projects, scaling them across Tata Steel.

Occupational Health & Safety: Tata Steel has implemented a comprehensive Industrial Hygiene programme which includes identification of occupational health hazards, risk analysis, and assessment of actual exposure through hazard quantification. It also focusses on implementation of hazard control measures to maintain minimum exposure level and to reduce occupational health related risks. During the year under review, over 500 awareness sessions on 'Health & Well-being' have been organised across Tata Steel India for the employees and contract employees. Tata Steel has been recognised for 'Wellness at Workplace' by World Steel Association in Safety & Health Excellence Recognition Programme 2022.

Fatality of contract employees has been the topmost safety concern for the Company. It is with deep regret that the Company reports 4 fatalities during the year under review. The Company launched hazard specific Safety campaigns viz. 'Slip/Trip/Fall', 'Hands are not Tools', 'Road Safety', etc. across locations to address gaps and improve safety awareness. Lost Time Injuries ('**LTIs**') at Tata Steel (India & South-East Asia) have reduced by 16% from the previous year. Tata Steel Meramandali achieved more than 50% reduction in LTIs. Slip/Trip/Fall related LTIs remain a major concern.

At Tata Steel Europe, Health and Safety continues to be of utmost priority. It is with deep regret that Tata Steel at UK reports one (1) fatality during the year under review. An integrated health and safety management system ensures a consistent approach to health and safety throughout the organisation. The Health and Safety Management System follows the Plan, Do, Check, Act management model, which is a process of continuous improvement.

Sustainability: Tata Steel is committed to sustainable development in its operations and has embedded principles of resource efficiency, circular economy, minimising ecological footprint, zero harm (health of safety of workforce) and care for community in its working philosophy. Tata Steel has taken short medium and long-term goals towards carbon reduction and has built supporting governance processes to ensure we are continuously aiming to the achieve the targets set. We also have set similar targets on freshwater consumption, minimise loss of biodiversity and coverage of 100% critical supply chain partners for ESG risk assessment. Furthermore, United Nations Sustainable Development Goals ('**UN SDGs**') form an integral part of the Company's long-term strategy and the Company has undertaken internal assessment for prioritising the goals and started monitoring the actions set to achieve the targets for each applicable SDGs.

Tata Steel supports and complies with the domestic and international standards and regulations/laws including those related to labour and human rights, such as the Universal Declaration of Human Rights, the UN Principles on Business and Human Rights, and the International Labour Organization Convention. Tata Steel has introduced a policy and a framework for shared growth between suppliers, distributors, and Company for supply chain management with ESG perspective through the deployment of 'Responsible Supply Chain Policy'.

To accelerate our efforts in becoming a leader in sustainability, we use Life Cycle Assessment ('**LCA**') tool effectively to evaluate and communicate our products' environmental performance across its lifecycle. Our LCA studies are done in accordance with worldsteel LCA methodology which are guided by ISO 14040 and ISO 14044 standards. Aligning with the goal to cover all steelmaking and downstream sites under LCA, this year we have completed the LCA study for downstream facilities at TSM Khopoli, TSM Sahibabad and CRC West covering a total of 8 different product categories. In FY2022-23, Tata Steel published its first Environment Product Declaration (EPD) for Steel Rebar for facilities in Jamshedpur Works as well as other manufacturing SPC (Steel Processing Centre). This was followed by EPD for Steel structural hollow section under the brand Tata Structura manufactured at Tata Steel Tubes division along with other different production units. EPD was published for Steel Hot Rolled Coil covering all manufacturing locations across Jamshedpur, Kalinganagar and Angul. Furthermore, Tata Ezyfit, which is a brand of innovative tubes for windows & door frame section received GreenPro certification. We have also carried out a LCA study for one of our Fibre Reinforced Polymer ('**FRP**') product to understand its life cycle environmental impact. In the coming years, we aim to receive eco-labels ('**GreenPro**') and transparently disclose environmental performance for our key products manufactured across various sites to support our customers with product related sustainability information.

At our UK operations, we developed the Product Assessment Carbon Indicator ('**PACI**') tool. This streamlines the process of undertaking life cycle studies of products and enables an understanding of greenhouse gas ('**GHG**') emission hot spots and trade-offs in the steel product value chain, which can be used to inform new product developments and optimise existing manufacturing routes. PACI has been used to support collaborative projects with customers and to support sharing and learning about opportunities for emissions reduction over the product's life cycle from manufacture through to use and finally end-of-life: for example, working with an automotive OEM to examine all aspects of materials selection, including material type, steel grade, gauge, and aspects of formability and part design. Another example has been the use of the tool in understanding the trade-off between benefits in use from improving motor efficiency versus embodied GHG emissions associated with different grades of electrical steels. The tool has recently been recognised by the World Steel Association, winning a Steelie award for Excellence in Life Cycle Assessment.

Tata Steel has made significant efforts to persistently improve and enhance its performance in biodiversity conservation and significantly reduce its impact on the ecosystem. Our Indian operations are not located in any of the identified biodiversity hotspots or protected areas. During FY2022-23, we developed the Biodiversity Management Plans ('**BMP**') for Tarapur and Sahibabad. We have developed BMPs for 15 locations and plan to cover 100% sites to assess the impact and dependency of direct operations on biodiversity by 2024. We have planted over 3.2 lakh saplings of native species across locations. Kadma Biodiversity Park is spread across 13.5 acres where 5,650 trees and 4,650 shrubs have been planted, the park has 2.3 Km of walking trail, a yoga and meditation zone, bird watching areas, rainwater harvesting ponds, lilly ponds, butterfly zones, and fruit and bamboo orchards. The park houses several clusters of native species of trees planted as groves. It also has bird and squirrel nests, deep forest areas, grass lands and an information centre for flora.

At our UK operations, we are guardian to large areas of natural habitat, including several Sites of Special Scientific Interest ('**SSSI**'). In addition to meeting our responsibilities for protected sites, we also look for opportunities to encourage biodiversity on other landholdings and thereby contribute to protecting the natural heritage of UK's landscape. Former blast furnace cooling lagoons at our Shotton site are now a haven for wildlife. Attracting 12 nesting pairs of common tern in 1970 with the creation of a small raft on the lagoon, the area has become home to one of the UK's largest colonies of this vulnerable bird species and has seen over 20,000 chicks fledge successfully. The site has been a nature reserve for 50 years and a designated SSSI since 1990. In 2021, a project team of apprentices, volunteers and supply partners refurbished the colony, creating new tern islands on the lagoon, connected by a new steel walkway. The project, assisted by a Welsh government grant, involved the donation of steel for a base and moving 130 tonnes of shingle from the shore onto the nesting islands by helicopter to refurbish the islands, creating a nesting site that the migratory birds will return to, for years to come.

Climate Change: India is currently the second-largest steel-producing country in the world after China. Demand of steel in India is projected to increase 4-5 times by middle of century backed by domestic steel consumption required for infrastructure growth in the country. The National Steel Policy envisages 300 MTPA steel production in India by 2030. Accordingly, we will aim to protect our market share in line with the growing steel demand in the country.

India's growth trajectory in the coming decades poses key challenges for the domestic Steel Industry. Firstly, many of the near-zero emission steelmaking technologies are currently at pilot scale and are yet to be become viable for large scale commercial production. Secondly, due to relatively young stock of steel infrastructure, buildings and goods indicates scrap availability would not be able to cater to this increased steel demand.

We have plans in place to grow our capacities significantly through Electric Arc Furnace ('**EAF**') route, however due to issues related to scrap availability and logistics, primary steelmaking would be predominant in our upcoming capacities. Hence Carbon Capture & Utilisation and Generation & usage of Green H2 in steel value chain are identified as our R&D technology leadership focus area. We are actively engaging with technology companies, academia, companies from other sectors having similar challenges on development and scale-up of deep decarbonisation technologies.

A 5 TPD pilot plant has been successfully commissioned at Jamshedpur to capture CO_2 from blast furnace gas. The captured CO_2 is being utilised for water treatment at a steelmaking unit. We are currently working on another pilot on Carbon Capture and Utilisation to produce value added products.

We are evaluating our investments in different existing technology choices (DRI production using either Natural gas/Coal Bed Methane or syngas from coal gasification) which can enable the transformation of our business models towards production of net zero emissions steel in long term once green Hydrogen and Carbon Capture technologies becomes technologically and commercially viable.

Tata Steel has developed a low carbon transition strategy which progressively reduces reliance on fossil fuels.

Following are short, medium and long term goals.

Short Term:

- Entry into Steel Recycling Business to create a formal circular economy for steel in India.
- Utilisation of higher scrap charge in the steelmaking process in India.
- Adoption of best available technologies and improvement in existing processes.
- Improving quality of raw material (iron ore and coking coal).
- Increase share of renewable energy in power mix.

Medium Term:

- Capacity addition in India using scrap Electric Arc Furnace (EAF) route.
- Shifting from metallurgical coal to cleaner fuel like natural gas/Coal Bed Methane.
- Upscaling pilots of CCU and Hydrogen based steelmaking.
- Piloting new technologies in partnership with academia on pilot projects which are at low Technology Readiness Level (TRL) stage.

Long Term:

- Scale up of HIsarna technology.
- Adoption of DRI route capable to operating with present day and future reductants e.g. Natural gas/ Coal Bed Methane or Syngas from coal gasification or Hydrogen.
- Sustainable production, storage, and use of H2 across the steel value chain.
- Carbon Capture & Utilisation dovetailing in existing processes.
- Research on advanced materials.
- Collaboration with technology companies and academia.

In our UK operations, we continue to pursue control technologies to reduce our environmental footprint. At our site at Corby, Northamptonshire, we have announced a £5 million investment in 'state of the art' electric induction furnaces which will reduce emissions from one of our tube mills by at least 2,000 tonnes of CO_2 a year; the first part of our extensive plans to make the Corby site CO_2 neutral in line with Tata Steel's declared environmental ambitions of becoming Net Zero globally by 2045.

The Shotton sustainability commitment, launched in 2022, builds on decades of effort, uniting the activities already started and establishing these principles further within operations so that the Shotton site can provide a positive environmental legacy. The holistic approach to sustainability covers four key themes of sustainable development, giving a clear focus for all business decisions made today, and in the future:

1) Reducing the site's carbon footprint.
2) Developing and producing products and services that support sustainable construction.
3) Protecting and expanding the biodiversity that co-exists on the site.
4) Maximising material efficiency and achieving zero on-site waste.

In the coming years, TSN IJmuiden will transform into a green steel company running on green electricity and hydrogen, with lower local emissions. TSN's site in IJmuiden will undergo a complete transformation. In the future, today's primary steelmaking process will be completely replaced by green steel production using DRI (Direct Reduced Iron) and electric furnaces technology that runs on hydrogen. New facilities and electric furnaces will run on sustainable power sources like green hydrogen or green electricity instead of on coal. The blast furnaces and coke and gas plants will be taken offline, as well as the sinter lines, and no more blast-furnace gases will be supplied to the Vattenfall power stations. After additional measures, TSN IJmuiden will ultimately become a carbon-neutral steel production site with significantly reduced local emissions.

The green electricity needed for this can be generated in offshore wind farms in the North Sea and elsewhere. Part of the electricity needed for hydrogen production will be supplied from the North Sea, making it possible for a share of green hydrogen to be produced on site. Hydrogen will also be imported, for example from the hydrogen backbone. TSN will continue to be a leading steel company that produces high-quality steel, but in the sustainable manner that offtakers and the local community demand and expect. Offtakers will use the green steel to realise the energy transition in other industries. TSN will continue to lead in expertise and development, and to be a major employer in the region. By ceasing the large-scale use of coal, some of TSN's site may be freed up for new industrial purposes, as well.

l) Corporate Social Responsibility

Tata Steel Foundation is the primary implementing partner for the corporate social responsibility programmes and strategy of Tata Steel. It works directly on executing programmes in close collaboration with communities, public systems and partners. The Foundation envisions an enlightened, equitable society in which every individual realises his/her potential with dignity and works with tribal and excluded communities to co-create transformative, efficient and lasting solutions to their development challenges. This brings together the sociological and cultural context of geographies proximate to the operations of the Company, the core commitment of the Company to demonstrate leadership in addressing societal challenges and its deep experience in implementing societal change programmes.

In FY2022-23, CSR programmes directly touched the lives of over 3.15 million people from the most vulnerable sections of society, including initiatives that covered a post-COVID scenario of extending medical amenities to communities in need.

The Company focuses on signature themes which are large-scale proven change models addressing core development gaps in India, while being replicable at a global platform. They include programmes on health (maternal and child mortalities), education (access to school and learning enrichment) as well as holistic and comprehensive development of panchayats between the key manufacturing locations of Jamshedpur in Jharkhand and Kalinganagar in Odisha. Tata Steel continues to also be conscious of the specific nuances of tribal communities who form a significant proportion of the population in the operating geographies and at a larger pan-India level through the Samvaad ecosystem including its platforms – Tribal Leadership Programme, tribal languages, Samvaad Fellowship and Tribal Cuisine to name a few.

An equal emphasis is laid on regional change models enabling lasting betterment in the well-being of communities, prioritising those who are excluded and proximate, through extensive engagements on holistic, relevant themes - health, education, livelihoods, drinking water, infrastructure, sports, household nutrition, a life of dignity for Persons with Disabilities, effective grassroots governance, eliminating the worst forms of child labour and fostering a voice for women amongst communities. A carefully assorted set of programmes are activated in the peripheries of the operational locations of Tata Steel in India including Jharkhand, Odisha (including its manufacturing, mining and port locations, Uttar Pradesh (Sahibabad), Maharashtra (Khopoli) and the more recent spread to Punjab (Ludhiana).

During the year, the Tata Steel Foundation has spent ₹511 crore on CSR activities (₹480.62 crore from Tata Steel as its primary funder) which is 2.08% against the regulatory mandate of 2% of average net profit of the immediately preceding three financial years and a 17% increase against the commitment of FY2021-22.

2. Tata Steel Long Products Limited

FY2022-23 has been a year of strategic achievements for Tata Steel Long Products Limited ('**TSLP**') despite multiple headwinds that the business faced. There had been several historic moments for TSLP towards its growth and transformational journey.

With the completion of acquisition of Neelachal Ispat Nigam Limited ('**NINL**') in July 2022, crude steel capacity of the TSLP has almost doubled to ~1.9 MTPA level. NINL (a company which was not operational for >3 years) the operations were reignited within 3 months of acquisition with the start-up of the Blast Furnace. All the major facilities (except the Coke Oven) achieved stabilisation towards the end of FY2022-23. It has steadily ramped up its operations including iron ore mine and ended the year at 1 MTPA (Crude Steel + Pig Iron) rate in March 2023. It has produced 202 KT of crude steel in FY2022-23 and enabled TSLP to expand its product portfolio by leveraging Tata Tiscon Retail brand. System and processes have been put in place and strengthened as part of the Tata way of working. Newer set of benchmarks and milestones created by deeper engagement with all the stakeholders.

The turnover and profit/(loss) of TSLP consolidated for FY2022-23 are as follows:

(₹ crore)

	FY 23	FY 22
Turnover	8,992	6,802
EBITDA	(613)	1,288
Profit before tax (PBT), before exceptional	(2,536)	885
Profit before tax (PBT)	(2,538)	858
Profit after tax (PAT), before exceptional	(2,302)	657
Profit after tax (PAT)	(2,304)	630

The performance of NINL Business is included in FY2022-23.

The production and sales performance of TSLP (on a standalone basis) is given below:

(mn tonnes)

	FY 23	FY 22	Change (%)
Crude steel	0.71	0.68	3
Saleable steel	0.71	0.67	6
Sales	0.66	0.65	-

The production and sales performance of NINL is given below:

(mn tonnes)

	FY 23	FY 22	Change (%)
Crude steel	0.20	-	N.A.
Saleable steel	0.17	-	N.A.
Sales	0.17	-	N.A.

Another big milestone of growth journey started with the ground-breaking ceremony for putting up the State of Art facility of 0.5 MTPA 'Combi mill' for speciality steel in Jamshedpur. The upcoming mill would deliver benchmark level of product quality parameters in terms of dimension tolerance, decarb level and surface defect to enhance presence and grow in chosen segments of Passenger Vehicle ('**PV**') and 2-Wheelers (2W). The project has also been selected & approved by Ministry of Steel for Automotive Power train and Bearing steel as part of PLI (Production Linked Incentive) scheme for Speciality steel. The project is under full swing focusing on timely completion.

On the sustainability front, TSLP made certain bold moves to reduce CO_2 footprint. The prime focus area is transitioning towards green energy through multiple initiatives such as partial closure of one coal based captive power plant at Gamharia, maximising green power generation through waste heat recoveries and change in fuel combination to reduce fresh coal usage.

These initiatives coupled with increased throughput and reduced fuel consumption across mills have resulted in ~9% Y-o-Y reduction in CO_2 from 4.39 tons/ton of Crude Steel in FY2021-22 to 4.39 tons/tcs in FY2021-22 to ~4 tons/tcs in FY2022-23.

As part of the customer obsession journey, TSLP has undertaken several initiatives to improve relationship, product quality and new product development. Positive impact of the initiatives has got reflected in the customer satisfaction survey conducted by an independent agency. Customer satisfaction score for TSLP has significantly improved to 85.4% in 2022 from 79.4% in 2020 and largely bridged the gap with respect to the competition.

On the operations front, TSLP has first time crossed the landmark of 700 KT+ of crude steel production and achieved highest ever speciality steel deliveries of 536 KT in FY2022-23 registering a growth of ~10% on Y-o-Y basis. TSLP has also achieved best-ever DRI production from Gamharia unit at 463 KT (~18% growth on Y-o-Y basis).

Continuing with its journey on integration, TSLP has migrated on S4 Hana across all three operating locations to have enterprise-wide single ERP (Enterprise Resource Planning) system.

The prolonged geopolitical instability in the form of Russia-Ukraine war resulted in heightened inflationary pressure in the post-COVID world. Central banks across the world increased interest rates. Zero COVID policy and collapse of property market in China, energy crisis, export duty imposition on steel and iron ore by Indian Government further impacted the market sentiments. FY2022-23 saw volatility in the raw material and steel prices during the year like never before which is reflected in the quarterly results of the most steel companies and TSLP had been no exception to this. Accordingly, TSLP's financial performance for FY2022-23 had been a year of two halves. H1 FY2022-23 struggled on high priced coal consumption followed by downward spiral of prices post imposition of export duty in the month of May 2022 by the Government of India. In addition, the power availability from grid and certain disturbances at Blast Furnace impacted the operational performance. TSLP has demonstrated agility and re-aligned its supply chain to minimise the impact of coal prices and logistics disturbances in the marketplace. In H2 FY2022-23, TSLP's financial performance bounced back driven by operational excellence and mix enrichment. TSLP has changed Joda business model on conversion with Tata Steel to optimise its working capital requirement. EBITDA loss of H1 FY2022-23 got fully negated in Q3 FY2022-23 and TSLP has achieved positive underlying PBT (without considering the interest burden on the NCRPS) in Q4 FY2022-23. TSLP has remained resilient throughout the year and seamlessly managed cash flows thereby averting need of any fresh borrowing.

TSLP's efforts are getting recognised at various forums on multiple fronts. TSLP has bagged the Outstanding accomplishment in Corporate Excellence award from CII. The assessment happened across 250 sustainability indicators out of which >70% parameters reflect TSLP's strength area. The rest have been identified as opportunity for improvement for TSLP. TSLP has received a prestigious award that is first amongst Tata Group; as winner for excellence in wellness initiatives from SHRM (Society of Human Resource Management). TSLP is striving towards making the organisation free from lifestyle diseases. In addition, TSLP has received other key awards as listed below:

Safety & Sustainability

- Steel Champion in Energy Excellence from CII.
- Kalinga Safety Excellence Award in 'Best Practices on behavioral & Workplace Safety'.
- Eastern Region 2nd Runner up for 'Best performance in employee health, safety & environmental care'.

Customer Engagement

- Best performance in Steel Quality from Mahindra CIE Group vendor conference 2022.
- Best Supplier of CHQ (Cold Headed Quality) Steel wire rods from M/s Micron Precision Screws, Rohtak.

People Management

- Future of Learning & Development (L&D) Summit & Awards 2022 – Winner in L&D Excellence Award Category.
- AIMA (All India Management Association) Project Excellence Award 1st Runner Up for Best CSR (Corporate Social Responsibility) projects.

During the FY2022-23, TSLP, on a consolidated basis had produced 893 KT of sponge iron (including 156 KT conversion for TSL) and 910 KT of steel as against 839 KT of sponge iron and 684 KT of steel in FY2021-22. Deliveries of FY2022-23 for sponge iron was 648 KT (including 151 KT conversion for TSL) as against 594 KT of FY2021-22. Steel deliveries was 822 KT as against 639 KT of FY2021-22 contributed by NINL acquisition. The turnover of FY2022-23 had increased over FY2021-22 by ₹2,190 crore primarily due to acquisition of NINL during the year along with higher average net realisation of steel and sponge iron. The loss after tax of FY2022-23 at ₹2,304 crore was higher against a profit of ₹630 crore in FY2021-22 primarily due to decline in operating profit due to higher input costs, higher ramp-up expenses at NINL and increase in depreciation charge and finance cost post NINL acquisition.

3. Tata Steel Europe (TSE)

Economic growth decelerated globally in 2022. Economic activity was impacted by the rise of central bank rates to fight inflation, the war in Ukraine and the spread of COVID-19 in China. Inflation was at 7.8%, significantly above levels seen in previous years (2.9% in 2016-2020). In China, GDP growth increased by 3.0% (2021: 8.5%). The deceleration was mainly due to the lockdowns as a result of COVID-19 outbreaks which impacted consumer spending and industrial output, and a slowdown of real estate. Lower economic growth in China led to reduced global trade growth and lower global commodity prices. The EU economy decelerated to 3.6% (2021: 5.3%) and the UK economy to 4.0% (2021: 7.6%). The EU and UK economy remained resilient due to the strong contribution from the services sector and overall positive developments over the first half of the year. In the second part of the year consumer confidence and business sentiment worsened as the central banks started to increase interest rates.

Global steel demand decreased by 3.2% in 2022 in line with the worsening macroeconomic conditions (2021: 2.8% growth). Demand in China decreased by 3.5% (2021: 5.4%) as output in the real estate sector declined. New construction started declining by 36% for the year. Demand in the EU28 decreased by 8.0% (2021: 18.1% growth). Output growth in the steel-using-sectors was positive in 2022 due to strong output in the first half of the year. However, apparent demand for the full year declined strongly due to a significant destock, especially during the latter part of the year. The destock was triggered by lower business confidence caused by high energy prices and inflation, as well as the deterioration of the economic outlook. In 2022, global steel production decreased by 4.7% (2021: 3.9% growth). Steel production in China decreased by 2.6% (2021: 2.9%) and equated to 55% of global steel production. In the EU, production decreased by 10.8% (2021: 15.6% growth) as ~20% of EU blast furnaces were idled in response to lower demand for steel.

The market reference price for iron ore fines (China CFR 62%) decreased in 2022 to ~US$120/t (-$39/t). The price declined because there was lower demand for iron ore due to the reduction of output by blast furnaces globally. The hard coking coal spot price (Australia FOB) increased to US$365/t (+$141/t). The price was at an all-time high of US$594/t in March 2022 due to the loss of supply from Russia as a result of the war in the Ukraine. The German benchmark scrap price (Sorte 2/8) increased to €414/t (+€16/t) compared to the previous calendar year. The price of CO_2 increased in 2022 to €81/t (+€28/t), reaching an all-time high in February 2022 at €91/t. Reforms of the EU and UK Emissions Trading System, reducing the supply of permits, are causing the price to rise.

The European steel spot Hot Rolled Coil price (Germany, parity point) decreased in 2022 to €930/t (-€44/t). In April 2022 the steel price was at an all-time high of €1,385/t due to the loss of supply from Ukraine and Russia. In the later part of the year the price reduced strongly as apparent demand for steel reduced significantly.

For 2023, the outlook for the EU and UK economy is that growth will be low (+0.5% for the EU and 0.0% for the UK). Monetary policy tightening is expected to have a negative impact on growth. Output in construction and machinery is expected to decline whilst automotive is expected to grow slightly. Apparent demand for steel in the EU is expected to continue to decline by 1.6%. Downside risks to these forecasts are higher than expected inflation, the lagged effect of monetary tightening and unexpected developments in geopolitics.

The turnover and profit/(loss) figures of TSE are given below:

(₹ crore)

	FY 23	FY 22
Turnover	90,300	90,023
EBITDA	4,632	12,164
Profit before tax (PBT), before exceptional	1,103	8,362
Profit before tax (PBT)	1,304	8,114
Profit after tax (PAT), before exceptional	(3,464)	9,235
Profit after tax (PAT)	(3,263)	8,986

The production and sales performance of TSE (continuing operations) is given below:

(mn tonnes)

	FY 23	FY 22	Change (%)
Liquid steel production	9.35	10.11	(8)
Deliveries	8.16	9.02	(10)

TSE's deliveries decreased by ~10% over the previous year due to low demand from the market in the second half of the year following the general economic slowdown in Europe. This lower demand also contributed to production in FY2022-23 decreasing by 0.76 MnT (8%) compared to the previous year although production was not as low as deliveries due to a build-up of inventory in TSN in order to support operations during an extended outage for the Blast Furnace 6 reline at the start of FY2023-24.

During the year under review, the revenue stood at ₹90,300 crore which was marginally higher than FY2021-22. However, in GBP terms, revenue increased by 5% due to improved average revenue per tonne which more than offset the lower deliveries. TSE reported EBITDA of ₹4,632 crore during FY2022-23 lower than the EBITDA of ₹12,164 crore during FY2021-22. This reflected contrasting EBITDA performance between the first and second half of the year with the first half benefitting from exceptionally high selling prices resulting in record EBITDA performance. The second half however, experienced a reduction in selling prices due to lower market demand following the economic slowdown in Europe although raw material and energy costs remained high which resulted in EBITDA losses. A higher non cash deferred tax charge due to actuarial movements on the British Steel Pension Scheme following a number of transactions whereby the Scheme purchased insurance policies to de-risk the pension liabilities, led to a loss after tax of ₹3,263 crore in FY2022-23 against a profit of ₹8,986 crore in FY2021-22.

Tata Steel Netherlands ('TSN') – Liquid steel production at IJmuiden Steel Works, Netherlands during FY2022-23 at 6.3 MT was 0.28 MT lower than the previous year reflecting the weakening of the market during H2 FY2021-22 after a strong start earlier in the financial year.

During FY2022-23, TSN continued with the Transformation Programme (rebranded into 'sustainable profit programme') which is targeting improvements to delivery and yield performance, commercial mix, and reducing operating costs and unplanned downtime.

Further progress was also achieved in its 'Strategic Asset Roadmap' (STAR) capital investment programme to support the strategic growth of differentiated, high value products in the automotive, lifting and excavating, and energy and power market sectors. Most noticeably, projects in the Hot Strip Mill, Cold Mill 21 and Galvanising line 3 were delivered. However, the start-up of the CM21 project took much longer than expected leading to supply issues to our customers.

The Blast Furnace 6 reline started at the end of March 2023 and will take approximately 4 to 5 months. Supplies to customers will not be affected as a slab stock has been build up to feed the rolling mills.

Furthermore, significant progress was achieved regarding the 'Roadmap+', which contains a series of measures to eliminate the environmental impact (noise, dust, odour) of the IJmuiden Steel Works.

In September 2021, TSN announced its decision to accelerate its transition from coal-based steelmaking to hydrogen-based steelmaking at its IJmuiden site. During the year under review, activities to pursue our ambition continued. In July 2022, TSN and government bodies entered into an amended and restated joint 'Expression of Principles', outlining our shared ambition to transform TSN into a clean, green and circular steel producer. In August 2022, selected partners were contracted for engineering activities while a team of >100 FTE is working on the transition.

TSN is working with its customers towards a zero carbon emission, circular world. To support the joint short-term ambitions, TSN launched Zeremis Carbon Lite in the summer of 2022, through which green steel is offered to the market. The lower CO_2 intensity is based on CO_2 savings realised within TSN since 2018 and is certified by independent assurance expert DNV.

Tata Steel UK ('TSUK') – Liquid steel production at Port Talbot Steel Works, Wales during FY2022-23 at 3.02 MnT was 0.47 MnT lower than the previous year mainly due to lower market demand in the second half of the year. During FY2022-23, TSUK undertook a significant maintenance programme focused on its steelmaking assets in Port Talbot in order to improve operational stability. This included a successful installation of a new charger crane in the steel plant, refurbishment of the Blast Furnace stoves and the first phase of the replacement of the teeming ladle fleet. Given the high energy costs in Europe, TSUK focused on improving energy efficiency measures which included a peak internal power generation of 100 MwE and optimisation of energy consumption rates on the reheat furnaces in the Hot Strip Mill.

During the year, the Transformation programme continued to deliver benefits with an improvement of £52m compared to FY2021-22 mainly reflecting lower cost to produce slab and the optimisation of product value streams across the whole UK Value Chain. In response to the deteriorating financial performance in the second half of FY2022-23 caused by the weaker economic conditions, TSUK launched a new cost saving initiative 'Drive to Save' in order to reduce spend levels and ensure that the business has a strong focus on cash.

During the year, two further insurance transactions (~GBP 4.4bn) were completed between the British Steel Pension Scheme ('**BSPS**') and Legal & General taking the proportion of liabilities insured to c. 60%. A final insurance transaction is expected to complete in the early part of FY2023-24 after which the BSPS will be fully de-risked.

In TSUK, 12 new products were launched during the year, which exceeded the annual target. These launches cover a wide range of high value products and end applications for automotive, engineering, renewables and construction markets for both the UK and export opportunities. Some key launches have been in the construction market including the launch of new off-site manufactured construction solutions with Catnic Matrix and Trimawall Fast-Fit, which enable quicker, safer and standardised onsite construction. In the renewables sector, TSUK launched Magizinc® for Solar S450 product with its 25-year guarantee and, for export, TSUK's Hot Rolled Dry specifications are now certified to ASTM standards to enable these products to be used across the NAFTA region.

During FY2022-23, TSUK took the landmark step, working in partnership with TSN, to launch its first low CO_2 steel products. This means that TSUK can now offer to the market a scope 3 emissions reduction, using a mass balanced approach through a carbon in-setting scheme called Carbon Lite. Under the scheme Tata Steel has committed to reinvest all revenues from Carbon Lite certificates to further drive our de-carbonisation journeys of Optemis for Tata Steel UK and Zeremis for Tata Steel Netherlands.

4. **Tata Steel Thailand ('TSTH')**

During FY2022-23, the demand for steel in Thailand was at 16.4 MnT, decreased by 12.2% from the previous year. Import volume was 10.8 MnT, at 66% of the demand for steel in Thailand, dropped by 13.1% Y-o-Y.

Demand for long products in Thailand was 6.2 MnT declined by 5.1% Y-o-Y. Import volumes was 2.5 MnT (41% of the total long products demand in Thailand), which was down by 4.2% Y-o-Y.

The turnover and profit/(loss) of TSTH for FY2022-23 are as follows:

(₹ crore)

	FY 23	FY 22
Turnover	6,992	7,431
EBITDA	239	736
Profit before tax (PBT), before exceptional	166	611
Profit before tax (PBT)	155	593
Profit after tax (PAT), before exceptional	167	612
Profit after tax (PAT)	156	594

The production and sales performance of TSTH is given below:

(MnT)

	FY 23	FY 22	Change (%)
Saleable steel	1.20	1.29	(7)
Sales	1.21	1.33	(9)

During FY2022-23, the saleable steel production decreased by 0.09 MnT and sales declined by 0.12 MnT over FY2021-22. The turnover decreased by ₹440 crore primarily due to sluggish demand for retail in domestic market. The profit after tax was lower by ₹438 crore on account of lower operating profits, offset by lower finance cost and lower exceptional charge.

Key Business Highlights

- Tata Business Excellence Model ('**TBEM**') assessment score improved from 559 points (previous assessment in 2018) to 578 points which is the category of 'Emerging Industry Leader'.
- Dividend payout after 14 years (FY2021-22 results).
- Modified machine to produce 18m length rebar for Canada.
- Stabilised quality of wire rod for small diameter (0.28mm) tire cord product.
- Co-branding with B2B customer for sustainable construction solutions with using Cut and Bend in the project (SC asset developer).

Recognitions

- TSTH received 'Thailand Sustainability Investment (THSI) 2022' from The Stock Exchange of Thailand.
- TSTH received 'Sustainability Disclosure Award 2022' from Thaipat Institute.
- TSTH has been selected as one of the 'ESG100 Securities Group Companies' from Thaipat Institute.
- SCSC received 'Prime Minister's Industry Award 2022' in Circular Economy Category from Ministry of Industry.

5. The Siam Industrial Wire Co. Ltd. ('SIW') & TSN Wires Co. Ltd. ('TSN Wires')

T S Global Holdings ('**TSGH**') Singapore, a 100% indirect subsidiary of Tata Steel Limited, had divested its equity stake in NSH to a Singapore based steel and iron ore trading company for an Equity Value of ₹1,275 crore. The wires business of NatSteel in Thailand (Siam Industrial wires) has been retained by the Company as part of the downstream wires portfolio. The transaction was completed on September 30, 2021.

SIW serves the B2B Construction industry in Thailand and around the World with its Steel Wires for concrete reinforcement applications. TSN Wires serves the Fencing, Poultry, Farming, Paper and other related segments with its Galvanised Wires.

FY2022-23 presented many difficult challenges like the resurgence of COVID-19, the Ukraine war, high inflation and high energy costs, fluctuations in currency and steel prices, severe flooding in Thailand and significant slowdown of the Chinese economy. As a result, this had a severe impact on the Thai Construction demand and also on the other consumer facing sectors.

The turnover and profit/(loss) of SIW for FY2022-23 are as follows:

(₹ crore)

	FY 23	FY 22
Turnover	1,930	1,972
EBITDA	235	228
Profit before tax (PBT)	190	242
Profit after tax (PAT)	159	211

The production and sales performance of SIW is given below:

(mn tonnes)

	FY 23	FY 22	Change (%)
Saleable steel	0.20	0.22	(12)
Sales	0.16	0.17	(5)

The turnover and profit/(loss) of TSN Wires for FY2022-23 are as follows:

(₹ crore)

	FY 23	FY 22
Turnover	267	325
EBITDA	0	23
Profit before tax (PBT)	(14)	10
Profit after tax (PAT)	(14)	10

The production and sales performance of TSN Wires is given below:

(mn tonnes)

	FY 23	FY 22	Change (%)
Saleable steel	0.03	0.04	(16)
Sales	0.03	0.04	(21)

During FY2022-23 the combined saleable steel production (SIW & TSN Wires) decreased by 0.03 MnT and sales declined by 0.02 MnT over FY2021-22 attributable to subdued demand. The combined turnover decreased by 4% primarily due to lower deliveries owing to decline in demand. The profit after tax declined on account of lower operating profits, and higher exceptional charge against a gain in previous year on account of impairment of investment (eliminated on consolidation).

Key Business Highlights

- Secured the biggest PC Strand market in USA in 2022 with a 23% import share.
- Initiated the homologation process in Italy, Netherlands and Germany for greater market access in Western Europe.

Recognitions

- SIW achieved certification of Low Emission Support Scheme ('**LESS**') by Thailand Greenhouse Gas Management Organization ('**TGO**') on reducing GHG emission.
- SIW received Green Industry Level 4 from the Ministry of Industry, Thailand.
- SIW received Corporate Social Responsibility Continuous Award (CSR – DIW Continuous Award). The award is for the 14th consecutive year from the Department of Industrial Works, Ministry of Industry, Thailand.
- SIW & TSN Wires received Outstanding Award for Safety, Occupational Health and Work Environment from Occupational Safety and Health Bureau, Department of Labor Protection and Welfare, Ministry of Labour, Thailand.

6. Tata Metaliks Limited

Tata Metaliks Limited ('**TML**') has its manufacturing plant at Kharagpur, West Bengal, India, which produces annually 250 KT of Pig Iron ('**PI**') and 350 KT of Ductile Iron Pipes ('**DIP**'). Pig iron is marketed under the brand name 'Tata eFee' and ductile iron pipe as 'Tata Ductura'.

The PI demand throughout the year remained subdued with downward corrections in prices. Overall buying sentiments were weak on the face of price volatility of raw materials, with foundries operating at a maximum 50-60% capacity levels. PI exports saw upsurge in Q1 FY2022-23 and reached an estimated 190 KT compared to 88 KT in Q4 FY2021-22. However, price corrections and imposition of export duty on PI depressed exports significantly from June 2022. Prices dropped by ~$140/t on FoB east coast India basis. Exports were negligible till Q3 FY2022-23. Even after removal of Export duty in mid-November, the export market remained dull resulting in over-supply in the domestic market. Only in the last quarter of FY2022-23, bulk PI booking for export commenced, though it is yet to reach the pre-export duty imposition levels. On the price front, domestic foundry grade PI prices kept correcting itself downwards throughout the year. By H1 FY2022-23 it was lower by ~₹8k-12k/t compared to Q4 FY2022-23 and by the end of the year it was lower by ~₹4,000/t from H1 FY2022-23.

The DIP segment, after peaking in Q4 FY2022-23 at ~580 KT, the industry witnessed a drop in dispatches by ~30% in Q1 FY2022-23 due to planned maintenance shutdowns and slower release of orders and clearances. By end of H1 FY2022-23 situation improved and by the last quarter of FY2022-23 dispatches witnessed improvement by ~11% over Q3. This was due to year-end target fulfilment for all the departments and contractors and Government pressure to utilise the available fund with the respective authorities within the financial year. Export bookings in the first quarter remained healthy in April & May but slowed down in June till end of H1 because customers anticipated drop in DIP prices. Export bookings remained healthy thereafter till the end of the year. On the price front, after witnessing an upward movement of ~50% in Q4 FY2022-23 over Q3 prices, it started to soften throughout H1 FY2022-23 and reached levels same as Q4 FY2022-23. It started to strengthen in Q3 FY2022-23 and by the last quarter market witnessed upswing in price of ~50-55%.

Key Business Highlights

The Company successfully commissioned new DI Pipe plant at Kharagpur to take its DI Pipe plant capacity to 4 LTPA. The first phase of expansion had a vertical ramp-up and the second phase is under way.

Digitisation and automation: TML started its digital transformation journey in FY2018-19 and developed a Long-term Digital Strategy Roadmap that focused on three themes: Real-time data analytics, Smart machines and Business on Mobile. In FY2022-23, TML took some key strategic initiatives such as (a) Project ARUNA, to drive EBITDA improvement data analytics projects across the organisation and (b) Implementation of Robotics based automation in DIP plants. The new DIP plant with high level of Automation, Mechanisation and Digitalisation got commissioned and started operating. This plant has many firsts in DIP industry in the country such as fully automated core shop with Automated Stacking and Retrieval System (ASRS) system. In addition, the plant will have over 20 robots to reduce human machine interface and improve workforce productivity. TML strengthened its capability in area of robotics and developed in-house robotics solutions which are being implemented for the first time in DIP industry in the country.

The turnover and profit/(loss) figures of TML for FY2022-23 are as follows:

(₹ crore)

	FY 23	FY 22
Turnover	3,260	2,746
Profit before tax (PBT)	101	339
Profit after tax (PAT)	81	237

During FY2022-23, the production of PI and DIP was 270 KT and 300 KT respectively as against 344 KT and 235 KT respectively in FY2021-22. Deliveries of PI and DIP in FY2022-23 was 262 KT and 296 KT respectively as against 341 KT and 237 KT respectively in the previous year.

The turnover during FY2022-23 at ₹3,260 crore, was higher by ₹514 crore over previous year primarily due to higher prices of pig iron and DI pipes along with higher deliveries of DI pipes. The profit after tax during FY2022-23 at ₹81 crore, was lower by ₹157 crore over previous year due to lower operating profits attributable to higher input costs primarily coal along with higher finance cost and depreciation charge. Moreover, previous year included an exceptional gain of ₹31 crore on account of sale of land which is not present in current year.

Recognition

- Awarded 'Green Co Gold' in Green Co Assessment by CII – Sohrabji Godrej Green Business Centre.
- Received 'CAP Oriented Award' under the Climate Action Plan (CAP) assessment conducted by CII.
- Adjudged as the 2nd Runners-Up at CII Energy Conservation Award 2022.
- Declared Winner under the Listed Medium Category at the 'Corporate Governance Recognition 2022' - organised by BCCI.

7. The Tinplate Company of India Limited

The Tinplate Company of India Limited ('**TCIL**') is the largest indigenous producer of tin-coated and tin free steel in India which is used for metal packaging. TCIL has also been 'value-adding' its products by way of providing printing and lacquering facility to reach closer to food processors/fillers. TCIL has two Cold Rolling Mills and two electrolytic tinning lines with an installed annual production capacity of around 379 KT of tinplate and tin free steel with ~100% capacity utilisation. With growing demand for tinplate driven by rising urbanisation and penetration of organised retails, TCIL has planned to expand its capacity by additional 3,00,000 MTPA at the existing location in the next few years.

The turnover and profit/(loss) figures of TCIL for FY2022-23 are as follows:

(₹ crore)

	FY 23	FY 22
Turnover	3,983	4,272
Profit before tax (PBT)	193	471
Profit after tax (PAT)	143	353

During FY2022-23, the production at 362 KT, was marginally lower over FY2021-22 by 12 KT and deliveries at 362 KT, were also lower by 11 KT over the previous year, primarily due to decline in demand and planned shut-down during the year. The turnover during FY2022-23 at ₹3,983 crore lower by ₹289 crore over previous year on account of decrease in average realisation along with lower deliveries. Profit after tax during FY2022-23 was ₹143 crore, lower by ₹210 crore over previous year due to lower operating profit partly attributable to decrease in realisations and higher input costs offset by higher finance income.

Key Business Highlights

- Execution of critical capital projects like Offline induction reflow system at both Electrolytic Tinning Lines ('**ETLs**'), upgradation of pin hole detectors for both ETLs, upgradation of helper rolls drives & motors at ETL2, installation of secondary scrapping system at printing line-1.
- The collaborative work with Tata Steel Europe ('**TSE**') and Tata Steel Jamshedpur ('**TSJ**') continued leading improvement in product quality attributes and consumption efficiency improvement in Tin and Mill Rolls.
- The Environment Clearance related to the Growth plan has also been received and a dedicated team had been working on technical specifications of major packages,

which have now reached final discussion stage with suitable vendors.

- TCIL achieved its highest ever capitalisation of over ₹100 crore in FY2022-23.

Recognition

- TCIL was recognised as the 'Fastest Growing Organization' in the category of > ₹1,500 crore annual turnover at the Economic Times Corporate Awards 2023 at Kolkata.
- TCIL received the 'Happiest Workplaces Award' at Delhi at the Business World People Awards 2023.

8. Tata Steel Downstream Products Limited

Tata Steel Downstream Products Limited ('**TSDPL**') (formerly Tata Steel Processing and Distribution Limited) is a leader in the organised Steel Service Centre business in India. TSDPL has a pan India presence with 10 steel processing plants and 13 distribution and sales locations. Value-added offerings of TSDPL include slitting, cut-to-length, blanking, corrugation, plate burning, fabrication, component manufacturing and steel intensive products and applications. TSDPL's products and services conform to world class quality standards in meeting customers' demand. Its entire operations including supply chain runs on a state-of-the-art ERP (Enterprise Resource Planning) system.

Key Business Highlights

- Implementation of IT / Digital initiative Under OTON (One Tata Operating Network) programme.
- During the year under review, TSDPL continues with the EBITDA improvement initiative 'Lakshya 25' towards achieving operational efficiency and improvement in cost effectiveness resulting in significant savings in cost.
- Oracle HCM, for Human Capital Management, People Strong for Payroll Management, iValua for Materials Management / Procurement, Happay for Expense and Travel management, Anaplan for Planning and Budgeting.

The turnover and profit/(loss) figures of TSDPL for FY2022-23 are as follows:

(₹ crore)

	FY 23	FY 22
Turnover	7,394	6,805
Profit before tax (PBT)	294	194
Profit after tax (PAT)	246	144

During the year under review, TSDPL processed around 3.4 MnT – its highest ever dispatch. TSDPL has also delivered the best ever financial performance in its history with the highest ever turnover of ₹7,394 crore and the highest ever EBITDA of ₹363 crore.

During the year under review, the production and deliveries from tolling business were at 2,422 KT, higher by 157 KT than the previous year and for distribution business, the production was at 1,048 KT, higher by 158 KT over FY2021-22 and the deliveries of distribution business stood at 1,007 KT which was higher by 113 KT attributable to the improvement in the demand. Turnover was higher by ₹588 crore mainly supported by higher sales volume. Profit after tax was higher by ₹103 crore due to higher operating profits which was primarily due to a dividend income from an affiliate.

TSDPL intends to set up a Steel Service Center at Sanand, Gujarat (West) to service customers in the western market. TSDPL also plans to foray into processing steel for Pravesh initiative. Further, several upgrades are planned for the existing plants to enhance the overall processing capacities. TSDPL also aims to enter the Steel Recycling business.

Recognition

TSDPL Pune unit bagged Greenco Platinum Award: first in the Indian Steel Industry.

9. Bhubaneshwar Power Private Limited

Un-interrupted power supply and cost of power is a challenge for large power intensive process industries. Industries which produce 365 days per annum, continue to depend on thermal power plants for their base load requirements.

Bhubaneshwar Power Private Limited ('**BPPL**') is in the business of generation of power. It owns 135 MW (2x67.5 MW) coal based power plant in Odisha. BPPL supplies 120.5 MW power to Tata Steel and Tata Steel Mining Limited.

During the year under review, BPPL has used primary coal from Mahanadi Coalfield Ltd. (MCL) at higher rate since the coal demand & spot auction price during FY2022-23 were higher compared to last year. Power Generation was lower compared to last year due to lower offtake by the customers.

The turnover and profit/(loss) figures of BPPL for FY2022-23 are as follows:

(₹ crore)

	FY 23	FY 22
Turnover	597	516
Profit before tax (PBT)	59	52
Profit after tax (PAT)	45	39

During FY2022-23, the turnover was ₹597 crore, higher by ₹81 crore over previous year primarily due to higher energy charges attributable to increase in coal prices. The profit after tax during FY2022-23 was at ₹45 crore, which was higher by ₹6 crore over previous year primarily due to lower net finance cost.

Recognition

Received Kalinga Environmental Excellence Award (5 Star Category) for 'Excellence in Environmental performance in Odisha' at the 7th National Seminar on Sustainable Environment & Climate Change 2022.

10. Tata Steel Mining Limited

Tata Steel Mining Limited ('**TSML**') is in the merchant mining business and have long term mining leases of three chromite mines viz. Sukinda, Saruabil and Kamarda in Jajpur district, Odisha. Apart from this, TSML has won the bid for Gandhalpada Iron Ore Block, which is in the stage of various statutory clearances. TSML serves the requirements of both domestic & overseas stainless steel producers. With the acquisition of erstwhile company Rohit Ferro-Tech Limited, TSML has increased its capacity of Ferro Chrome production by 1,00,000 MT. Besides addition of Ferro Chrome capacity, TSML is ramping up for Stainless Steel Production at its Bishnupur facilities.

Key Business Highlights

- Scaled up ferro chrome production to 389 KT in FY2022-23 from 373 KT in FY2021-22.
- Implementation of e-Logistics process to automate despatch at Mines.
- Implementation of e-Sales process to automate order booking and display details to customers.
- TSML has signed an agreement with GAIL for supply of Natural Gas for replacement of Furnace Oil used in Briquetting Operations. This will lead to reduction in carbon emissions to the tune of 1,000 tonnes of CO_2 equivalent/year.

The turnover and profit/(loss) figures of TSML for FY2022-23 are as follows:

(₹ crore)

	FY 23	FY 22
Turnover	5,000	4,605
Profit before tax (PBT)	(270)	(1,131)
Profit after tax (PAT)	(272)	(883)

During FY2022-23, the turnover was ₹5,000 crore (previous year ₹4,605 crore) which increased owing to higher volumes and prices of ferro chrome. During FY2022-23, TSML reported lower loss after tax amounting to ₹272 crore as against loss of ₹883 crore in previous year as previous year included provision for low grade inventory having no market value along with higher provisions for royalties as per Mine Development and Production Agreement (MDPA).

Recognition

- TSML has received the prestigious Responsible Chromium recognition from the International Chromium Development Association (ICDA) and became the first Indian mining company to receive this prestigious international recognition.
- Odisha State Productivity Council awarded 5 Star rating in Productivity Excellence Award 2022 for Team Environment and 4 Star rating in Productivity Excellence Award-2022 for Team FAP-Gopalpur.
- TSML received recognition of Excellence in Biodiversity by Jury of CII-ITC Sustainability Awards 2022.
- Sukinda Chromite mine and FAP Gopalpur have bagged CII state level awards for SHE.
- TSML has been bestowed with Kalinga Environment Excellence Award.

11. Tata Steel Minerals Canada

Tata Steel Minerals Canada ('**TSMC**') is a partnership between Tata Steel (82%) and the Government of Quebec (18%). At TSMC, we mine and process high-grade iron ore from our multiple isolated hematite deposits occurring over 30 km in the Menihek region of Labrador and northern Quebec, near Schefferville, and containing from < 1 MnT to 50 MnT of high-grade ore. Fines for sintering and superfine material from our beneficiation plant are produced with a minimum iron content of 64% Fe while our DSO (Direct Shipping Ore) facilities crush, screen and dry 60%-62% Fe iron ore for direct shipping. Our product is railed to Sept-Îles (a city in Canada) for shipping to our customers worldwide.

The iron ore market remained stressed in FY2022-23. Iron ore prices continued to fall from U$ 137 per dry metric tons (CFR) in Q1 to U$ 101 per dry metric tons in Q2. This coupled with increase in energy prices for diesel from, significantly impacted TSMC's performance. TSMC had decided to shut-down the plant for winter maintenance starting November 2022 with aim to restrict the losses. With improving iron ore prices in Q4 and a positive outlook of improving prices, the plant resumed operations towards the end of February 2023.

The turnover and profit/(loss) figures of TSMC for FY2022-23 are as follows:

(₹ crore)

	FY 23	FY 22
Turnover	649	739
Profit before tax (PBT)	(1,086)	(815)
Profit after tax (PAT)	(1,086)	(815)

During FY2022-23, the turnover was ₹649 crore significantly lower over previous year by ₹91 crore (12%) owing to lower volumes and prices. During FY2022-23 reported loss before tax amounting to ₹1,086 crore as against loss of ₹815 crore in previous year primarily on account of lower operating profits and higher finance cost during the year.

12. Creative Port Development Private Limited

Creative Port Development Private Limited ('**CPDPL**') is in possession of a 54 years concession (initial 34 years which is extendable for two terms of 10 years each) from the Government of Odisha for development of a Greenfield Seaport at Chaumukh Village, in Balasore District, Odisha on a 'BOOST' basis (Build, Own, Operate, Share & Transfer). CPDPL is availing this concession through a Special Purpose Company 'Subarnarekha Port Private Limited' and is in possession of all the statutory approvals for the project. In Phase – 1, the port will have an initial capacity of 25 MnT with a potential to expand to 150 MnT. CPDPL is already in possession of the port land and is in the advanced stage of getting the required land for railway corridor and construction of access road.

During the year under review, CPDPL has made substantial progress in private land acquisition, completed the oceanographic & geo technical survey for dredging and reclamation plan, obtained certain approvals for commencement of port construction and made substantial progress on its CSR intervention plan.

V. FINANCIAL PERFORMANCE

1. Tata Steel Limited (Standalone)

During FY2022-23, the Company recorded a profit after tax of ₹15,495 crore (previous year ₹33,011 crore). The decrease is primarily on account of reduction in realisations along with higher cost of production due to increase in raw material prices mainly of coking coal. Higher finance cost due to additional loans taken during the year, along with higher exceptional loss as compared to the previous year, which was partly offset by higher interest income on investments and loans to group companies. The basic and diluted earnings for the FY2022-23 were at ₹12.68 per share and ₹12.67 per share respectively (previous year: basic and diluted: ₹27.03 per share and ₹27.01 per share respectively).

The analysis of major items of the financial statements is given below:

a) Revenue from operations

(₹ crore)

	FY 23	FY 22	Change (%)
Sale of products	1,25,565	1,26,070	(0)
Sale of power and water	1,902	1,611	18
Other operating revenue	1,540	1,340	15
Total revenue from operations	**1,29,007**	**1,29,021**	**(0)**

During the year under review, sale of products was marginally lower as compared to that of the previous year, primarily due to decrease in realisations in domestic as well as export markets partly offset by higher deliveries. Sale of power and water increased due to higher demand and prices. Increase in other operating income was primarily on account of conversion income at FAMD.

b) Purchases of stock-in-trade

(₹ crore)

	FY 23	FY 22	Change (%)
Purchases of stock-in-trade	7,467	4,089	83

During the year under review, Purchases of stock-in-trade was significantly higher as compared to the previous financial year primarily due to higher purchase of rebars from group companies for trading along with higher scrap purchases for reducing carbon emissions including higher scrap prices. Purchases also increased at other sustainable businesses.

c) Cost of materials consumed

(₹ crore)

	FY 23	FY 22	Change (%)
Cost of materials consumed	54,012	35,257	53

During the year under review, cost of materials consumed increased significantly primarily due to significant increase in imported coking coal prices, along with other raw materials due to higher prices and increase in production during the year.

d) Employee benefits expense

(₹ crore)

	FY 23	FY 22	Change (%)
Employee benefits expense	6,616	6,366	4

During the year under review, the employee benefits expense increased primarily due to salary revisions and its consequential impact on retirement provisions.

e) Depreciation and amortisation expense

(₹ crore)

	FY 23	FY 22	Change (%)
Depreciation and amortisation expense	5,435	5,464	(1)

The depreciation charge during the year is at par with the previous year as the lower charge for assets fully depreciated during the year was offset by additions during the year.

f) Other expenses

(₹ crore)

	FY 23	FY 22	Change (%)
Other expenses	34,352	34,001	1

Other expenditure represents the following expenditure:

(₹ crore)

	FY 23	FY 22	Change (%)
Consumption of stores and spares	9,658	6,960	39
Repairs to buildings	42	47	(11)
Repairs to machinery	4,956	3,973	25
Relining expenses	232	204	14
Fuel oil consumed	530	377	41
Purchase of power	5,346	4,286	25
Conversion charges	2,271	1,798	26
Freight and handling charges	6,606	6,632	(0)
Rent	88	86	3
Royalty	3,783	5,506	(31)
Rates and taxes	1,520	2,066	(26)
Insurance charges	228	203	13
Commission, discounts and rebates	290	288	1
Allowance for credit losses/ provision for advances	(6)	63	(110)
Other expenses	3,327	3,970	(16)
Less :-Expenditure (other than interest) transferred to capital & other accounts	(4,519)	(2,458)	84
Total Other expenses	**34,352**	**34,001**	**1**

Other expenses were marginally higher as compared to the previous financial year primarily due to higher purchase of power due to increase in thermal coal prices along with higher repairs to machinery owing to higher production during the year, regular upkeep and IT implementation expenses. Higher conversion charges mainly due to conversion of pellets by subsidiary company. Moreover, there was increase in other general expenses mainly in travelling, CSR and others. These were offset by, decrease in royalty charges mainly on account of lower additional royalty on sale of iron ore along with decrease in rates of iron ore. Rates and Taxes decreased in line with lower royalty and lower electricity duty. Moreover, favourable exchange rate movement on inter-company loans/receivables resulted in gain during the current year. Consumption of stores and spares increased primarily on account of charging of project expenses for Kalinganagar Phase-II, which were majorly eliminated through transfer to capital account.

g) Finance costs and net finance costs

(₹ crore)

	FY 23	FY 22	Change (%)
Finance costs	3,792	2,792	36
Net Finance costs	939	1,667	(44)

During the year under review, finance costs increased primarily on account of higher interest on domestic term loans owing to fresh utilisation during the current financial year for capital expansion projects, higher interest on short-term borrowings, commercial papers and buyer's credit attributable to higher balances during the year.

Net finance charges were lower primarily on account of higher interest income on inter- corporate deposits, partly offset by higher finance cost along with and lower gain on sale of mutual funds.

h) Exceptional items

(₹ crore)

	FY 23	FY 22	Change (%)
Exceptional items	(779)	(235)	-

The details of exceptional items for the current year and previous year are as follows:

- Profit on sale of investments held in Subsidiaries and Joint Ventures ₹339 crore (previous year: ₹344 crore).
- Provision for Impairment of investments/doubtful advances (net of reversals) ₹1,056 crore (previous year: ₹93 crore).
- Restructuring and other provisions Nil. (previous year: ₹205 crore which primarily includes charge on Employees Family Protection Scheme for COVID-19).
- Provision for Employee Separation scheme ('**ESS**') under under Sunehere Bhavishya Ki Yojana ('**SBKY**') scheme and other schemes amounting to ₹92 crore (previous year: ₹331 crore).
- Fair valuation gain on investments amounting to ₹31 crore (previous year: gain of ₹50 crore on debentures held by the Company in one of its Joint Ventures).

i) Property, Plant and Equipment (PPE) including intangibles and right of use assets

(₹ crore)

	FY 23	FY 22	Change (%)
Property, Plant and Equipment	84,942	87,946	(3)
Capital work-in-progress	21,092	14,159	49
Goodwill	3	0	N.A.
Other Intangible assets	761	806	(6)
Intangible assets under development	515	383	35
Right of use Assets	5,480	5,538	(1)
Total PPE including intangibles & right of use assets	**1,12,793**	**1,08,832**	**4**

The movement in total PPE including intangible is higher primarily on account of increase in capital work-in-progress mainly at Kalinganagar Phase-II and normal additions during the year, which was offset by depreciation and amortisation charge during the year.

j) Investments

(₹ crore)

	FY 23	FY 22	Change (%)
Investment in Subsidiary, JVs and Associates	28,754	29,167	(1)
Investments - Non current	15,385	14,234	8
Investments - Current	2,050	96	2,033
Total investments	**46,189**	**43,498**	**6**

The increase in investments was predominantly on account of increase in Non-current investments mainly due to interest accrued on preference shares of TSLP along with increase in current investments. Decrease in investments in Subsidiary, JVs and Associates is mainly on account of sale of investment in NatSteel Asia Pte. Ltd. along with provision for impairment on investments in TSH pertaining to TSUK, partly offset by increase in investment at TSML and NINL.

k) Inventories

(₹ crore)

	FY 23	FY 22	Change (%)
Finished and semi-finished goods including stock in trade	7,873	6,731	17
Work-in-progress	0	0	-
Raw materials	8,527	9,289	(8)
Stores and spares	4,396	3,923	12
Total inventories	**20,796**	**19,943**	**4**

Finished and semi-finished inventory increased as compared to previous year mainly due to increase in stock quantities as compared to the previous year due to higher production, along with marginally higher rates of finished and semi-finished attributable to increase in raw material prices.

Raw material inventories have decreased over the previous year primarily on account of decrease in the quantity and prices of imported coking coal and thermal coal during the year.

Stores and spares inventory increased due to higher requirement.

l) Trade receivables

(₹ crore)

	FY 23	FY 22	Change (%)
Gross trade receivables	3,556	3,453	3
Less: allowance for credit losses	204	173	18
Net trade receivables	**3,352**	**3,280**	**2**

Trade receivables increased marginally as compared to that of the previous year primarily due to increase at profit centres primarily at New Material Business on account of higher sales and at FAMD in group company receivables for conversion income, partly offset by decrease in receivables from domestic steel customers due to higher financing and lower export debtors.

m) Gross debt and Net debt

(₹ crore)

	FY 23	FY 22	Change (%)
Gross debt	42,372	36,525	16
Less: Cash and Bank balances (incl. non-current balances)	1,153	2,935	(61)
Less: Current investments	2,050	96	2,033
Net debt	**39,169**	**33,494**	**17**

Gross debt was higher due to utilisation of various term loans and issue of Debentures during the year majorly for funding expansion projects, partly offset by repayment of short-term loan during the year.

Net debt was comparatively higher as compared to previous year. This is attributable to increase in the in gross debt along with decrease in cash and bank balances, partly offset by increase in current investments.

n) Cash Flows

(₹ crore)

	FY 23	FY 22	Change (%)
Net cash from/(used in) operating activities	14,227	41,986	(66)
Net cash from/(used in) investing activities	(11,061)	(34,168)	68
Net cash from/(used in) financing activities	(4,979)	(7,368)	32
Net increase/(decrease) in cash and cash equivalents	**(1,813)**	**450**	**(503)**

Net cash flow from/(used in) operating activities

During the year under review, the net cash generated from operating activities was ₹14,227 crore as compared to ₹41,986 crore during the previous year. The cash inflow from operating profit before working capital changes and direct taxes during the current year was ₹25,365 crore as compared to inflow of ₹50,307 crore during the previous year due to decline in operating profits. Cash outflow from working capital changes in 2022-23 is mainly due to decrease in Non-current/current financial and other liabilities/provisions by ₹4,556 crore primarily due to decrease in trade payables for coal purchases, along with increase in inventories by ₹1,012 crore primarily due to increase in quantities. Increase in Non-current/Current financial and other assets by ₹679 crore, in trade receivables and other advances with public bodies. The income taxes paid during the current year was ₹4,891 crore as compared to ₹11,240 crore (net of refund received for earlier years) during previous financial year.

Net cash flow from/(used in) investing activities

During the year under review, the net cash outflow from investing activities amounted to ₹11,061 crore as compared to ₹34,168 crore during the previous year. The outflow during the current year broadly represents capex of ₹8,555 crore, investments in subsidiaries ₹1,246 crore mainly in Tata Steel Mining Limited and Neelachal Ispat Nigam Limited, Inter Corporate Deposits given net of realisation amounting to ₹676 crore, purchase of current investments ₹1,822 crore, partly offset by net sale of investments of ₹1,112 crore which primarily includes sale of NatSteel Asia Pte. Ltd.

Net cash flow from/(used in) financing activities

During the year under review, the net cash outflow from financing activities was ₹4,979 crore as compared to an outflow of ₹7,368 crore during the previous year. The outflow during the current year broadly represents payment of dividend ₹6,233 crore and payment of interest ₹3,856 crore. The outflow was partly offset by, additional loans taken during the year including finance lease (net of repayments) ₹5,123 crore as against net repayment of borrowings of ₹1,033 crore in the previous year.

o) Changes in Key Financial Ratios

The change in the key financial ratios as compared to previous year is stated below:

(₹ crore)

	FY 23	FY 22	Change (%)
Inventory Turnover [1] (days)	59	47	26
Debtors Turnover (days)	9	9	0
Current Ratio [2] (Times)	0.86	0.62	38
Interest Coverage Ratio [3] (Times)	10.40	22.84	(54)
Debt Equity (Times)	0.33	0.33	(2)
Net Debt Equity (Times)	0.30	0.30	(1)
EBITDA Margin [4] (%)	21.84	39.88	(45)
Net Profit Margin [5] (%)	12.01	25.59	(53)
Return on average Net Worth [5] (%)	11.91	29.93	(60)

1) **Inventory Turnover Ratio:** Increased primarily on account of increase in average inventory during the current year and previous year owing to increase in prices of raw materials primarily coking coal.

2) **Current Ratio:** Increased primarily on account of reduction in current liabilities and provisions primarily for raw materials.

3) **Interest Coverage Ratio:** Decreased primarily on account of decline in operating profits along with higher finance cost due to increase in loans.

4) **EBITDA Margin:** Decreased primarily on account of decline in operating profits primarily on account of higher raw material cost and lower steel realisations.

5) **Net Profit Margin and Return on average net worth:** Decreased primarily on account of decrease in net profits mainly attributable to lower operating profits during the current year.

2. Tata Steel Limited (Consolidated)

The consolidated profit after tax of the Company was ₹8,075 crore as against ₹41,749 crore in the previous year. The decrease was mainly due to lower operating profits attributable to increase in raw material prices primarily of coking coal along with reduction in steel prices across geographies except Europe during the year and increase in finance cost due to additional loans at Tata Steel Standalone. Tax expenses was higher during the year due to higher non cash deferred tax charge at TSE mainly on account of de-risking of pension liabilities as compared to a credit in the previous year primarily attributable to TSBSL merger. The basic and diluted earnings for FY2022-23 were at ₹7.17 per share (previous year: basic and diluted: ₹33.24 per share and ₹33.21 per share respectively).

The analysis of major items of the financial statements is given below.

(Note: On September 30, 2021, T S Global Holdings Pte. Ltd. ('**TSGH**') (an indirect wholly-owned subsidiary of the Company) divested its entire stake in NatSteel Holdings ('**NSH**'), while the wires business in Thailand which was owned by NSH was retained within the Group. The performance of Neelachal Ispat Nigam Ltd. ('**NINL**') is included in the FY2022-23 as the company started its operations during the year post acquisition.)

a) Revenue from operations

(₹ crore)

	FY 23	FY 22	Change (%)
Tata Steel (Standalone)	1,29,007	1,29,021	(0)
TSE	90,300	90,023	0
TSLP	8,992	6,802	32
South-East Asia	9,189	12,195	(25)
Others	97,808	82,269	19
Eliminations & adjustments	(91,943)	(76,351)	(20)
Total revenue from operations	**2,43,353**	**2,43,959**	**(0)**

The consolidated revenue from operations was marginally lower as compared to the previous year primarily due to significant decline in realisations across geographies except Europe. Deliveries were lower mainly at European operations, due to weakening of demand and at South-East Asia due to sale of NatSteel Holdings Pte. Ltd. ('**NSH**') in FY2021-22. This was partly offset by higher deliveries at Tata Steel standalone operations.

Revenue at TSLP increased due to acquisition of NINL during the year. Revenues at TSE increased in GBP terms by 5% due to improved average revenue per tonne which more than offset the lower deliveries. Adverse exchange impact on translation had an offsetting impact on the increase at TSE. Others primarily include increase at TS Global Procurement which are majorly eliminated on consolidation.

b) Purchases of stock-in-trade

(₹ crore)

	FY 23	FY 22	Change (%)
Tata Steel (Standalone)	7,467	4,089	83
TSE	3,428	4,883	(30)
TSLP	-	-	N.A.
South-East Asia	4,616	7,425	(38)
Others	10,240	9,733	5
Eliminations & adjustments	(10,637)	(10,817)	2
Total purchases of stock-in-trade	**15,114**	**15,313**	**(1)**

Purchases were lower at South-East Asia (SEA) due to divestment of Singapore operations at NatSteel Holdings in FY2021-22, along with lower billet production at Thailand in the current year. Purchases decreased at TSE due to lower external purchases consistent with decline in deliveries. Increase at Tata Steel (Standalone) attributable to increase in purchases of scrap owing to higher quantities coupled with higher prices along with higher purchase of rebars from group companies for trading and increase at other sustainable businesses.

c) Cost of materials consumed

(₹ crore)

	FY 23	FY 22	Change (%)
Tata Steel (Standalone)	54,012	35,257	53
TSE	38,982	35,306	10
TSLP	6,853	3,930	74
South-East Asia	1,795	1,248	44
Others	76,972	62,082	24
Eliminations & adjustments	(77,131)	(62,059)	(24)
Total cost of materials consumed	**1,01,483**	**75,764**	**34**

Consumption was higher across all major entities mainly due to higher cost of consumption of imported coal & other raw materials owing to higher prices and higher consumption due to higher production. TSE reported increase in GBP terms primarily due to higher coal and coke prices. Increase at TSLP was mainly due to acquisition of NINL and higher coal prices.

Others primarily reflects increase in transactions at T S Global Procurement due to increase in coal prices, which are majorly eliminated on consolidation.

d) Employee benefits expense

(₹ crore)

	FY 23	FY 22	Change (%)
Tata Steel (Standalone)	6,616	6,366	4
TSE	13,687	14,879	(8)
TSLP	391	216	80
South-East Asia	318	554	(43)
Others	1,261	1,171	8
Eliminations & adjustments	146	78	87
Total employee benefits expense	**22,419**	**23,264**	**(4)**

Decrease in expenses was mainly at TSE primarily due to decrease in variable pay provisions due to reduced profitability along with favourable exchange impact on translation.

Decrease at SEA was mainly due to divestment of Singapore operations at NSH in the previous year, along with lower variable pay provisions at Thailand.

Increase in expenses at Tata Steel (Standalone) was mainly due to salary revisions and its consequential impact on retirement provisions. Increase at TSLP was attributable to acquisition of NINL during the year.

e) Depreciation and amortisation expense

(₹ crore)

	FY 23	FY 22	Change (%)
Tata Steel (Standalone)	5,435	5,464	(1)
TSE	2,387	2,451	(3)
TSLP	716	320	124
South-East Asia	92	199	(53)
Others	795	735	8
Eliminations & adjustments	(90)	(68)	(32)
Total depreciation and amortisation expense	**9,335**	**9,101**	**3**

Expense was higher than the previous year mainly on account of increase in depreciation charge at TSLP due to acquisition of NINL during the year, partly offset by decrease at SEA due to sale of NatSteel Holdings Pte. Ltd. ('**NSH**') in the previous year.

f) Other expenses

(₹ crore)

	FY 23	FY 22	Change (%)
Tata Steel (Standalone)	34,352	34,001	1
TSE	30,958	27,910	11
TSLP	2,871	1,562	84
South-East Asia	1,831	2,195	(17)
Others	9,278	11,831	(22)
Eliminations & adjustments	(3,895)	(3,773)	3
Total other expenses	**75,395**	**73,726**	**2**

Other expenditure represents the following expenditure:

(₹ crore)

	FY 23	FY 22	Change (%)
Consumption of stores and spares	21,475	15,959	35
Repairs to buildings	90	117	(23)
Repairs to machinery	11,584	9,572	21
Relining expenses	339	320	6
Fuel oil consumed	1,467	1,057	39
Purchase of power	8,060	6,971	16
Conversion charges	3,092	2,866	8
Freight and handling charges	12,648	12,139	4
Rent	2,923	2,672	9
Royalty	6,924	9,311	(26)
Rates and taxes	1,971	2,517	(22)
Insurance charges	696	481	45
Commission, discounts and rebates	357	326	10
Allowance for credit losses/ provision for advances	10	83	(88)
Other expenses	8,883	12,225	(27)
Less :-Expenditure (other than interest) transferred to capital & other accounts	(5,124)	(2,890)	77
Total Other expenses	**75,395**	**73,726**	**2**

Expenses were marginally higher at Tata Steel (Standalone) primarily due to higher purchase of power due to increase in thermal coal prices, higher repairs to machinery, higher conversion charges. Other general expenses increased mainly in travelling, CSR. Offset by, decrease in royalty charges mainly on account of lower additional royalty on sale of iron ore along with lower rates and taxes. Moreover, favourable exchange rate movement on inter-company loans/receivables resulted in gain during the current year.

TSE reported increase mainly on account of higher consumption of stores & spares primarily on account of higher prices of gases (energy cost) and higher ferro alloys prices, higher repairs to machinery and higher freight and handling charges increased at TSLP mainly due to acquisition of NINL during the year.

Decrease at SEA was mainly due to divestment of Singapore operations at NSH in the previous year, partly offset by higher expenses at Thailand attributable to higher fuel cost and higher power costs due to increased tariffs.

Decrease in Others was mainly at T S Global Holdings Pte Ltd. due to lower foreign exchange loss on account of change in functional currency during the year.

g) Finance costs

(₹ crore)

	FY 23	FY 22	Change (%)
Tata Steel (Standalone)	3,792	2,792	36
TSE	1,296	1,945	(33)
TSLP	1,387	110	1,162
South-East Asia	15	34	(56)
Others	5,583	4,158	34
Eliminations & Adjustments	(5,774)	(3,577)	61
Finance costs	**6,299**	**5,462**	**15**

h) Net Finance costs

(₹ crore)

	FY 23	FY 22	Change (%)
Tata Steel (Standalone)	939	1,667	(44)
TSE	1,166	1,480	(21)
TSLP	1,207	83	1,347
South-East Asia	3	30	(91)
Others	2,352	1,797	31
Eliminations & Adjustments	(8)	(40)	(79)
Net Finance costs	**5,659**	**5,017**	**13**

Finance cost increased by 15% primarily at Tata Steel (Standalone) was mainly on account of higher interest on domestic term loans owing to fresh utilisation during the current financial year for capital expansion projects along with higher interest on short-term borrowings, commercial papers and buyer's credit.

Increase at TSLP was primarily due to issue of preference shares for NINL acquisition, eliminated on consolidation.

Decrease at TSE was mainly due to lower debt levels attributable to repayments during the year and in previous year.

Decrease at SEA was primarily due to divestment of NSH in Q2 FY2021-22 and reduction in finance charges at TSTH.

Net finance charge was higher in line with higher finance cost due to increase in loan over the period.

i) Exceptional items

(₹ crore)

	FY 23	FY 22	Change (%)
Tata Steel (Standalone)	(779)	(235)	N.A.
TSE	201	(248)	N.A.
TSLP	(2)	(27)	N.A.
South-East Asia	(48)	(18)	N.A.
Others	0	21	N.A.
Eliminations & Adjustments	741	373	N.A.
Total exceptional items	**113**	**(134)**	**N.A.**

Exceptional items during FY2022-23 primarily represents:

- Gain on sale of non-current investments at TSE amounting to ₹67 crore.
- Impairment reversal ₹96 crore at TSE on deferred consideration of Speciality Business.
- Net impairment reversal in respect of property, plant and equipment (including capital work-in-progress), right-of-use assets and other assets at TSE ₹37 crore.
- Fair valuation gain on non-current investments amounting to ₹31 crore at Tata Steel Limited (Standalone).

Partly offset by,

- Net Provision for ESS amounting to ₹92 crore under SBKY scheme at Tata Steel Limited (Standalone).
- Expenses incurred in stamp duty and registration fees for a portion of land parcels and mines acquired as part of business combination amounting to ₹2 crore at TSLP.
- Impairment of Mini Blast Furnace at TSTH amounting to ₹11 crore.
- Net impairment charge of ₹12 crore on ICDs & investments in one of the associates at Tata Steel Limited (Standalone).

The exceptional items in FY2021-22 primarily represents:

- Restructuring and other provisions includes charge on Employees Family Protection Scheme for COVID-19 amounting to ₹215 crore at Tata Steel Limited (Standalone), TSDPL and at Tata Steel Utilities and Infrastructure Limited ('**TSUISL**').
- Expenses incurred in stamp duty and registration fees for a portion of land parcels and mines acquired as part of business combination amounting to ₹27 crore at TSLP.

- Redundancy provisions at TSE amounting to ₹14 crore.
- Impairment charges (net of reversal) ₹172 crore in respect of property, plant and equipment (including capital work-in-progress), right-of-use assets and other assets primarily at TSE and TSTH.
- Net Provision for ESS amounting to ₹331 crore primarily under Second Innings Scheme ₹123 crore along with charge for ESS under SBKY scheme amounting to ₹208 crore at Tata Steel Limited (Standalone).
- Impairment of ICDs given to some of the Joint Ventures of the Company ₹100 crore at Tata Steel Limited (Standalone).
- Impairment on outstanding deferred consideration at TSE ₹81 crore.

Partly offset by,

- Profit on sale of subsidiaries and non-current investments in NSH ₹725 crore.
- Reversal of fair valuation loss previously taken on investment in debentures of a joint venture of the Company amounting to ₹50 crore at Tata Steel Limited (Standalone).
- Gain on sale of land amounting to ₹31 crore at Tata Metaliks Limited.

j) Property, Plant and Equipment (PPE) including intangibles and right of use assets

(₹ crore)

	FY 23	FY 22	Change (%)
Tata Steel (Standalone)	1,12,793	1,08,832	4
TSE	31,048	26,246	18
TSLP	15,511	4,132	275
South-East Asia	1,029	969	6
Others	12,904	11,823	9
Eliminations & adjustments	(1,049)	(980)	(7)
Total PPE inlcuding intangibles & right of use assets	**1,72,236**	**1,51,022**	**14**

PPE and intangibles increased by 14% primarily due to acquisition of NINL by TSLP during the year. Increased at Tata Steel Standalone due to increase in capital work-in-progress mainly at Kalinganagar Phase-II and normal additions during the year, which was offset by depreciation and amortisation charge during the year. Increase at TSE was on account of fresh additions in plant and machinery during the year and in capital work in progress offset by depreciation and amortisation charge during the year.

Increase at Others was mainly on account of additions at Tata Steel Mining Limited post acquisition of Rohit Ferro-Tech Limited during the year.

k) Inventories

(₹ crore)

	FY 23	FY 22	Change (%)
Finished and semi-finished goods including stock in trade	17,488	16,131	8
Work-in-progress	9,439	6,602	43
Raw materials	20,795	20,441	2
Stores and spares	6,693	5,650	18
Total Inventories	**54,415**	**48,824**	**11**

(₹ crore)

	FY 23	FY 22	Change (%)
Tata Steel (Standalone)	20,796	19,943	4
TSE	25,226	22,622	12
TSLP	2,336	1,350	73
South-East Asia	1,200	1,385	(13)
Others	5,038	3,921	28
Eliminations & Adjustments	(181)	(397)	55
Inventories	**54,415**	**48,824**	**11**

Increase was primarily at TSE attributable to build-up of slab inventory at IJmuiden in order to support operations during an extended outage for the Blast Furnace 6 reline at the start of FY2023-24. Increase at Tata Steel Standalone mainly on account of increase in quantities and rates of Finished and semi-finished inventory owing to higher production. Raw material inventory decreased due to lower quantities of imported coking and thermal coal.

Increase at TSLP was primarily on account of acquisition of NINL during the year.

Decrease in SEA was primarily due to lower stock quantities on account of lower production.

Increase in others was primarily on account of higher inventory at Tata Steel Mining Limited.

l) Trade receivables

(₹ crore)

	FY 23	FY 22	Change (%)
Tata Steel (Standalone)	3,352	3,280	2
TSE	4,782	8,611	(44)
TSLP	196	60	224
South-East Asia	1,017	1,103	(8)
Others	10,730	11,716	(8)
Eliminations & adjustments	(11,820)	(12,524)	6
Net trade receivables	**8,257**	**12,246**	**(33)**

Decrease was primarily at TSE mainly due to sharp decline in steel prices towards the second half of the financial year. Increase at Tata Steel (Standalone) was primarily at profit centres majorly from new material business due to increase in sales. Decreased at SEA mainly at Siam Industrial Wire Co. Ltd. due to higher collection. Decrease in Others was primarily at Tata Steel Global Procurement ('**TSGP**') majorly eliminated on consolidation.

m) Gross debt and Net debt

(₹ crore)

	FY 23	FY 22	Change (%)
Gross debt	84,893	75,561	12
Less: Cash and Bank balances (incl. non-current balances)	13,453	15,988	(16)
Less: Current investments	3,630	8,524	(57)
Net debt	**67,810**	**51,049**	**33**

Net debt was higher by ₹16,761 crore over previous year.

Gross debt at ₹84,893 crore was higher by ₹9,332 crore as compared to the previous year. Increase in gross debt was mainly on due to net drawal of new term loans and Debentures primarily at Tata Steel Standalone for funding expansion projects. The increase was further expanded by adverse exchange rate movements on the borrowings.

The increase in Net Debt was in line with increase in gross debt along with decrease in cash and cash equivalents including current investments mainly at TSLP post NINL acquisition, partly offset by increase at TSE and Siam Industrial Wire Co. Ltd.

n) Cash Flows

(₹ crore)

	FY 23	FY 22	Change (%)
Net Cash from/(used in) operating activities	21,683	44,381	(51)
Net Cash from/(used in) investing activities	(18,679)	(10,881)	(72)
Net Cash from/(used in) financing activities	(6,981)	(23,401)	70
Net increase / (decrease) in cash and cash equivalents	**(3,977)**	**10,099**	**(139)**

Net cash flow from/(used in) operating activities

During the year under review, the net cash from operating activities was ₹21,683 crore as compared to ₹44,381 crore during the previous year. The cash inflow from operating profit before working capital changes and direct taxes during the current year was ₹30,908 crore as against ₹65,900 crore during the previous year reflecting decline in operating profits during the current year. Cash outflow from working capital changes during the current period was ₹3,707 crore primarily due to increase in inventory by ₹4,031 crore, decrease in Non-current/Current financial and other liabilities/provisions by ₹3,069 crore, partly offset by, decrease in current/non-current financial assets by ₹3,394 crore. The payments of income taxes during the year under review were ₹5,519 crore as compared to ₹11,902 crore during the previous year mainly at Tata Steel Standalone.

Net cash flow from/(used in) investing activities

During the year under review, the net cash outflow from investing activities was ₹18,679 crore as against an outflow of ₹10,881 crore during the previous year. The outflow during the year broadly represents capex of ₹14,142 crore and acquisition of subsidiaries/business undertakings amounting to ₹10,569 crore, majorly NINL. Offset by Sale (net of purchase) of current investments amounting to ₹5,189 crore. Inflow on account of interest and dividend receipt ₹565 crore.

Net cash flow from/(used in) financing activities

During the year under review, net cash outflow from financing activities amounted to ₹6,981 crore as against outflow of ₹23,401 crore during the previous year. The net outflow primarily represents payment of dividend ₹6,293 crore and interest payment ₹6,120 crore partly offset by proceeds from borrowings (net of repayments including finance lease) ₹5,428 crore.

o) Changes in Key Financial Ratios

The change in the key financial ratios as compared to previous year is stated below:

(₹ crore)

	FY 23	FY 22	Change (%)
Inventory Turnover [1] (days)	79	62	27
Debtors Turnover (days)	15	16	(6)
Current Ratio (Times)	1.01	1.07	(5)
Interest Coverage Ratio [2] (Times)	6.01	12.82	(53)
Debt Equity (Times)	0.76	0.78	(2)
Net Debt Equity (Times)	0.61	0.52	16
EBITDA Margin [3] (%)	13.44	26.16	(49)
Net Profit Margin [4] (%)	3.32	17.11	(81)
Return on average Net Worth [4] (%)	**7.27**	**42.91**	**(83)**

1) **Inventory Turnover Ratio:** Increased primarily on account of increase in average inventory during the current year and previous year owing to increase in prices of raw materials primarily coking coal.

2) **Interest Coverage Ratio:** Decreased primarily on account of decline in operating profits along with higher finance cost due to increase in loans.

3) **EBITDA Margin:** Decreased primarily on account of lower operating profits across geographies due to increase in raw material costs mainly coking coal and lower steel realisations in India.

4) **Net Profit Margin and Return on average net worth:** Decreased primarily on account of decline in net profits mainly attributable to lower operating profits and higher net finance charge.

VI. Strategy

The year under review saw a challenging external environment due to lack of buoyancy in commodity markets. Raw material prices have also been unfavourable due to its high volatility caused by on-going Russia-Ukraine crisis and periodic COVID-19 outbreaks in China. After a steep decline in first half of the year, steel prices have marginally improved during the latter part of the year.

Despite various headwinds, the Company has maintained focus on strengthening the balance sheet and executing the growth plans in India. Tata Steel remained dedicated to achieving its goal of becoming the most respected and valuable steel company globally.

Tata Steel showed resilience in a testing environment and maintained a strong balance sheet. Also, the Company has successfully maintained its investment grade credit rating. Simplification of portfolio continues with merger of subsidiaries including Tata Steel Long Products Limited and the Tinplate Company of India Limited into Tata Steel.

The Company remains committed to achieve its 2030 growth plan. The following objectives will help achieve the Company's goals:

Market Leadership in India:

Structural factors such as rapid urbanisation, infrastructure investment growth, domestic manufacturing push and increasing affordability are driving demand for steel in India. Demand growth coupled with large raw material reserves and strong base of technically skilled manpower, gives structural advantages for steel industry growth. Tata Steel plans to leverage this growth potential through organic expansion. The Company is well on its track to double its India production capacity by 2030. In the year under review, TSL restarted the steel manufacturing unit of NINL, which was completed within 3 months of acquisition. This will facilitate achieving the objective of balancing the product portfolio between longs and flats. In FY2022-23, the Company made good progress in TSK phase 2 project which will help produce the necessary volumes and grades of steel to serve evolving customer needs. Projects supporting the raw material sufficiency are also well on track.

Becoming an industry leadership will require further work in the areas of digital adoption, deepening understanding of changing consumer behaviour, and building a culture of customer obsession throughout the organisation. Key attributes of leadership are focused on delivering innovative products & services, serving existing and emerging customer needs and providing the best customer experience.

Consolidate position as global cost leader:

Raw material prices and Steel prices have been extremely volatile due to the ongoing Russia-Ukraine conflict and changes in the Chinese steel demand outlook. To remain ahead in these uncertain times, it is imperative to focus on both operational and structural cost improvement initiatives. This is enabled by focussing on three types of initiatives in India and International sites. First is operational cost saving through programmes such as Aspire and Shikhar25, Tata Steel has achieved global/ Indian benchmark levels on multiple operating KPIs by process improvements. Second type of initiatives are through structural cost reduction, viz Investments in augmenting the raw material portfolio to meet increasing demand, strengthening logistics networks and fixed cost reduction, etc. The idea is to use digital solutions, technology, and infrastructure to enable cost efficiencies. Third type of initiatives are about Simplification, e.g Tata Steel is in the process of merging its subsidiaries including Tata Steel Long Products Limited and The Tinplate Company of India Limited and separated operations in UK and the Netherlands. These strategic changes will also enhance synergy opportunities across the group.

Attain leadership position in adjacent businesses: Customer expectation and technologies are both evolving at an unprecedented pace, creating opportunities for growth in businesses adjacent to the Steel industry. The approach is to differentiate through deep understanding of customer needs, relevant technology based solutioning and developing relevant capabilities through the eco-system. Adjacent businesses where the Company aspires to attain leadership positions are:

1) **Services & Solutions ('S&S'):** Leveraging the Company's extensive experience to create solutions for construction and household applications such as doors, windows, and housing solutions.

2) **New Materials Business ('NMB'):** Leveraging trends such as light-weighting, the Company is working to strengthen its non-steel materials business. These businesses which are high on technology intensity, provides a unique opportunity for the Company to offer boutique solutions to the consumer. Currently, Tata Steel is focused on materials such as, fibre reinforced polymer, composites, medical materials, and graphene.

3) **Commercial Mining:** The Government's 'Atmanirbhar Bharat' Programme, regulatory changes, and the need to meet captive raw material requirements beyond 2030 have encouraged the Company to pursue a sustainable mining business. Tata Steel's rich expertise of mining is the core foundation of creating large scale commercial mining business.

Leadership in sustainability: Tata Steel recognises that sustainability is a significant challenge for hard to abate industries, like steel. For this, the Company aspires to take leadership role in the following areas: reduction in specific carbon emission intensity across the value chain, reduction in specific water consumption, reduction of specific dust emissions, enhancing circular economy as a business model, and enriching the biodiversity in areas of our operations. The Company has set ambitious targets in each of these areas and achieving these targets will require the adoption of innovative technologies and the use of new business models.

Strategic enablers:

The Company has identified 4 Strategic enablers to enable achieving its Strategic objectives. The first one is being the best place to work for in Manufacturing in India. This will support the Company to attract and retain talent, that is future ready. This involves having empowering policies, developing best-in-class infrastructure, and having a healthy and safe environment for all employees. Tata Steel is deploying technology and process intervention to achieve this objective.

The second strategic enabler is being a digital leader in steel industry globally. Adopting a digital first approach shall help the Company to unlock value at multiple levels. The Company has made significant strides in this regard. Tata Steel is one of the few enterprises in the world with three manufacturing sites in the Global Lighthouse network by World Economic Forum. Tata Steel is also scaling its various digital initiatives for customers and partners across the globe.

The Company recognises that technology led differentiation in products and processes is going to be key to attain and sustain a leadership position in the industry. To this effect, Tata Steel aspires to be among the top 5 in steel technology globally, as its third strategic enabler. This will enable the Company in meeting emerging needs of existing and new segments and challenges viz. reduction of CO_2 and other Green House gas emissions.

The fourth strategic enabler focuses on fostering a culture which makes Tata Steel future-ready. Tata Steel has embedded culture of, TQM & continuous improvement, safety, ethics, environment consciousness and giving back to the community in the DNA of the organisation. To remain continuously future ready, Tata Steel is working on various initiatives to nurture the culture of Agility, Innovation, while deepening strategic orientation in the organisation.

VII. Human Resource Management and Industrial Relations.

At Tata Steel, leveraging human capital is a key business imperative and the principle of always putting people first guides the Company's policies. Our constant endeavour is to foster a work culture that promotes collaboration, innovation, high performance, and agility. This has led us on a path of a new world of possibilities, requiring us to work on a new set of challenges for a future-ready workforce.

We have 100+ years of a strong legacy of working in alliance with our various stakeholders. With an aim of encouraging open communication, diverse thinking, and advocacy, a new union was formed and recognised at Tata Steel Kalinganagar for the first time. We strongly believe that this historic move will further strengthen our culture of working together and in joint consultation.

With an intent to break the barriers, provide equitable opportunities to historically excluded groups, and catapult them to the mainstream, Tata Steel has maintained its strong focus on Diversity, Equity, and Inclusion. We recruited 1,100+ diverse talents, which includes a focused hiring effort of bringing 100+ transgender employees into the organisation; a one-of-its-kind and pioneering initiative. The Queerious Challenge was launched to open opportunities for young queer talent across the country contesting in a case study competition which resulted in scholarship awards, internship opportunities, and pre-placement offers.

For our consistent efforts towards overcoming Industry stereotypes, Tata Steel has been recognised as Global Diversity Equity & Inclusion (DEI) Lighthouse 2023 by World Economic Forum (WEF). We also have been recognised as one of the 'Gold Standard' Organisations by the India Workplace Equity Index and have been adjudged as the 'winner' by 'SHRM HR Excellence Awards 2022' in the category of 'Excellence in Diversity & Inclusion'.

To bring further alignment with the cultural ethos of the organisation and to leverage our internal talent, we introduced agile behavioural assessments and Employee Referral Programme.

The organisation has been consistently working towards enabling career growth and learning opportunities for its people. stepUP, our AI-driven internal talent marketplace has been facilitating people with projects and mentoring opportunities. To empower people to take charge of their careers and invest in their aspirations, the scope of stepUP was extended with full-time roles, where people with the right skillset can seize the opportunity and have a chance at horizontal mobility. Ongoing learning and capability development practices were expanded in terms of reach and coverage, and new initiatives were launched to keep up with the rapidly evolving skilling needs. 16 new Schools of Excellence (SoEs) were added in areas such as operations, maintenance, mining, Engineering and Projects, and digital domains taking the total number of ongoing Schools to 41. Some of the older SoEs graduated to the 'Advanced' level in their journey to create experts in various domains. Partnerships were initiated with renowned content providers and new learning platforms to offer more choices to learners and enhance their upskilling experience. An 'Executive Diploma Programme in Projects & Construction Management' in collaboration with National Institute of Construction Management and Research (NICMAR) has been launched to strengthen in-house capabilities in the Engineering and Projects area. The conscious adoption of 'VR and simulation-based training' has enabled experiential learning for our employees. About 2,000 cadre trainees were trained on functional and transformational skills to make them job ready. The organisation onboarded dedicated batches of trans-gender & AA community trainees, reflecting its focused priorities around diversity and affirmative action. Vendor skill development was also given greater focus, with almost 1,00,000 assessments being carried out across all TSL locations. With all these efforts and many more, almost 90% of the entire employee base could be impacted through one or more learning interventions. The organisation won the 'Regional' round in the 'Industry' and 'Student' categories of the World Steel Championship and will be competing in the World Championship organised by World Steel Association. It was also awarded the '1st Position' for the 'Best Establishment 2023' with 39 medals in the 33rd CII National Skill Competition.

We are continuously reimagining ways to fulfil changing employee needs and expectations by providing contextual people experience through impactful initiatives. We rolled out 'Moments that Matter' as an initiative to capture the various impactful moments of an employee's life, like work anniversaries, parenthood, etc. We revamped our recognition mechanism to include experiential rewards and provide a unified experience across our employee segments. TSL has been investing in optimising business processes and systems through automation, mechanisation, and digitalisation. This has helped improve the overall productivity from 850 tonnes of crude steel/employee/year to 885 tonnes of crude steel/employee/year.

For its continuous commitment towards a progressive people-first approach, Tata Steel has been recognised as a Great Place to Work® for the 6th consecutive year. As we look ahead, we are confident that our talented and dedicated workforce will enable us to achieve our goals and make a positive impact on our customers, community, and the world.

VIII. Digital Transformation

At Tata Steel, we continue to focus & invest towards our commitment to Cloud, Data, Artificial Intelligence journey of digital transformation towards the Strategic Enabler 2 of Digital Leadership in the steel industry globally by 2025 (SE2).

Our investments in the business priority led - digitally enabled business transformation have paid us rich dividends. We have seen efficiency gains and are building newer ways of working that enable talent fungibility, safety, collaboration, and improved working conditions. As we deploy these templates across, we expect benefits of simplicity, synergy, scale, sustainability to kick-in thereby driving productivity, throughput & organisational agility. Like digital has changed many business models in other industries, our Company is also harnessing its power to build connected business platforms that help us speed up new product development, optimise our operations & supply chain end-to-end, enhance worker safety, drive speed and agility to optimise cash flows, and build best-in-class hyper-personalised customer, vendor, and employee experience.

We have made significant progress on data maturity as evidenced by the DATOM™ 2022 assessment which put our Company as a forerunner for data excellence. Our Company is now on its way to the next level of optimisation where data driven decisions and insights form a core part of our daily and strategic work. We have undertaken concrete steps to ensure we have the requisite richness in data quality to build a connected, and intelligent enterprise that is able to exploit the full potential of its data using the fast-growing capabilities of Artificial Intelligence – the next level of transformation where AI will be offered as a service.

Generative AI, which has seen a non-linear progression during the last financial year, is expected to play a pivotal role in unlocking the latent potential of data. Our Company is engaging with best-in-class AI ecosystems across the world to lead this wave of change in the manufacturing industry that will see us move from an integrated and connected enterprise towards an integrated inter-operable ecosystem with a harmonised human-machine interface.

In this rapidly evolving tech. ecosystem, competition for hiring & retaining top tech. talent is likely to intensify. Our Company is well-placed to ride this cycle. Deep engagements with premier institutes across the country, supported by our well-recognised Management Trainee programmes, coupled with our robust lateral hiring programmes are allowing us to on-board the best tech talent to sustain our digital transformation journey. Tie-ups with global training & courseware platforms, and various in-house data & technology schools of excellence are providing our employees unparalleled opportunities to upskill & cross-skill themselves to stay ahead of the curve. Business model innovations underpinned by our past investments are allowing us to ensure our employees have top quality engagements while transactional work is outsourced, to bring work to the employee irrespective of location in the form of work from home, virtual command centres for manufacturing & mining creating benchmark employee engagement scores.

Well-entrenched governance structures and processes continue to ensure that there is rigour as well as management timeshare on the transformation with a dedicated team focussing exclusively on digital projects under the broader Shikhar25 umbrella.

With our Company's increasing digital footprint, the risk of Cybersecurity breaches is also going up. Our Company will continue to inculcate a culture of safe cyber-behaviour by all stakeholders in the organisation as this will be critical to ensure uninterrupted business operations.

IX. Corporate Finance

In January 2022, the International Monetary Fund (IMF) had estimated the global growth for 2022 and 2023 at 4.4% and 3.8% respectively. However, during the year, the global growth estimates for 2022 were reduced to 3.4% due to outbreak of the Russia-Ukraine War and monetary tightening by central banks to fight inflation.

In April 2023, IMF revised the global growth estimates for 2023 and 2024 at 2.8% and 3.0% respectively. The rise in central bank rates to fight inflation and Russia-Ukraine war in Ukraine continue to weigh on economic activity. The rapid spread of COVID-19 in China dampened growth in 2022, but the reopening has paved the way for a faster-than-expected recovery. The balance of risks has shifted firmly to the downside so long as the financial sector remains unsettled. Upside risks include renewed easing of supply chain bottlenecks and higher than expected consumptions levels. On the downside, severe health outcomes in China, further escalation in Russia's war in Ukraine and tighter global financing costs could negative impact the growth rates. Financial markets could also suddenly reprice in response to adverse inflation news, while further geopolitical fragmentation could hamper economic progress.

In February 2022, RBI had estimated the GDP to grow by 7.8% in FY2022-23. However, during the year, RBI had reduced the GDP growth estimates for FY2022-23 to 7% on account of the ongoing Russia-Ukraine war, higher inflation across the globe leading to slowdown in demand. Volatile commodity prices had resulted in reduced margins for businesses.

For FY2023-24, RBI has estimated India's GDP to grow at 6.5%, subject to certain upside and downside risks. Upside risks could emanate from stronger than anticipated rebound in the contact-intensive sector, restart of private investment boosted by Government's capex push, healthier corporate balance sheets, sharp reduction in commodity prices, better than expected global growth prospects and early resolution of geopolitical conflicts. On the contrary, an escalation in geopolitical tensions, further hardening of international crude and commodity prices, sustained disruptions to supply chains, persistence of global financial market volatility, sharper loss of momentum in global trade and demand and weather related disruptions pose as downside risks.

Financial Markets:

Due to the inflationary pressures and US Fed rate hike, the 10 year US Bond Yield had steadily increased during the financial year. The aggressive rate hike has resulted in an inverted yield curve where yields on short term treasuries are higher than longer-term treasuries. The inverted yield curve suggests uncertainty in the near term, though yields are expected to stabilise in the long term. In March 2023, high volatility was observed in global financial markets on account of crisis in some banks in US and Europe.

On the domestic front, financial markets remained volatile because of inflationary concerns, aggressive monetary tightening and geopolitical conflict in Ukraine. Due to the above-mentioned reasons, the market sentiments were bearish in the first half of the year, however, the sentiments improved on account of opening up major economies in the second half. Overall, the BSE Sensex closed at 58,962 points by end of March 2023, a growth of 0.7% in one year.

In the bond markets, 10-year G-sec yields had largely been rangebound for the year. In February 2023, the 10-year benchmark G-sec yield marginally eased in response to the commitment to fiscal consolidation in the Union Budget 2023-24 and the announcement of lower than anticipated gross market borrowings. During the year, short end yields curve for corporate bonds had increased more than the increase in RBI's policy repo rate. while the long end yield curve for corporate bonds remained, range bound.

Central Banks and Monetary Policy:

As per IMF World Economic Outlook (April 2023), Global inflation is set to fall from 8.7% in 2022 to 7% in 2023 and 4.9% in 2024 which is still above pre-pandemic (2017–19) levels of about 3.5%.

During the year, US Fed raised the Federal Funds Rate (FFR) by 450 bps. However, given the recent events in banking sector, US Fed has turned more dovish with focus on policy firming to quell inflation instead of rate hikes. Fed expects the FFR to peak in May 2023, thereafter, remain stable for the rest of the year and start its downward trajectory in 2024. US FED forecasts, the Personal Consumption Expenditure (PCE) inflation at 2.8% this year, with core inflation at 3.5%. In 2024 and 2025, both total and PCE inflation are expected to be near 2%.

Similarly, in the Euro area also, CPI inflation was at 8.5% in February 2023 down from 8.6% in January 2023. In UK, the CPI inflation including owner occupiers' housing costs (CPIH) for February 2023 was 9.2%, up from 8.8% in January 2023. The higher CPIH inflation rate largely came from housing and household services (mainly from electricity, gas, and other fuels), and food and non-alcoholic beverages. Bank of England raised rates by 350bps in FY2022-23.

Closer home, during the financial year, RBI increased its policy repo rate to 6.5% from 4.00%. RBI's actions are in consonance with the objective of achieving the medium-term target for consumer price index (CPI) inflation of 4% within a band of +/- 2%, while supporting growth. Given the CPI projected at 5.2% for FY2023-24, RBI is expected to keep rates unchanged.

Financing:

In FY2020-21 and FY2021-22, we deleveraged our gross debt by ₹40,761 crore which is much higher than our annual deleveraging target of USD 1 bn. The deleveraging programme helped strengthen the balance sheet of the Company considerably and prepared us for the next leg of growth. However, in FY2022-23, our Gross Debt increased to ₹84,893 crore from ₹75,561 crore due to very high volatility in the earnings, higher working capital requirements, higher capex requirement for completion of Tata Steel Kalinganagar project, acquisition of NINL and the highest ever dividend payout. Even after increase in gross debt in FY2022-23, our average debt reduction has been more than USD 1 bn per annum for the past 3 years.

The Company efficiently triangulates its capital allocation between deleveraging, return to shareholders and growth capex to provide optimal returns to the shareholders. In FY2022-23, we prioritised growth capex, acquisition of NINL and stabilisation of plant along with working capital requirement in our capital allocation. We propose to return to our deleveraging journey in FY2023-24.

The Cold rolling mill & pellet plant in Kalinganagar have started operations recently which will be margin accretive to the existing business. The Kalinganagar Phase II expansion is expected to be completed by the end of FY2023-24.

Credit Ratings:

During the year under review, international rating agency, S&P Global Ratings reaffirmed Tata Steel's Corporate Family Rating at 'BBB-' and revised the Outlook to Positive from Stable. Further, Moody's also reaffirmed the rating to 'Ba1' and revised the Outlook to Positive from Stable due to the Company's track record of good operating performance and conservative financial policy.

During the year, the domestic rating agencies, India Rating and CARE had reaffirmed Tata Steel's long term credit rating at AA+. India Rating revised the outlook from Stable to Positive.

X. Risks and Concerns

Tata Steel operates in an interconnected world with stringent regulatory and environment requirements, increased geopolitical risk and fast pace technological disruptions that could have a material impact across the value chain of the organisation. Tata Steel has implemented an Enterprise Risk Management (ERM) process to provide a holistic view of the aggregated risk exposure as well as to facilitate more informed decision-making.

In its journey towards Risk Intelligence, a robust governance structure has been developed across the organisation. The Board of Directors has constituted a Committee of the Board called the Risk Management Committee. At Senior Management level, an Apex Risk Committee (ARC) has been constituted to drive the ERM process across Tata Steel Group.

Information regarding Key Risks facing Tata Steel and their mitigation strategies is given below:

Financial Risks:

Tata Steel has ₹84,893 crore of debt as on March 31, 2023 and aspires to nearly double it's capacity in India and reach 40 MnTPA by 2030 in a sustainable manner. The plan is to deleverage further and pace the growth in line with internal accruals but Tata Steel would also need to raise external capital from banks and capital markets. As the financial system in India is closely integrated with the global financial system, any funding plan may be affected by risk appetite and sentiments of global financial market.

Separately, evolving climate change regulation and disclosure standards are also likely to weigh on availability of capital.

During the financial year, global financial markets have been amidst a transition from a low inflation rate dynamic to relatively persistent high inflation and interest rate environment. Globally, most of the major central banks have remained committed to raising benchmark rates to combat inflation despite geopolitics, volatility in energy prices and tight supply chains. US Fed has raised rates from around 0.25% in March 2022 to 5% by March 2023. In India, RBI increased the repo rate by 250 bps. For the Company, rising interest rate environment may adversely impact the cost of financing.

Tata Steel also has some exposure to currency volatility due to its imports of raw material and project equipment as well as foreign currency debt.

Mitigation Strategies:

Tata Steel has been actively mitigating the risk by de-risking the balance sheet with a focus on cash flow generation and deleveraging as we seek to strike a balance between growth and return to shareholders. We consciously diversify our sources to tap available pools of capital and proactively work towards raising longer term debt with flexible terms. Our capital allocation strategy prioritises value-accretive projects with short payback periods.

During the year, we acquired NINL via our subsidiary Tata Steel Long Products Limited, and this was funded via a mix of internal accruals and debt. Despite the large cash pay outs, our group liquidity remains strong at ₹28,688 crore, gross debt remains at ₹84,893 crore and our financial metrices continue to be well within investment grade levels.

Tata Steel is engaged with international bodies viz. Task Force on Climate – Related Financial Disclosures (TCFD) and is focused on improving ESG disclosures, complying with evolving standards and developing a sustainable financing framework.

We proactively manage our exposure to currency & interest rates and utilise a mix of instruments to hedge the same.

Macroeconomic and Market risks:

Steel demand is affected by geopolitical uncertainties, macro-economic outlook, trade barriers and protectionist trade policies. The prolonged inflationary pressures emanating especially from supply chain disruption of energy and commodities may impact global demand adversely. Changing customer preferences are triggered by adoption of newer grades of steel and sustainable steel products.

Mitigation Strategies:

Sticky high inflation, trade barriers and protectionist trade policies may impact steel demand. For instance, in FY2022-23 the Indian Government imposed export duty during May 2022 to November 2022 to control domestic inflation. Since TSL sales are majorly concentrated in the domestic market, the Company could manage the implication through recalibration of its sales mix at geography and at segment level to balance demand supply requirements.

The Company remains vigilant of the evolving market conditions and regulatory environment and closely analyses its impact on steel-intensive sectors.

In our endeavour to enhance footprint & leverage the growing opportunities in India, we have built a diversified portfolio of product offerings for customers from a range of industries. Dedicated marketing and sales teams service customers and build deep customer engagement by customising products, improving reliability, and providing value added services. Tata Steel has invested in building a strong marketing franchise with well-regarded brands and a large network of distributors, dealers, and stocking points across the country. Efforts to identify and pursue micro-segmentation in customer segments to drive demand in the face of market volatility has helped in increasing sales and reducing the exposure to demand volatility. The Company has also delivered robust sales performance driven by rise in value added products. New products have been developed across customer segments. It has also built channels internationally to enable exports. In Europe, the Company continues to target and develop more differentiated product sales mix for value-driven segments.

Steel industry is cyclical and ways to mitigate the risk of cyclicality are by entering into long term contracts with discerning customers (especially automotive segment) and by offering solutions. Stringent quality norms of automotive customers help TSL in enhancing its technical competencies and develop new products. We have forayed into ready-to-use steel for construction industry and introduced products such as steel doors and windows, furniture to enhance our retail customer base. Nest-In has been recognised as India's leading brand, 2022, in the steel-based modular construction solution category at the Indian Brand & Leadership Conclave, 2022. We are also diversifying our product offerings beyond steel by introducing new materials such as composites, Fibre Reinforced Products, etc. The Company has recorded a broad-based growth in domestic deliveries. The composites business has marked its presence in the industrial, infrastructure and railway segments and the focus is currently on market expansion and capacity augmentation. The Graphene business is delivering safest conveyance through 'Wondra'- (Graphene coating solutions) and value-based industrial solutions for the Company.

Regulatory Risks:

Indian Steel Industry is expected to grow at the rate of 6% to 7% during this decade. However, the growth trajectory of the steel industry would have its own set of challenges. The regulatory landscape in the metals & mining industry is becoming stringent due to geopolitical developments, changing trade patterns, enhanced focus on Environment, Social and Governance (ESG) aspects. Non-adherence to such stringent regulatory ecosystem may impact business operations and reputation.

Steel being an energy intensive and hard to abate sector needs to transition towards low emission steel and the Government of India may impose taxes and penalties to drive ESG journey.

Mitigation Strategies:

Tata Steel is continuously scanning the regulatory canvas to assess the impact of changing rules and policies on its current operations and future growth trajectory.

The Company has a robust compliance and risk management system. We are committed to complying with existing laws and regulations, promoting environmental stewardship and have a policy of zero tolerance to non-compliance. Tata Steel has invested in benchmark systems and processes that are accessible for all to steer compliance and aid management of risks across the organisation.

With an aim to develop a future-ready industry, the Company is investing in Research & Development for Technology transformations, digitalization, capacity building and development of resources while adhering to the principles of social and climate justice as a proactive approach towards regulatory compliances. We are committed to net zero by 2045 in our decarbonisation journey.

The Company also pursues policy advocacy with an objective to create value for all stakeholders.

Operational Risks:

The Steel manufacturing processes are vulnerable to disruptions resulting from a range of factors including rising uncertainty in extreme weather conditions, natural disasters, equipment failures. Further, TSUK has specific issues of ageing assets. Such disruptions have the potential to impact the Company's operations, safety and customer service levels, warranting appropriate risk management strategies to mitigate their potential impact.

Mitigation Strategies:

The Company has endeavoured towards adopting advanced maintenance practices for enhanced plant availability and reliability. A dedicated team analyses benchmark practices to develop state-of-the-art Asset Management and Diagnostic Centre (AMDC) for implementing predictive analytics to implement the concept of smart connected plant. The robust digital ecosystem enables real-time shutdown management for optimal co-ordination and improved asset reliability across the steel value chain. The Company has invested in state-of-the-art equipment and processes. Various plants, including Tata Steel Jamshedpur, Kalinganagar and the IJmuiden Plant in the Netherlands, have been recognised as 'Advanced 4th Industrial Revolution Lighthouse' by the World Economic Forum. At Tata Steel UK, capital expenditure on replacing ageing assets beyond end of life is being carried out through a risk-based process, wherein assets at a higher risk of operational and safety failure are prioritised. Additionally, preventive maintenance through close monitoring of assets is being done.

The growing geopolitical situations and instances of supply chain disruptions have further aggravated the uncertainty in availability of spares which have dependence on single geography/vendor partner or have limited alternatives. Hence the focus has been on indigenisation of spares to achieve self-reliance and to digitalise the process to maintain optimised inventory. The indigenisation initiative is aligned to the 'Make-in-India' focus and encourages the vendor partners to supply supreme quality spares and benchmark lead times.

We are cautious of the growing uncertainty in weather patterns leading to extreme heat and heavy rainfall. To ensure our employees' safety and business operations' continuity, we have developed a detailed disaster plan and standard operating procedures to respond to natural disasters, epidemics/pandemics, and extreme weather events.

Safety Risks:

Steel industry is inherently prone to hazards affecting workforce health and safety which may adversely impact business continuity and reputation. This is further aggravated with the geographical expansion and diversification of our business and operations that faces various stringent safety laws & regulations.

Mitigation Strategies:

With the motto of 'Committed to Zero', we have remained steadfast to our belief of safeguarding people and maintaining business continuity. To meet this target, the Company has continuously fortified the Safety Management and Governance mechanism, built a safety focused culture across business operations. A robust risk management framework is in place and continuous efforts have been put to improve the risk visualisation among workforces. Improving behavioural safety of the workforce at workplace through experiential learning and focus on dissemination of safety standards has been the key to improve risk perception.

Tata Steel has institutionalised business continuity management through development of Tactical centre for response to any major onsite emergency and developed Centre of Excellence ('**CoE**') in Process Safety Management to deploy standardised process safety management across the organisation. The Safety theme park was developed to train employees and promote safety at all touchpoints. Safety Excellence Reward and Recognition framework has been extended beyond Managerial positions and vendor partners for demonstrating safety commitment and promoting a culture of safety in the organisation.

Further, Tata Steel stresses upon the capability development & training of all stakeholders such as employees, vendor & business partners, trainees at regular intervals. Practical Safety Training Centre has been developed with a purpose to improve the risk perception of the workforce on various critical hazards. Here, hands-on training is imparted on different modules such as Working at Height, Material Handling, Gas Safety, Confined Space, Heavy vehicle simulators, First Aid & Cardiac Pulmonary Resuscitation (CPR), and Virtual Reality for moving machinery.

Various campaigns such as 'National Road Safety Month' and those related to mitigation of risks associated with top hazards were undertaken. Deeper introspection on road safety practices, reaching beyond the Company premises, systematically introducing technological interventions on roads and vehicles, and connecting with all the road pilots on one-to-one basis improved the risk perception and behaviour. Additionally, focused Campaigns such as 'Slip Trip Fall', 'Working at Height', etc. to identify the hazards and its risk mitigation by risk hierarchy of control philosophy reinforced safe behaviour among employees and contract employees.

Workplace Safety & Process Safety Management in Tata Steel have matured over the years through adoption of various robotic & technological solutions. Digital platforms have been continuously enhanced to address and mitigate key concerns. Some of the examples are, introduction of new Robotic System for Wagon Tippler II operations, to eliminate man-machine interface during the coupling of wagons & hereby improving safety. In Raw material locations, redefining core mining processes such as exploration and mine planning using drone data and adequate analytics demand fewer on-foot exploration requirements and hereby improving site safety. Some of the future ready infrastructures are deployed such as digital enablers including CCTV surveillance, man-less weighbridge, paperless despatch, and automated boom barrier to augment safety and augment operational efficiency.

Controlled implosion of two obsolete coke plant chimneys and a Coal Tower was safely carried out at Tata Steel Jamshedpur Works using the latest technologies which corroborates the Company's excellence in safe execution of job. At Tata Steel European operation, Time Out for Safety campaign rolled out across all employees and core contractors in the UK. Positive feedback and impact since start formed increased level of engagement.

Community Risks:

We have always fostered a business model and social context that is shared with communities and ultimately aims for a significant improvement in quality of life, prioritising marginalised communities proximate to our operating locations. Moreover, there is a growing pressure from local communities proximate to our coal based manufacturing facilities in Europe over emissions. This is fostered through consistent and transparent dialogue, understanding of vulnerabilities, recognition of aspirations and appreciation of cultural nuances of communities. An erosion of trust with communities will slow down societal impact and lead to consequent loss of reputation or business continuity.

Mitigation Strategies:

Tata Steel anchors one of the deepest and most diverse societal development efforts based on a combination of programmes and platforms addressing core development challenges for over 3.15 million lives directly every year. The Company adopts a Board led strategic approach to deepening trust and commits talent and resources through the Tata Steel Foundation for enabling dialogue with marginalised communities, creating a felt understanding of their perspective and societal impact through four pathways – (a) nationally relevant change models which have been built to address core development challenges over several years resulting in more than 2,400 habitations being declared child labour free zones, 40% decline in maternal and child mortality rates in remote tribal regions and several tribal languages of the country finding expression through more than 30,000 learners every year; (b) regional change models for lasting betterment in well-being of communities which recognise the specific nuances of Eastern India in solving for challenges like community led water conservation efforts yielding more than 45 million cubic feet of recharge capacity in key watersheds, more than 4,000 students trained in vocations based on localised aspirations and a platform for persons with disability which has now brought an entire block towards 100% access to entitlements; (c) embedding a societal perspective in business decisions, for which more than 600 business school students and 50 management personnel have undergone a social immersion designed to learn from communities and enhance a sense of purpose across management in the Company and the first completely tribal batch of apprentices were taken on this year and (d) impact ecosystems based on thought leadership, which builds on the experience and capability of societal impact to bring in more partners in progress for regions and communities who need greater attention and thinking.

The key driver of this approach are multiple structured forums for dialogue with communities which are convened periodically to discuss and co-create a shared impact agenda, including replicating the same processes and impact across new locations. The Company, also, has a portfolio of products which is aimed at addressing societal challenges such as affordable housing and farm income enhancement, while key business processes are also designed to have a clear diversity and affirmative action perspective. Tata Steel Thailand is one of the first 30 companies that joined UNICEF in Child Friendly Business in 'The Children Sustainability Forum' to make a commitment in protecting children's rights. Tata Steel Europe's Community Partnership Programme 'Future Generations', with sub-themes of education, environment, health, and well-being, works across the UK, assisting job and wealth creation by supporting small and medium businesses with finance and business premises. Tata Steel Netherlands is actively pursuing measures through 'Roadmap+' programme to reduce emissions such as nitrogen oxide, dust deposition, polycyclic aromatic hydrocarbons, heavy metals, lead, particulate matter, etc. to address health concerns of IJmuiden communities and support local initiatives.

Our efforts have been recognised across national and global platforms including the National CSR Award for Excellence in CSR as well as Contribution to Education from the Ministry of Corporate Affairs, India.

Commodity Risks:

Coal, iron ore and other bulk commodities contribute to a major part of the operating costs of Tata Steel and their sourcing is concentrated in specific geographies. Geopolitical developments coupled with changes in market dynamics not only pose a risk to raw material availability but also have an adverse impact on sea freights. The volatility in Raw Material prices is also leading to cost escalation and major changes in working capital/cash flow position. Price volatility and supply chain risks are expected to continue in the coming year considering the geopolitical events, weather disruptions, continued Russia-Ukraine conflict, exchange rate movements and energy crisis.

Volatility in prices of process consumables has a significant impact on the input costs of steelmaking as observed in the past few years. Few of the commodities also have a high/complete dependence on a single geography which poses a potential risk of supply disruption with adverse price impact.

Changes in statutory and sustainability norms in importing/exporting countries pose a threat to the supply chain in the near term.

Mitigation Strategies:

Steel prices have a significant correlation with raw material prices. Changing prices of coal and iron ore generally reflect through adjustments in steel prices, which in effect acts as a natural hedge against volatility. However, there may be a lead and lag involved and hence several steps are being taken to manage the price volatility. In addition, the Company has implemented group-wide hedging using financial instruments. Price forecasting tools are being used for commodities like Coal, Zinc, Aluminium, etc. to understand price movements and to time the buy for optimising costs. Tools like reverse auctions are being used for efficient price discovery for commodities like coal, ferro-alloys, refractories, etc.

Coal sourcing is being diversified – sourcing being established from countries like Indonesia, USA, and Canada in addition to Australia. This coupled with the trial of new grades of coals/use of weak coals with better Value in Use will ensure the availability of coal to meet the plant requirements and reduce the cost of sourcing. Long-term tie-ups with suppliers in Australia will keep prices competitive with an improved reliability.

Indigenisation has been identified as one of the major levers to de-risk the supply chain for both direct and indirect commodities which are dependent on import sources. Where indigenisation is not possible, alternate country sourcing beyond China or development of substitute products is also being explored.

Sustainable procurement policy is being deployed to engage with suppliers/service providers to take initiatives in the areas of ‘reduce, recycle, and reuse’ and foster responsible supply chain policy.

Risk assessment for key vendors is also undertaken to assess the capability of vendors in meeting the supply requirements.

Supply Chain Risks:

Tata Steel has one of the industry’s rather unique and complex value chains extending from mining to steel. Thus, the scale and complexity of operations pose several risks including the timely movement of key raw materials from captive mines and imported raw materials from ports to consuming plants and thereafter the movement of finished goods from plants to customers in India/ Europe and export markets.

The supply chain network is subjected to physical and environmental destructions, trade restrictions due to geopolitical tensions and disruptions at suppliers. Additionally, our dependency on common logistics infrastructure resources like ports and Indian Railways that are constrained in terms of capacity & availability may lead to logistics related disruptions.

Around 40% of India’s steel capacity is concentrated in Eastern India (where majority of our plant facilities are located), whereas the consumption points are largely in the North, South, and Western parts of India. Thus, the common logistics infrastructure resources like ports and Indian Railways are constrained in terms of capacity & availability and our dependence on these bring the risk of logistics-related disruptions. Events like the power crisis puts rake availability under stress. The rake crisis has also affected the metallics circuit as more rakes are getting diverted to the thermal coal & iron ore-pellet exports circuit.

The statutory norms are also getting stringent and there is an emerging need to address Environmental, Social and Governance (ESG) issues to sustain business in the long run.

Given the long-term growth plan of Tata Steel, some of these risks may get further aggravated, hence seeding strategies for mitigating the same have been put in place.

Mitigation Strategies:

While Tata Steel supply chain is complex, it also provides opportunities for value maximisation through global optima. The division works in synergy with all other divisions with an overall focus on reliability for all sites on Integrated Margin Management (IMM) principles.

Tata Steel has adopted a hedging strategy in addition to the long-term contracts to keep sea freight spend in check. Also, actions are being taken to reduce demurrage and sub-optimal costs through route optimisation.

We have also entered into long term partnership agreements with major ports like Dhamra and Paradip (KICTPL- Kalinga International Coal Terminal Private Ltd.) to de-risk import supply chain. A new port infrastructure is being developed in the East Coast of India (i.e., Subarnarekha Port) to support the import requirements for its long-term steel capacity growth plan (40 MnTPA) in India by 2030.

To remove reliance on Indian Railways, we have invested in private freight train schemes- GPWIS (General Purpose Wagon Investment Scheme) and SFTO (Special Freight Train Operator). The GPWIS and SFTO rakes currently carry 22% of raw materials and 11% of Finished goods respectively and their deployment is being steadily increased. Further, the slurry pipeline project for iron ore transportation from captive mines to plants is in progress to provide an alternate mode of transportation to Indian Railways.

We are one of the few companies to measure end-to-end Scope 3 CO_2 emissions in all modes of transportation. Further, the Scope 3 measurement system is being strengthened through engagement with experts and digital interventions. An alternate fuel-based fleet has been deployed in road and sea transportation to reduce Scope 3 CO_2 emissions. Tata Steel has deployed around 69 CNG/LNG/Electricity based vehicles in short lead road circuits and the number of vehicles will be doubled in FY2023-24. A total of 7 import shipments have been done in FY2022-23 using biofuels/LNG and the same is being increased to 28 shipments in FY2023-24 (corresponds to 13% of total sea cargo movement to India). Our critical vendors are assessed annually on Responsible Supply Chain Policy (RSCP) framework and continuous improvements are undertaken based on the findings.

Information Security Risks:

The Company's operations significantly rely on IT and digital infrastructure. The organisation has made several investments on digital transformation for important and complex processes. One of the key attributes of Digital transformation journey is the connected Architecture i.e., B2B integrations, Information Technology (IT) & Operating Technology (OT) integration channels for Artificial Intelligence (AI), Remote operations which brings many benefits, such as increased efficiency, better decision-making, and improved operational performance. However, these integrations also may increase the organisation's exposure to cyber risk.

Data privacy laws and regulations are in place to govern the data privacy and protection requirements. Non-compliance to IT legislations and regulations may lead to imposition of penalties and adverse impact on Company's reputation.

Mitigation Strategies:

Tata Steel has implemented advanced security measures such as strong access controls, Next Generation Firewall, Advanced Threat Protection, End Point Detection & Response to give real time detection capabilities based on behaviour, lateral movements.

Integrated IT & OT Security Operation Centre has been implemented to give near real time visibility of security events generated on systems to identify abnormalities with immediate trigger to mitigation actions. 24*7*365 external attack surface management has been set up to identify potential risks over internet and try out exploits in attackers' perspective which helps to take immediate mitigation before being identified and utilised by attackers.

Tata Steel regularly assesses cybersecurity posture and conduct security audits to identify potential vulnerabilities. The same security initiatives are being extended to Tata Steel Group Companies (TSGCs) and has implemented Security information and Event management as core fundamentals of Security Operation Centre in various TSGCs. Zero Trust Architecture is also being implemented for TSGCs.

The Company has implemented various policies and procedures to ensure data privacy. Proactive software asset management is being carried out to ensure compliance.

XI. Internal Financial Control Systems and Internal Audit

The Company has an Internal Financial Controls ('**IFC**') framework, commensurate with the size, scale, and complexity of the Company's operations. The Board of Directors of the Company is responsible for ensuring that IFC have been laid down by the Company and that such controls are adequate and operating effectively. The internal control framework has been designed to provide reasonable assurance with respect to recording and providing reliable financial and operational information, complying with applicable laws, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance with corporate policies. The Company's internal financial control framework commensurates with the size and operations of the business and is in line with requirements of the Companies Act, 2013. The Company has laid down Standard Operating Procedures and policies to guide the operations of each of its functions. Business heads are responsible to ensure compliance with these policies and procedures. Robust and continuous internal monitoring mechanisms ensure timely identification of risks and issues. To make the controls more robust and comprehensive, IFC standardisation & rationalisation project was undertaken in FY2020-21 which has ensured comprehensive coverage cutting across all functions of the Company. In order to reduce manual time and efforts involved in control testing, improve confidence in testing results, increase the frequency of testing and resort to full checking of the data as compared to sample testing, automation of controls was undertaken in FY2021-22, whereby around 30% of the controls were automated which have been tested in automated environment in the current financial year. The management, statutory auditors and internal auditors have also carried out adequate due diligence of the control environment of the Company through rigorous testing.

The Company has deployed SAP Governance, Risk and Compliance (GRC) Module and other IT platforms to keep the IFC framework robust and our Information Management Policy governs these IT platforms. IFC has been documented and embedded in the business processes and such controls have been assessed during the year under review and no material weaknesses were observed.

The scope and authority of the Internal Audit function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee. The Internal Audit team develops an annual audit plan based on the risk profile of the business activities. The Internal Audit plan is approved by the Audit Committee, which also reviews compliance to the plan. The Internal Audit team monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures, and policies at all locations of the Company and its subsidiaries. Based on the report of the Internal Auditor, process owners undertake corrective action(s) in their respective area(s) and thereby strengthen the controls.

Significant audit observations and corrective action(s) thereon are presented to the Audit Committee and shared with the Statutory Auditors. The Audit Committee at its meetings reviews the reports submitted by the Internal Auditor. The Audit Committee also, at frequent intervals, has independent sessions with the statutory auditor and the Management to discuss the adequacy and effectiveness of IFCs.

XII. Statutory Compliance

The Company has in place adequate systems and processes to ensure that it is in compliance with all the applicable laws. The Company Secretary & Chief Legal Officer (Corporate & Compliance) is responsible for implementing the systems and processes for monitoring compliance with the applicable laws and for ensuring that the systems and processes are operating effectively. The Chief Executive Officer & Managing Director, places before the Board, at each meeting, a certificate of compliance with the applicable laws. The Company Secretary & Chief Legal Officer (Corporate & Compliance) also confirms compliance with Company law, SEBI Regulations and other corporate laws applicable to the Company.

ANNEXURE 2

Annual Report on Corporate Social Responsibility Activities

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

Our CSR initiatives are guided by our CSR Policy ('**Policy**'). The Policy was first adopted on September 17, 2014 and then revised on February 3, 2016, and on November 11, 2021.

Our CSR activities focus on education, health, water, livelihood, rural and urban infrastructure and are in alignment with key development challenges of communities we serve. We also undertake community-centric interventions in the areas of sports, disaster relief, environment and tribal identity.

2. Composition of Corporate Social Responsibility & Sustainability (CSR&S) Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings held during the year	Number of meetings attended during the year
1.	Mr. Deepak Kapoor	Independent Director (Chairman)	4	3
2.	Mr. O. P. Bhatt	Independent Director	4	4
3.	Mr. T. V. Narendran	Chief Executive Officer & Managing Director	4	4
4.	Mr. Koushik Chatterjee	Executive Director & Chief Financial Officer	4	3

3. The web-links where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company are provided below:

The composition of the CSR&S Committee:	https://www.tatasteel.com/corporate/our-organisation/leadership/
CSR Policy:	https://www.tatasteel.com/media/11804/tata-steel-csr-policy-latest-2019.pdf
CSR Projects as approved by the Board:	https://www.tatasteel.com/corporate/our-organisation/csr/

4. The Executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

The Company voluntarily carries out impact assessment of key CSR Projects in the normal course. The reports are available on the website of the Company at https://www.tatasteel.com/corporate/our-organisation/csr/

(₹ crore)

5.			
	(a)	Average net profit of the Company as per section 135(5) of the Companies Act, 2013	22,846.03
	(b)	Two percent of average net profit of the Company as per section 135(5) of the Companies Act, 2013	456.92
	(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	NIL
	(d)	Amount required to be set off for the financial year, if any	NIL
	(e)	Total CSR obligation for the financial year (5b+5c-5d)	456.92

(₹ crore)

6.			
	(a)	Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects)	475.11
	(b)	Amount spent in Administrative Overheads	5.51
	(c)	Amount spent on Impact Assessment, if applicable	Not applicable
	(d)	Total amount spent for the financial year (6a+6b+6c)	480.62

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

Total Amount Spent for the Financial Year (in ₹ crore)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
480.62	Nil	NA	NA	Nil	NA

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

Sl. No.	Particular	Amount (in ₹ crore)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per section 135(5) of the Companies Act, 2013	456.92
(ii)	Total amount spent for the Financial Year	480.62
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	23.70
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	*23.70

*The Company does not propose to avail any set-off, against the excess amount spent in FY2022-23 for succeeding financials year(s).

7. Details of Unspent CSR amount for the preceding three financial years

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per second proviso to section 135(5), if any.		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
NA	NA	Nil	Nil	NA	Nil	NA	Nil	NA

8. Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year: **No**

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5) of the Companies Act, 2013 – **Not applicable**

sd/-
DEEPAK KAPOOR
Chairman
CSR & Sustainability Committee
DIN: 00162957

sd/-
T. V. NARENDRAN
Chief Executive Officer &
Managing Director
DIN: 03083605

Mumbai
May 2, 2023

ANNEXURE 3

Corporate Governance Report

Company's Corporate Governance Philosophy

Corporate Governance is the creation and enhancement of long-term sustainable value for our stakeholders, comprising regulators, employees, customers, vendors, investors, and the society at large, through ethically driven business practices. Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Strong leadership and effective corporate governance practices have been the Company's hallmark inherited from its culture and ethos. At Tata Steel, it is imperative that our Company's affairs are managed in a fair and transparent manner.

We ensure that we evolve and follow not just the stated corporate governance guidelines, but also globally best practices. We consider it our inherent responsibility to protect the rights of our shareholders and disclose timely, adequate and accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

In accordance with our Vision, Tata Steel Group ('**TSG**') aspires to be the global steel industry benchmark for 'value creation' and 'corporate citizenship'. TSG expects to realise its Vision by taking such actions as may be necessary, to achieve its goals of value creation, safety, environment and people.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of Regulation 46(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**SEBI Listing Regulations**'), as applicable, with regard to corporate governance.

To further strengthen Company's corporate governance philosophy, the Company has also adopted the Tata Business Excellence Model.

Code of conduct

The Company has a strong legacy of fair, transparent and ethical governance practices.

The Company has adopted the Tata Code of Conduct ('**TCoC**'/'**Code**') for Executive Directors ('**EDs**'), Senior Management Personnel and other Executives and Employees, which is available on the website of the Company at www.tatasteel.com The Company has received confirmations from the EDs as well as Senior Management Personnel regarding compliance of the Code during the year under review. The Company has also adopted the Code of Conduct for Non-Executive Directors ('**NEDs**') of the Company which includes the Code of Conduct of Independent Directors ('**IDs**') which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ('**Act**'). The same is available on the website of the Company at www.tatasteel.com The Company has received confirmation from the NEDs and IDs regarding compliance of the Code, for the year under review.

Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, ('**SEBI Insider Trading Regulations**'), as amended from time to time, the Board of Directors of the Company has adopted the Tata Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices ('**Insider Trading Code**').

Mr. Parvatheesam Kanchinadham, Company Secretary & Chief Legal Officer (Corporate & Compliance) is the 'Compliance Officer' in terms of this Insider Trading Code.

Board of Directors

The Board of Directors ('**Board**') is at the core of our corporate governance practice and oversees and ensures that the Management serves and protects the long-term interest of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance.

Size and Composition of the Board

Our policy is to have a mix of EDs, NEDs, and IDs to maintain the Board's independence and separate its functions of governance and management. As on March 31, 2023, the Board comprised of ten members, two of whom are EDs, three are NEDs and five are IDs including two Women Independent Directors. The Board periodically evaluates the need for change in its composition and size. Detailed profile of our Directors is available on our website at www.tatasteel.com/corporate/our-organisation/leadership/

The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 and Section 152 of the Act. During the year under review and as on date of this report, none of our Directors serve as Director or as IDs in more than seven listed companies and none of the EDs serve as IDs on any listed company. Further, none of our IDs serve as Non-Independent Director of any company on the board of which any of our Non-Independent Director is an ID.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149 of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the Management. Further, the IDs have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs.

The Company has issued formal letters of appointment to the IDs. As required under Regulation 46 of the SEBI Listing Regulations, as amended, the terms and conditions of appointment of IDs including their role, responsibility and duties are available on our website at www.tatasteel.com/media/2917/terms-and-conditions-of-appointment-of-independent-directors.pdf

During FY2022-23, none of our Directors acted as Member in more than 10 committees or as Chairperson in more than 5 committees across all listed entities where they serve as a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations. Further, there are no *inter-se* relationships between our Board Members.

Changes to Board during FY2022-23

1. As per the terms and conditions of appointment, Ms. Mallika Srinivasan completed her second term as an Independent Director of the Board and ceased as an Independent Director and Member of the Board effective May 20, 2022.

2. Mr. David W. Crane stepped down as an Independent Director and Member of the Board effective September 5, 2022. He decided to step down, since he joined the United States Department of Energy as the Director of the Office of Clean Energy Demonstration, wherein the said position required him to step-off from all private sector positions that he held. Further, Mr. Crane confirmed that there were no other material reasons other than those mentioned above, for his resignation as an Independent Director from the Board of the Company.

3. Ms. Bharti Gupta Ramola was appointed as an Independent Director of the Company for a term of 5 (Five) years commencing November 25, 2022 through November 24, 2027.

4. Mr. Koushik Chatterjee was re-appointed as Whole-time Director designated as Executive Director and Chief Financial Officer for a further period of 5 (Five) years commencing November 9, 2022 through November 8, 2027.

Table A: Composition of the Board and Directorships held as on March 31, 2023:

Name of the Director	No. of directorship in other Indian Public Companies[1]		No. of Board Committee positions in other Indian Public Companies[2]		Directorship in other listed entity (Category of Directorship)
	Chairperson	Member	Chairperson	Member	
Non-Executive, Non-Independent Directors					
Mr. N. Chandrasekaran (Chairman) DIN: 00121863	7	-	-	-	a) Tata Consultancy Services Limited (Non-Executive, Non-Independent, Chairman) b) Tata Motors Limited (Non-Executive, Non-Independent, Chairman) c) Tata Consumer Products limited (Non-Executive, Non-Independent, Chairman) d) The Tata Power Company Limited (Non-Executive, Non-Independent, Chairman) e) The Indian Hotels Company Limited (Non-Executive, Non-Independent, Chairman) f) Tata Chemicals Limited (Non-Executive, Non-Independent, Chairman)

Name of the Director	No. of directorship in other Indian Public Companies[(1)]		No. of Board Committee positions in other Indian Public Companies[(2)]		Directorship in other listed entity (Category of Directorship)
	Chairperson	Member	Chairperson	Member	
Mr. Noel Naval Tata (Vice-Chairman) DIN: 00024713	4	1	1	2	a) Trent Limited (Non-Executive, Non-Independent, Chairman) b) Voltas Limited (Non-Executive, Non-Independent, Chairman) c) Tata Investment Corporation Limited (Non-Executive, Non-Independent, Chairman) d) Titan Company Limited (Non-Executive, Non-Independent, Vice-Chairman)
Mr. Saurabh Agrawal DIN: 02144558	5	2	-	1	a) The Tata Power Company Limited (Non-Executive, Non-Independent) b) Voltas Limited (Non-Executive, Non-Independent) c) Tata AIG General Insurance Company Limited (Debt Listed) (Non-Executive, Non-Independent, Chairman) d) Tata Capital Limited (Debt Listed) (Non-Executive, Non-Independent, Chairman)
Independent Directors					
Mr. O. P. Bhatt DIN: 00548091	1	3	1	5	a) Tata Consultancy Services Limited (Non-Executive, Independent) b) Hindustan Unilever Limited (Non-Executive, Independent) c) Tata Motors Limited (Non-Executive, Independent) d) Aadhar Housing Finance Limited (Debt Listed) (Non-Executive, Independent, Chairman)
Mr. Deepak Kapoor DIN: 00162957	1	2	1	3	a) HCL Technologies Limited (Non-Executive, Independent) b) Delhivery Limited (Non-Executive, Independent, Chairman)
Ms. Farida Khambata DIN:06954123	-	2	-	-	a) Tata Investment Corporation Limited (Non-Executive, Independent)
Mr. V. K. Sharma DIN: 02449088	-	4	2	3	a) Mahindra and Mahindra Limited (Non-Executive, Non-Independent) b) Reliance Power Limited (Non-Executive, Independent) c) NURECA Limited (Non-Executive, Independent)
Ms. Bharti Gupta Ramola DIN: 00356188	-	2	-	1	a) SRF Limited (Non-Executive, Independent) b) HDFC Life Insurance Company Limited (Non-Executive, Independent)
Executive Directors					
Mr. T. V. Narendran DIN: 03083605	2	-	-	-	a) Tata Steel Long Products Limited (Non-Executive, Non-Independent, Chairman)
Mr. Koushik Chatterjee DIN: 00004989	2	2	-	2	a) Tata Metaliks Limited (Non-Executive, Non-Independent, Chairman) b) The Tinplate Company of India Limited (Non-Executive, Non-Independent, Chairman) c) Tata Steel Long Products Limited (Non-Executive, Non-Independent)

[(1)] Directorships in Indian Public Companies (listed and unlisted) excluding Tata Steel Limited, Section 8 Companies and foreign companies.

[(2)] In terms of Regulation 26(1)(b) of the SEBI Listing Regulations, the disclosure includes chairmanship / membership of the Audit Committee and Stakeholders' Relationship Committee in other Indian Public companies (listed and unlisted) excluding Tata Steel Limited. Further, membership includes positions as Chairperson of committee.

Selection of New Directors and Board Membership Criteria

The Nomination and Remuneration Committee ('**NRC**') formulates and recommends to the Board the appropriate qualifications, positive attributes, characteristics, skills and experience required for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service. The Policy for appointment and removal of Directors and determining Directors' independence is available on our website at https://www.tatasteel.com/media/6816/policy-on-appointment-and-removal-of-directors.pdf

Key Board Qualifications, Expertise and Attributes

The Members of the Board are committed to ensuring that the Board is in compliance with the highest standards of Corporate Governance. The table below summarises the key skills, expertise, competencies and attributes which are taken into consideration by the NRC while recommending appointment of Directors to the Board:

Table B: Director skills, expertise, competencies and attributes desirable in Company's business and sector in which it functions

	Areas of Skills / Expertise / Competence						
	Leadership	Strategy	Operations	Technology	Finance	Governance	Government/ Regulatory Affairs
N. Chandrasekaran	√	√	√	√	√	√	√
Noel Naval Tata	√	√	√	√	√	√	√
O. P. Bhatt	√	√	√	-	√	√	√
Deepak Kapoor	√	√	√	-	√	√	√
Farida Khambata	√	√	√	√	√	√	√
Bharti Gupta Ramola	√	√	√	-	√	√	√
V. K. Sharma	√	√	√	-	√	√	√
Saurabh Agrawal	√	√	-	-	√	√	√
T. V. Narendran	√	√	√	√	√	√	√
Koushik Chatterjee	√	√	√	-	√	√	√

Familiarisation Programme for Directors (including Independent Directors)

As a practice, all new Directors (including Independent Directors) inducted to the Board are given a formal orientation. The familiarisation programme for our Directors is customised to suit their individual interests and area of expertise. The Directors are usually encouraged to visit the plant and raw material locations of the Company and interact with members of Senior Management as part of the induction programme. The Senior Management make presentations giving an overview of the Company's strategy, operations, products, markets, group structure and subsidiaries, Board constitution and guidelines, matters reserved for the Board and the major risks and risk management strategy. This enables the Directors to get a deep understanding of the Company, its people, values and culture and facilitates their active participation in overseeing the performance of the Management.

As stated in the Board's Report, the details of orientation given to our existing Independent Directors are available on our website at https://www.tatasteel.com/media/12333/familiarisation-program.pdf

Board Evaluation

The NRC has formulated a Policy for the Board, its Committees and Directors and the same has been approved and adopted by the Board. The details of Board Evaluation forms part of the Board's Report.

Remuneration Policy for Board and Senior Management

The Board has approved the Remuneration Policy for Directors, Key Managerial Personnel ('**KMP**') and all other employees of the Company. The same is available on our website at https://www.tatasteel.com/media/6817/remuneration-policy-of-directors-etc.pdf Details of remuneration for Directors in FY2022-23 are provided in Table C.

Table C: Shares held and cash compensation paid to Directors for the year ended March 31, 2023

(₹ lakh)

Name	Fixed Salary			Commission[1]	Sitting Fees	Total Compensation	Ordinary (Equity) Shares held (Nos.)
	Basic	Perquisite/ Allowance	Total Fixed Salary				
Non-Executive, Non-Independent Directors							
Mr. N. Chandrasekaran[2]	–	–	–	–	3.60	3.60	20,00,000
Mr. Noel Naval Tata[3]	–	–	–	150.00	4.00	154.00	1,43,700
Mr. Saurabh Agrawal [4]	–	–	–	–	6.80	6.80	–
Independent Directors							
Ms. Mallika Srinivasan[5]	–	–	–	40.00	0.80	40.80	–
Mr. O. P. Bhatt[6]	–	–	–	240.00	8.00	248.00	–
Mr. Deepak Kapoor[7]	–	–	–	150.00	6.10	156.10	–
Ms. Farida Khambata	–	–	–	120.00	6.40	126.40	8,00,000
Ms. Bharti Gupta Ramola[8]	–	–	–	50.00	2.80	52.80	–
Mr. David W. Crane[9]	–	–	–	50.00	2.40	52.40	–
Mr. V. K. Sharma	–	–	–	120.00	4.50	124.50	–
Executive Directors							
Mr. T. V. Narendran	184.80	331.71	516.51	1,350.00	–	1,866.51	21,710
Mr. Koushik Chatterjee	164.84	306.34	471.18	950.00	–	1,421.18	16,360

Notes:

(1) Commission relates to the financial year ended March 31, 2023, which was approved by the Board on May 2, 2023 and will be paid during FY2023-24.

(2) As a policy, Mr. N. Chandrasekaran, Chairman has abstained from receiving commission from the Company.

(3) Sitting fees include an amount of ₹40,000 paid in FY2023-24.

(4) In line with the internal guidelines of the Company, no commission is paid to the Non-Executive Directors of the Company, who are in full time employment with any other Tata Company. Accordingly, no commission has been paid to Mr. Saurabh Agrawal.

(5) Ms. Mallika Srinivasan completed her second term as an Independent Director of the Board and ceased as an Independent Director and Member of the Board effective May 20, 2022.

(6) Mr. O. P. Bhatt serves as an Independent Director of Tata Steel Europe ('**TSE**'). Towards this, he additionally receives an annual fee of £70,000 from TSE. The fee paid is consistent with the market practices and is aligned to the benchmark figures published by global consulting firms.

(7) Mr. Deepak Kapoor serves as an Independent Director and as the Chairman of the Board of Tata Steel Minerals Canada ('**TSMC**'). Towards this, he additionally receives an annual Board fee of CAD 16,000 from TSMC.

(8) Ms. Bharti Gupta Ramola was appointed as an Independent Director of the Company for a term of 5 (Five) years commencing November 25, 2022 through November 24, 2027. She attended all the three (3) board meetings held during FY2022-23, post her appointment.

(9) Mr. David W. Crane stepped down as an Independent Director and Member of the Board effective September 5, 2022.

(10) None of the Executive Directors is eligible for payment of any severance fees and the contracts with Executive Directors may be terminated by either party giving six months' notice to the other party or the Company paying six months' remuneration in lieu thereof.

(11) The Company does not have any stock options plan. Accordingly, none of our Directors hold stock options as on March 31, 2023.

(12) The Company has not issued any convertible instruments. Accordingly, none of our Directors hold any convertible instruments as on March 31, 2023.

Board Meetings

Scheduling and selection of agenda items for Board Meetings

Tentative dates for Board Meetings in the ensuing financial year are decided in advance and communicated to the Members of the Board. The information, as required under Regulation 17(7) read with Schedule II Part A of the SEBI Listing Regulations, is made available to the Board.

The Board meets at least once a quarter to review the quarterly financial results and other agenda items. Additional meetings are held when necessary. Committees of the Board usually meet the day before or on the day of the formal Board meeting, or whenever the need arises for transacting business. The recommendations of the Committees are placed before the Board for necessary approvals. All committee recommendations placed before the Board during the year under review were unanimously accepted by the Board.

7 (seven) meetings of the Board were held during the financial year ended March 31, 2023. These were held on May 3, 2022, July 25, 2022, September 22, 2022, October 31, 2022, December 16, 2022, February 6, 2023 and March 27, 2023. The gap between any two Board meetings during the year under

review did not exceed one hundred and twenty days. The requisite quorum was present for all the meetings.

Table D: Attendance details of Directors for the year ended March 31, 2023 are given below:

Name of the Director	Category	No. of Meetings held during tenure	No. of Meetings Attended
Mr. N. Chandrasekaran (Chairman)	NED	7	7
Mr. Noel Naval Tata (Vice – Chairman)	NED	7	7
Mr. Saurabh Agrawal	NED	7	7
Ms. Mallika Srinivasan(1)	ID	1	1
Mr. O. P. Bhatt	ID	7	7
Mr. Deepak Kapoor	ID	7	6
Ms. Farida Khambata	ID	7	6
Mr. David W. Crane(2)	ID	2	2
Mr. V. K. Sharma	ID	7	6
Ms. Bharti Gupta Ramola(3)	ID	3	3
Mr. T. V. Narendran	ED	7	7
Mr. Koushik Chatterjee	ED	7	7

Notes:

(1) Ms. Mallika Srinivasan completed her second term as an Independent Director of the Board and ceased as an Independent Director and Member of the Board effective May 20, 2022.

(2) Mr. David W. Crane stepped down as an Independent Director and Member of the Board effective September 5, 2022.

(3) Ms. Bharti Gupta Ramola was appointed as an Independent Director of the Company, for a term of 5 (Five) years commencing November 25, 2022 through November 24, 2027.

All the Directors [as on the date of the Annual General Meeting ('**AGM**')] were present at the AGM of the Company held on Tuesday, June 28, 2022.

All the Board Meetings held during in FY2022-23 were held physically, except the meetings held on May 3, 2022, September 22, 2022, October 31, 2022 and March 27, 2023.

Meeting of the Independent Directors

Pursuant to Schedule IV of the Act, the Independent Directors of the Company met on September 22, 2022, February 6, 2023 and March 27, 2023 without the presence of Non-Independent Directors and Members of the Management of the Company. The meetings of Independent Directors were chaired by Mr. O. P. Bhatt, Independent Director and Chairperson of the Nomination and Remuneration Committee.

At the meeting held on March 27, 2023, the Independent Directors, *inter alia*, evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board taking into account the views of Executive and Non-Executive Directors. They also discussed the aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

Board Committees

Audit Committee

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditor, the statutory auditor and the cost auditor and notes the processes and safeguards employed by each of them. The Committee further reviews the processes and controls including compliance with laws, Tata Code of Conduct and Insider Trading Code, Whistle Blower Policies and related cases thereto. The Committee also reviews matters under the Prevention of Sexual Harassment at Workplace Policy.

The Board of Directors of the Company adopted the Audit Committee Charter (which includes terms of reference as provided under the Act and SEBI Listing Regulations) on March 31, 2015 which was subsequently revised on February 4, 2016, March 2, 2017, February 8, 2019 and November 11, 2021.

The Company Secretary and Chief Legal Officer (Corporate & Compliance) acts as the Secretary to the Committee. The internal auditor reports functionally to the Audit Committee. The Executive Directors and Senior Management of the Company also attend the meetings as invitees.

7 (Seven) meetings of the Audit Committee were held during the financial year ended March 31, 2023. These meetings were held on May 3, 2022, July 25, 2022, September 22, 2022, October 31, 2022, January 14, 2023, February 6, 2023 and March 29, 2023.The requisite quorum was present for all the meetings. All decisions at the Audit Committee meetings were taken unanimously.

Table E: The composition of the Audit Committee and the attendance details of the Members for the financial year ended March 31, 2023 are given below:

Name of the Director	Category	No. of meetings held during tenure	No. of meetings attended
Mr. Deepak Kapoor (Chairperson)(1)	ID	7	6
Mr. O. P. Bhatt (Chairperson)(2)	ID	7	7
Ms. Farida Khambata	ID	7	6

Name of the Director	Category	No. of meetings held during tenure	No. of meetings attended
Mr. David W. Crane[3]	ID	2	2
Ms. Bharti Gupta Ramola[4]	ID	3	3
Mr. Saurabh Agrawal	NED	7	6

Notes:

(1) Mr. Deepak Kapoor was appointed as a member of the Audit Committee effective April 25, 2019 and as Chairperson of the Audit Committee effective May 21, 2022.

(2) Mr. O. P. Bhatt stepped down as Chairperson of the Audit Committee effective May 21, 2022.

(3) Mr. David W. Crane stepped down as an Independent Director and Member of the Board effective September 5, 2022.

(4) Ms. Bharti Gupta Ramola was appointed as an Independent Director of the Company, for a term of 5 (Five) years commencing November 25, 2022 through November 24, 2027. She was also appointed as a member of the Audit Committee effective November 25, 2022.

Mr. Deepak Kapoor, Chairperson of the Audit Committee, was present at the Annual General Meeting of the Company held on Tuesday, June 28, 2022.

Nomination and Remuneration Committee

The purpose of the Nomination and Remuneration Committee ('**NRC**') is to oversee the Company's nomination process including succession planning for the senior management and the Board and specifically to assist the Board in identifying, screening and reviewing individuals qualified to serve as Executive Directors, Non-Executive Directors and determine the role and capabilities required for Independent Directors consistent with the criteria as stated by the Board in its Policy on Appointment and Removal of Directors. The NRC and the Board periodically reviews the succession planning process of the Company and is satisfied that the Company has adequate process for orderly succession of Board Members and Members of the Senior Management.

The Board has adopted the NRC Charter (which includes terms of reference as provided under the Act and SEBI Listing Regulations) for the functioning of the NRC on May 20, 2015 which was subsequently revised on March 29, 2019 and March 28, 2022, basis the amendments in SEBI Listing Regulations.

The NRC also assists the Board in discharging its responsibilities relating to compensation of the Company's Executive Directors and Senior Management. The NRC has formulated Remuneration Policy for Directors, KMPs and all other employees of the Company and the same is available on Company's website at https://www.tatasteel.com/media/6817/remuneration-policy-of-directors-etc.pdf The criteria for making payments to Non-Executive Directors is also available on our website at https://www.tatasteel.com/media/3931/criteria-of-making-payments-to-neds.pdf The NRC has the overall responsibility of approving and evaluating the compensation plans, policies and programmes for Executive Directors, Key Managerial Personnel ('**KMP**') and the Senior Management. The NRC reviews and recommends to the Board for its approval, the base salary, incentives/commission, other benefits, compensation or arrangements and executive employment agreements for the Executive Directors.

2 (Two) meetings of the NRC were held during the financial year ended March 31, 2023. These meetings were held on May 3, 2022 and March 27, 2023. The requisite quorum was present for both the meetings.

Table F: The composition of the NRC and the attendance details of the Members for the financial year ended March 31, 2023 are given below:

Names of Members	Category	No. of meetings held during tenure	No. of meetings attended
Mr. O. P. Bhatt (Chairperson)[1]	ID	2	2
Ms. Mallika Srinivasan (Chairperson)[2]	ID	1	1
Mr. N. Chandrasekaran	NED	2	2
Mr. V. K. Sharma [3]	ID	1	1

Notes:

(1) Mr. O. P. Bhatt was appointed as a member of the NRC effective August 13, 2013 and as Chairperson of the NRC effective May 21, 2022.

(2) Ms. Mallika Srinivasan completed her second term as an Independent Director of the Board and ceased as an Independent Director and Member of the Board effective May 20, 2022.

(3) Mr. V. K. Sharma was appointed as a member of the NRC effective May 21, 2022.

Mr. O. P. Bhatt, Chairperson of the NRC was present at the Annual General Meeting of the Company held on Tuesday, June 28, 2022.

Corporate Social Responsibility and Sustainability Committee

The purpose of our Corporate Social Responsibility and Sustainability ('**CSR&S**') Committee is to formulate and recommend to the Board, a Corporate Social Responsibility Policy, which shall indicate the initiatives to be undertaken by the Company, recommend the amount of expenditure the Company should incur on Corporate Social Responsibility ('**CSR**') activities and to monitor from time to time, the CSR activities and Policy of the Company. The CSR&S Committee provides guidance in formulation of CSR strategy and its implementation and also reviews practices and principles to foster sustainable growth of the Company by creating values consistent with long-term preservation and enhancement of financial, manufacturing, natural, social, intellectual and human capital.

The Board has approved a Charter for the functioning of the CSR&S Committee on March 31, 2015, which was last revised on November 11, 2021.

The CSR policy is available on our website at https://www.tatasteel.com/media/11804/tata-steel-csr-policy-latest-2019.pdf

4 (Four) meetings of the CSR&S Committee were held during the financial year ended March 31, 2023. These meetings were held on May 2, 2022, July 25, 2022, October 28, 2022 and February 3, 2023. The requisite quorum was present for all the meetings.

Table G: The composition of the CSR&S Committee and the attendance details of the Members for the financial year ended March 31, 2023 are given below:

Names of Members	Category	No. of meetings held during tenure	No. of meetings attended
Mr. Deepak Kapoor (Chairperson)	ID	4	3
Mr. O. P. Bhatt	ID	4	4
Mr. T. V. Narendran	ED	4	4
Mr. Koushik Chatterjee	ED	4	3

Mr. Deepak Kapoor, Chairperson of CSR&S Committee was present at the Annual General Meeting of the Company held on Tuesday, June 28, 2022.

Risk Management Committee

The Company has constituted a Risk Management Committee ('**RMC**') for framing, implementing and monitoring the risk management policy of the Company. The RMC assists the Board in fulfilling its oversight responsibility with respect to Enterprise Risk Management ('**ERM**').

The terms of reference of the RMC are:

a) Overseeing key risks, including strategic, financial, operational, sectoral, sustainability (particularly ESG related risks), IT (including cyber security) and compliance risks;

b) Developing risk management policy and risk management system/framework for the Company;

c) Assisting the Board in framing, implementing and monitoring the risk management plan for the Company and reviewing and guiding the Risk Policy.

The Board has adopted a Charter (which includes terms of reference as provided under the SEBI Listing Regulations) for RMC on May 20, 2015, which was subsequently revised on August 12, 2021.

4 (Four) meetings of RMC were held during the financial year ended March 31, 2023. These meetings were held on May 3, 2022, July 25, 2022, October 31, 2022 and February 6, 2023. The requisite quorum was present for all the meetings.

Table H: The composition of the RMC and the attendance details of the Members for the financial year ended March 31, 2023 are given below:

Names of Members	Category	No. of meetings held during tenure	No. of meetings attended
Ms. Farida Khambata (Chairperson)	ID	4	4
Mr. Saurabh Agrawal	NED	4	4
Mr. T. V. Narendran	ED	4	4
Mr. Koushik Chatterjee	ED	4	4
Dr. Henrik Adam	MoM	4	4
Ms. Samita Shah	MoM	4	4

MoM – Member of Management

Ms. Farida Khambata, Chairperson of RMC was present at the Annual General Meeting of the Company held on Tuesday, June 28, 2022.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee ('**SRC**') considers and resolves the grievances of our shareholders, debenture holders and other security holders, including complaints relating to non-receipt of annual report, transfer and transmission of securities, non-receipt of dividends/interests, issue of new/duplicate certificates, general meetings and such other grievances as may be raised by the security holders of the Company, from time to time.

The SRC also reviews:

a) The measures taken for effective exercise of voting rights by the shareholders;

b) The service standards adopted by the Company in respect of the services rendered by our Registrar & Transfer Agent;

c) The measures rendered and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend/annual report/notices and other information by shareholders.

The Board has adopted a Charter (which includes terms of reference as provided under the Act and SEBI Listing Regulations) for the functioning of the SRC on April 11, 2014 which was subsequently revised on February 8, 2019.

1 (One) meeting of the SRC was held during the financial year ended March 31, 2023. This meeting was held on February 3, 2023. The requisite quorum was present at the meeting.

Table I: The composition of the SRC and the attendance details of the Members for the financial year ended March 31, 2023 are given below:

Names of Members	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. V. K. Sharma (Chairperson)	ID	1	1
Mr. Deepak Kapoor	ID	1	1
Mr. T. V. Narendran	ED	1	1
Mr. Koushik Chatterjee	ED	1	1

Mr. V. K. Sharma, Chairperson of the SRC was present at the Annual General Meeting of the Company held on Tuesday, June 28, 2022.

In terms of Regulation 6 and Schedule V of the SEBI Listing Regulations, the Board has appointed Mr. Parvatheesam Kanchinadham, Company Secretary & Chief Legal Officer (Corporate & Compliance) as the Compliance Officer of the Company.

The details of investor complaints received and resolved during the financial year ended March 31, 2023 are given in Table J below. The complaints relate to non-receipt of annual report, dividend, share transfers and other investor grievances.

Table J: Details of investor complaints received and resolved during the financial year ended March 31, 2023:

Opening as on April 1, 2022	1
Received during the year	355
Resolved during the year	352
Closing as on March 31, 2023	4

Safety, Health and Environment Committee

The Safety, Health and Environment Committee ('**SH&E Committee**') of the Board oversees the policies relating to Safety, Health and Environment and their implementation across TSG.

The Board has approved a Charter for the functioning of the SH&E Committee on October 27, 2009.

4 (Four) meetings of the Committee were held during the financial year ended March 31, 2023. These meetings were held on May 2, 2022, July 25, 2022, October 28, 2022 and February 4, 2023. The requisite quorum was present for all the meetings.

Table K: The composition of the SH&E Committee and the attendance details of the Members for the financial year ended March 31, 2023 are given below:

Names of Members	Category	No. of meetings held during tenure	No. of meetings attended
Mr. Noel Naval Tata (Chairperson) (1)	NED	3	3
Ms. Mallika Srinivasan(2)	ID	1	-
Mr. David W. Crane(3)	ID	2	2
Mr. V. K. Sharma	ID	4	4
Ms. Bharti Gupta Ramola(4)	ID	1	1
Mr. T. V. Narendran	ED	4	4
Dr. Henrik Adam	MoM	4	4

MoM - Member of Management

Notes:

(1) Mr. Noel Naval Tata was appointed as the Member and Chairman of the SH&E Committee effective May 3, 2022.

(2) Ms. Mallika Srinivasan completed her second term as an Independent Director of the Board and ceased as an Independent Director and Member of the Board effective May 20, 2022.

(3) Mr. David W. Crane stepped down as an Independent Director and Member of the Board effective September 5, 2022.

(4) Ms. Bharti Gupta Ramola was appointed as an Independent Director of the Company, for a term of 5 (Five) years commencing November 25, 2022 through November 24, 2027. She was appointed as a member of the SH&E Committee effective November 25, 2022.

Mr. Noel Naval Tata, Chairperson of SH&E Committee was present at the Annual General Meeting of the Company held on Tuesday, June 28, 2022.

General Information for Shareholders

General Body Meetings

Table L: Location and time, where last three Annual General Meetings were held:

Financial Year Ended	Date	Time	Venue	Special Resolution Passed
March 31, 2022	June 28, 2022	3:00 p.m. (IST)	The Meetings were held through two-way video-conferencing	1. Alteration of Memorandum of Association of the Company. 2. Alteration of Articles of Association of the Company. 3. Change in place of keeping Registers and Records.
Mach 31, 2021	June 30, 2021			-
March 31, 2020	August 20, 2020			-

No Extraordinary General Meeting of the Members was held during FY2022-23.

Postal Ballot:

During FY2022-23, the Company sought the approval of the shareholders by way of postal ballot, the details of which are given below:

1. Postal Ballot vide notice dated May 3, 2022, on the following Resolution(s):

SN	Type of Resolution	Description of the Resolution(s)
1.	Ordinary Resolution	Material Related Party Transaction(s) with The Tinplate Company of India Limited – Operational Transaction(s)
2.		Material Related Party Transaction(s) with The Tinplate Company of India Limited – Financial Transaction(s)
3.		Material Related Party Transaction(s) with Tata Steel Long Products Limited
4.		Material Related Party Transaction(s) with Tata BlueScope Steel Private Limited
5.		Material Related Party Transaction(s) with Jamshedpur Continuous Annealing & Processing Company Private Ltd.
6.		Material Related Party Transaction(s) with TM International Logistics Limited
7.		Material Related Party Transaction(s) with Tata Metaliks Limited
8.		Material Related Party Transaction(s) between T S Global Procurement Company Pte. Ltd., wholly-owned subsidiary of Tata Steel Limited and Tata Steel Long Products Limited, subsidiary company of Tata Steel Limited
9.		Material Related Party Transaction(s) between T S Global Procurement Company Pte. Ltd., wholly-owned subsidiary of Tata Steel Limited and Tata NYK Shipping Pte. Ltd., JV Company of Tata Steel Limited
10.		Material Related Party Transaction(s) between Tata Steel IJmuiden BV, wholly-owned subsidiary of Tata Steel Limited and Wupperman Staal Nederland BV, an associate company of Tata Steel Limited
11.		Appointment of Mr. Noel Naval Tata (DIN: 00024713) as a Director
12.	Special Resolution	Appointment of Mr. Vijay Kumar Sharma (DIN: 02449088) as an Independent Director

The voting period for remote e-voting commenced on Thursday, May 12, 2022 at 9.00 a.m. (IST) and ended on Friday, June 10, 2022 at 5.00 p.m. (IST). The consolidated report on the result of the postal ballot through remote e-voting for approving the aforementioned resolutions was provided by the Scrutiniser on Friday, June 10, 2022.

The details of e-voting on the aforementioned resolution(s) are provided hereunder:

Description of the Resolution	Votes in favour of the Resolution(s)			Votes against the Resolution(s)			Invalid Votes	
	Number of Members voted	Number of valid Votes cast (shares)	% of total number of valid votes cast	Number of Members voted	Number of valid Votes cast (shares)	% of total Number of valid votes cast	Total number of members whose votes were declared invalid	Total number of invalid votes cast (shares)
Material Related Party Transaction(s) with The Tinplate Company of India Limited – Operational Transaction(s)	9,263	50,38,14,697	100.00	216	20,178	0	3	28,37,997
Material Related Party Transaction(s) with The Tinplate Company of India Limited – Financial Transaction(s)	9,209	50,38,10,803	100.00	233	20,078	0	3	28,37,997
Material Related Party Transaction(s) with Tata Steel Long Products Limited	9,254	50,38,10,015	100.00	187	17,925	0	3	28,37,997
Material Related Party Transaction(s) with Tata BlueScope Steel Private Limited	9,212	50,38,06,674	100.00	219	20,277	0	3	28,37,997
Material Related Party Transaction(s) with Jamshedpur Continuous Annealing & Processing Company Private Ltd.	9,208	50,38,06,529	100.00	219	20,056	0	3	28,37,997
Material Related Party Transaction(s) with TM International Logistics Limited	9,198	50,38,05,368	100.00	224	21,042	0	3	28,37,997
Material Related Party Transaction(s) with Tata Metaliks Limited	9,228	50,38,07,088	100.00	201	18,999	0	3	28,37,997
Material Related Party Transaction(s) between T S Global Procurement Company Pte. Ltd., wholly-owned subsidiary of Tata Steel Limited and Tata Steel Long Products Limited, subsidiary company of Tata Steel Limited	9,222	50,38,05,359	100.00	205	19,539	0	3	28,37,997
Material Related Party Transaction(s) between T S Global Procurement Company Pte. Ltd., wholly-owned subsidiary of Tata Steel Limited and Tata NYK Shipping Pte. Ltd., JV Company of Tata Steel Limited	9,210	50,38,06,278	100.00	209	19,434	0	3	28,37,997
Material Related Party Transaction(s) between Tata Steel IJmuiden BV, wholly-owned subsidiary of Tata Steel Limited and Wupperman Staal Nederland BV, an associate company of Tata Steel Limited	9,206	50,38,06,386	100.00	211	19,513	0	3	28,37,997
Appointment of Mr. Noel Naval Tata (DIN: 00024713) as a Director	8,784	78,19,56,949	85.26	675	13,51,57,942	14.74	NIL	NIL
Appointment of Mr. Vijay Kumar Sharma (DIN: 02449088) as an Independent Director	8,995	81,37,93,869	96.49	418	2,96,22,454	3.51	NIL	NIL

The Resolution(s) were passed with requisite majority.

2. Postal Ballot vide notice dated July 25, 2022, on the following Ordinary Resolution(s):

SN	Description of the Resolution(s)
1.	Omnibus Material Related Party Transaction(s) with Neelachal Ispat Nigam Limited – Operational Transaction(s)
2.	One time Material Related Party Transaction(s) with Neelachal Ispat Nigam Limited – Financial Transaction(s)
3.	Omnibus Material Related Party Transaction(s) between T S Global Procurement Company Pte. Ltd., an indirect wholly-owned subsidiary of Tata Steel Limited and Neelachal Ispat Nigam Limited, an indirect subsidiary of Tata Steel Limited
4.	Omnibus Material Related Party Transaction(s) between Tata Steel Limited and Tata Metaliks Limited – Financial Transaction

The voting period for remote e-voting commenced on Tuesday, August 16, 2022 at 9.00 a.m. (IST) and ended on Wednesday, September 14, 2022 at 5.00 p.m. (IST). The consolidated report on the result of the postal ballot through remote e-voting for approving the aforementioned resolutions was provided by the Scrutiniser on Wednesday, September 14, 2022.

The details of e-voting on the aforementioned Ordinary Resolution(s) are provided hereunder:

Description of the Resolution	Votes in favour of the Resolution(s)			Votes against the Resolution(s)			Invalid Votes	
	Number of Members voted	Number of valid Votes cast (shares)	% of total number of valid votes cast	Number of Members voted	Number of valid Votes cast (shares)	% of total Number of valid votes cast	Total number of members whose votes were declared invalid	Total number of invalid votes cast (shares)
Omnibus Material Related Party Transaction(s) with Neelachal Ispat Nigam Limited – Operational Transaction(s)	17,754	463,39,87,965	99.99	464	5,34,794	0.01	1	8,210
One time Material Related Party Transaction(s) with Neelachal Ispat Nigam Limited – Financial Transaction(s)	17,672	463,39,67,895	99.99	501	5,15,506	0.01	1	8,210
Omnibus Material Related Party Transaction(s) between T S Global Procurement Company Pte. Ltd., an indirect wholly-owned subsidiary of Tata Steel Limited and Neelachal Ispat Nigam Limited, an indirect subsidiary of Tata Steel Limited	17,679	463,39,32,427	99.99	491	5,54,368	0.01	1	8,210
Omnibus Material Related Party Transaction(s) between Tata Steel Limited and Tata Metaliks Limited – Financial Transaction	17,742	463,39,42,879	99.99	445	5,61,416	0.01	1	8,210

The Ordinary Resolution(s) were passed with requisite majority.

3. Postal Ballot vide notice dated December 16, 2022, on the following Resolution(s):

SN	Type of Resolution	Description of the Resolution(s)
1.	Ordinary Resoluton	Re-appointment of Mr. Koushik Chatterjee (DIN: 00004989) as Whole-time Director designated as Executive Director and Chief Financial Officer and payment of remuneration
2.	Special Resolution	Appointment of Ms. Bharti Gupta Ramola (DIN: 00356188) as an Independent Director
3.	Ordinary Resolution	Material modification in approved Related Party Transaction(s) with Neelachal Ispat Nigam Limited, a subsidiary company of Tata Steel Limited

The voting period for both remote e-voting as well as voting through physical postal ballot commenced on Monday, January 2, 2023 at 9.00 a.m. (IST) and ended on Tuesday, January 31, 2023 at 5.00 p.m. (IST). The consolidated report on the result of the postal ballot for approving the aforementioned resolutions was provided by the Scrutiniser on February 2, 2023.

The details of voting on the aforementioned Resolution(s) are provided hereunder:

Description of the Resolution	Votes in favour of the Resolution(s)			Votes against the Resolution(s)			Invalid Votes	
	Number of Members voted	Number of valid Votes cast (shares)	% of total number of valid votes cast	Number of Members voted	Number of valid Votes cast (shares)	% of total Number of valid votes cast	Total number of members whose votes were declared invalid	Total number of invalid votes cast (shares)
Re-Appointment of Mr. Koushik Chatterjee (DIN: 00004989) as Whole-time Director designated as Executive Director and Chief Financial Officer and payment of remuneration	11,346	864,74,79,759	98.65	435	11,84,01,311	1.35	52	1,34,977
Appointment of Ms. Bharti Gupta Ramola (DIN: 00356188) as an Independent Director	11,275	875,94,59,792	99.93	429	63,06,778	0.07	52	1,34,977
Material modification in approved Related Party Transaction(s) with Neelachal Ispat Nigam Limited, a subsidiary company of Tata Steel Limited	11,358	463,34,68,921	99.99	319	3,25,900	0.01	55	6,12,18,147

The Resolution(s) were passed with requisite majority.

In respect of all the above Postal Ballots conducted by the Company during FY2022-23, the Board of Directors had appointed Mr. P. N. Parikh (Membership No. FCS 327, CP No. 1228) or failing him, Ms. Jigyasa N. Ved (Membership No. FCS 6488, CP No. 6018) or failing her, Mr. Mitesh Dhabliwala (Membership No. FCS 8331, CP No. 9511) of Parikh & Associates, Practising Company Secretaries, as the Scrutiniser to scrutinise the postal ballot process, in a fair and transparent manner.

Procedure for Postal Ballot:

All the aforesaid Postal Ballots were conducted by the Company as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, and 3/2022 dated May 5, 2022 issued by the Ministry of Corporate Affairs. Additionally, a physical copy of the Postal Ballot Notice dated December 16, 2022 along with Postal Ballot Form and pre-paid self-addressed Business Reply Envelope were sent by the Company to its shareholders, whose e-mail addresses were not registered with the Company/RTA/Depositories.

Details of special resolution proposed to be conducted through postal ballot:

None of the businesses proposed to be transacted at the ensuing Annual General Meeting, scheduled to be held on July 5, 2023 ('**AGM**'), requires passing of a Special Resolution through Postal Ballot.

Table M: Annual General Meeting 2023:

Day & Date	Wednesday, July 5, 2023
Time	3:00 p.m. IST
Venue	The Ministry of Corporate Affairs ('**MCA**') has vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 (collectively referred to as '**MCA Circulars**') permitted the holding of the Annual General Meeting through video-conferencing/other audio-visual means ('**VC/OAVM**'), without the physical presence of the Members at a common venue. In compliance with the provisions of the Act and MCA Circulars, the AGM of the Company is being held through VC/OAVM. The deemed venue of the AGM shall be Bombay House, 24, Homi Mody Street, Fort, Mumbai – 400 001.
Financial Year	April 1 to March 31
Book Closure Dates	Friday, June 23, 2023 to Wednesday, July 5, 2023 (both days inclusive)
Dividend Payment Date	On and from Monday, July 10, 2023 (subject to approval of the shareholders at the AGM)

Communication to the Shareholders

The Company sends quarterly, half-yearly, and yearly financial results to the Shareholders electronically. Key financial data is published in The Indian Express, Financial Express, Nav Shakti, Free Press Journal and Loksatta. The financial results along with the earnings releases are also posted on the Company's website at https://www.tatasteel.com/investors/financial-performance/financial-results/

Earnings calls on financials/quarterly results are held with analysts and investors and their transcripts are published on the website. Such presentations made to analysts and others are also made available on the Company's website at https://www.tatasteel.com/investors/financial-performance/analyst-presentations/

All disclosures as required under the SEBI Listing Regulations are made to respective Stock Exchanges where the securities of the Company are listed. The same are also available on the Company's website at https://www.tatasteel.com/investors/stock-exchange-compliances/stock-exchange-releases/

The Company's website is a comprehensive reference on its leadership, management, vision, mission, policies, corporate governance, sustainability, investor relations, products and processes and updates and news. The section on 'Investors' serves to inform the shareholders, by giving complete financial details, stock exchange compliances including shareholding patterns and updated credit ratings amongst others, corporate benefits, information relating to Stock Exchanges, details of Registrars & Transfer Agent and Frequently Asked Questions. Investors can also submit their queries by submitting 'Shareholder Query Form' and get feedback online. The section on 'Media' includes all major press reports and releases, awards and campaigns by the Company, amongst others.

Investor grievance and share transfer system

The Company has a Board-level Stakeholders' Relationship Committee to examine and redress investors' complaints. The status on complaints and share transfers are reported to the entire Board.

Securities of the listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, mandated all listed companies to issue securities in dematerialised form only, while processing the service request of issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/ exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

Also, share transactions in electronic form can be effected in a much simpler and faster manner. After a confirmation of a sale/ purchase transaction from the broker, shareholders should approach the Depository Participant ('**DP**') with a request to debit or credit the account for the transaction. The DP will immediately arrange to complete the transaction by updating the account.

Shareholders should communicate with TSR Consultants Private Limited (formerly known as TSR Darashaw Consultants Private Limited), the Company's Registrars and Transfer Agent ('**RTA**') quoting their folio number or Depository Participant ID ('**DP ID**') and Client ID number, for any queries to their securities.

Shareholders are advised to refer the latest SEBI guidelines/ circular issued for all the holder holding securities in listed companies in physical form from time to time and keep their KYC details updated at all times, to avoid freezing their folio as prescribed by SEBI.

Details of non-compliance

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years and no penalties and/or strictures have been imposed on the Company in this regard. There has been no instance of non-compliance with any legal requirements, particularly with any requirements of the Corporate Governance Report, during the year under review.

Details of utilisation of funds

During the year under review, the Company did not raise any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations.

However, during the year under review, the Company has issued Non-Convertible Debentures ('**NCDs**') on private placement basis, which are listed on the debt market segment of BSE Limited. The Company affirms that there has been no deviation or variation in utilisation of proceeds of the listed NCDs of the Company.

Forfeiture of Partly paid-up shares

On account of the first and final call made on the partly paid-up Ordinary Shares of the Company, the said securities listed on the National Stock Exchange of India Limited and BSE Limited under symbol TATASTLPP and Scrip Code 891044, respectively, stand suspended from trading with effect from February 17, 2021.

During the year under review, the Company, on February 8, 2023 issued one more reminder-cum-forfeiture notice to the holders of partly paid-up equity shares on which the first and final call money was unpaid. The Company has converted 3,16,580 partly paid-up shares of face value of ₹1/- each into fully paid-up shares during FY2022-23.

Further, the Board of Directors, at their meeting held on March 27, 2023 considered and approved the forfeiture of 19,16,300 partly paid-up equity shares of face value ₹1/- each (prior to sub-division 1,91,630 partly paid-up equity shares of face value of ₹10/- each and paid-up ₹2.504 per share) on which the first and final call money was not paid.

Certificates from Practising Company Secretaries

As required by Regulation 34(3) and Schedule V, Part E of the SEBI Listing Regulations, the certificate given by Parikh & Associates (Firm Registration No. P1988MH009800), Practicing Company Secretaries, regarding compliance of conditions of the Company of corporate governance, is annexed to the Board's Report.

As required by Clause 10(i) of Part C under Schedule V of the SEBI Listing Regulations, the Company has received a certificate from Parikh & Associates (Firm Registration No. P1988MH009800), Practicing Company Secretaries, certifying that none of our Directors have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI or MCA or such other statutory authority.

CEO and CFO certification

As required by Regulation 17(8) read with Schedule II Part B of the SEBI Listing Regulations, the Chief Executive Officer & Managing Director and Executive Director & Chief Financial Officer have given appropriate certifications to the Board of Directors of the Company.

Annual Certificate on Security Transfer

In terms of Regulation 40(9) and 61(4) of the SEBI Listing Regulations, certificates, have been issued by a Company Secretary in Practice, on annual basis, with respect to due compliance of share and security transfer formalities by the Company.

Reconciliation of Share Capital Audit

The Company Secretary in Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited ('**NSDL**') and Central Depository Services (India) Limited ('**CDSL**') (collectively '**Depositories**') and the total issued and listed capital of the Company. The audit confirms that the total paid-up capital of the Company is in agreement with the aggregate of the total number of shares in physical form and in dematerialised form (held with the Depositories).

The Audit Report is disseminated to the Stock Exchanges on a quarterly basis and is also available on our website at https://www.tatasteel.com/investors/stock-exchange-compliances/reconciliation-of-share-capital-audit-reports/

Related Party Transactions

All transactions entered into with the related parties as defined under the Act and Regulation 23 of the SEBI Listing Regulations, each as amended, during the year under review, were on an arm's length price basis and in the ordinary course of business. These have been approved by the Audit Committee and shareholders of the Company, where required, in terms of provisions of the SEBI Listing Regulations. Certain transactions which were repetitive in nature were approved through omnibus route by the Audit Committee. The Company has not entered into any materially significant related party transaction that have potential conflict with the interest of the Company at large. The Policy on Related Party Transactions as approved by the Board of Directors from time to time is uploaded on the Company's website at https://www.tatasteel.com/corporate/our-organisation/policies/

Material Pecuniary Relationship

During FY2022-23, the Company did not have any material pecuniary relationship or transactions with the Non-Executive Directors of the Company, apart from paying Director's remuneration. Further, the Directors have not entered into any contracts with the Company or its subsidiaries, which give rise to the in material conflict with the interest of the Company.

The Board has received disclosures from KMP and Members of Senior Management relating to material, financial and commercial transactions where they and/or their relatives have personal interest.

Policy for Determining Material Subsidiaries

The Company has formulated a Policy for Determining Material Subsidiaries and the same is available on the Company's website at https://www.tatasteel.com/media/5890/policy-on-determining-material-subsidiaries.pdf

The Company is in compliance with the provisions governing material subsidiaries.

Details of material subsidiaries of the Company, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries are as under:

SN	Subsidiaries whose total income / net worth exceeds 10% of the Group's total income/ net worth	Name of statutory auditors	Date of appointment of statutory auditors	Date of Incorporation	Place of Incorporation
1	Tata Steel Europe Limited	PricewaterhouseCoopers LLP	March 14, 2018	October 5, 2006	England
2	Tata Steel IJmuiden BV	PriceWaterhouseCoopers Accountants NV	October 5, 2017	June 28, 1972	The Netherlands
3	Tata Steel Nederland BV	PriceWaterhouseCoopers Accountants NV	October 5, 2017	September 20, 1918	The Netherlands
4	Tata Steel Netherlands Holdings B.V.	PriceWaterhouseCoopers Accountants NV	October 5, 2017	September 4, 2006	The Netherlands
5	Tata Steel UK Holdings Limited	PricewaterhouseCoopers LLP	March 14, 2018	July 26, 2006	England
6	Tata Steel UK Limited	PricewaterhouseCoopers LLP	March 14, 2018	July 26, 1988	England
7	Tulip UK Holdings (No.2) Limited	PricewaterhouseCoopers LLP	March 14, 2018	September 16, 2006	England
8	Tulip UK Holdings (No.3) Limited	PricewaterhouseCoopers LLP	March 14, 2018	September 14, 2006	England
9	T Steel Holdings Pte. Ltd.	PricewaterhouseCoopers LLP	January 11, 2018	July 5, 2006	Singapore
10	T S Global Holdings Pte Ltd.	PricewaterhouseCoopers LLP	January 11, 2018	July 4, 2008	Singapore
11	T S Global Procurement Company Pte. Ltd.	PricewaterhouseCoopers LLP	January 11, 2018	April 23, 2010	Singapore

Vigil Mechanism

The Vigil Mechanism approved by the Board provides a formal mechanism for all Directors, employees and vendors of the Company to approach the Chairman of the Audit Committee of the Company and make protective disclosures regarding the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. Under the Policy, in addition, Directors, employees, and vendors, may approach the Chief Ethics Counsellor to make any such protected disclosure. During the year under review, no person has been denied access to the Chairman of the Audit Committee. Details of the Vigil Mechanism are given in the Board's Report.

The Whistle Blower Policy for Directors and Employees is available on the Company's website at https://www.tatasteel.com/corporate/our-organisation/policies/

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

The disclosure regarding the complaints of sexual harassment are given in the Board's Report.

Consolidated Fees paid to Statutory Auditors

During the FY2022-23, the total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to Price Waterhouse & Co Chartered Accountants LLP, Statutory Auditors of the Company is as under:

Table N: Consolidated fees paid to statutory auditors:

(₹ crore)

Particulars	Amount
As auditors (Statutory Audit)	48.00
For taxation matters	1.85
For other services	4.34
Out-of-pocket expenses	0.31
Total	**54.49**

Dematerialisation of shares and liquidity

The Company's Ordinary Shares are tradable compulsorily in electronic form. We have established connectivity with both the Depositories, i.e., NSDL and CDSL. The International Securities Identification Number ('**ISIN**') allotted to the Ordinary (Equity) Shares under the Depository System is **INE081A01020** post sub-division of 1 equity share of the Company having a face value of ₹10/- each, into 10 equity shares having face value of ₹1/- each.

The Board of Directors of the Company at its meeting held on February 9, 2021 approved making of the First and Final Call of ₹461/- (comprising ₹7.496 towards face value and ₹453.504 towards securities premium) per partly paid-up equity share ('**First and Final Call**'), in respect of 7,76,36,788 outstanding partly paid-up equity shares of face value ₹10/- each, issued by the Company, on a rights basis, pursuant to the Letter of Offer dated January 22, 2018. The Record Date for the purpose of determining the holders of partly paid-up equity shares was set as February 19, 2021. The partly paid-up equity shares were suspended from trading w.e.f. February 17, 2021.

The Company, pursuant to the First and Final Call, has converted the following Partly paid-up equity shares to Fully paid-up equity shares of the Company on which the first and final call money was received:

SN	Date of conversion	Number of Partly paid-up equity shares converted
1	March 24, 2021	7,02,49,241
2	April 23, 2021	73,888
3	May 15, 2021	56,02,985
4	August 1, 2021	5,55,768
5	October 30, 2021	7,49,654
6	December 27, 2021	1,22,938
7	March 14, 2022	59,026
8	March 18, 2023	31,658*

*31,658 shares of ₹10/- each have been converted into 3,16,580 shares of ₹1/- each upon sub-division of shares of the Company.

The outstanding partly paid-up equity shares of the Company post conversion stood at 19,16,300 Fully paid-up Ordinary Shares of ₹1/- each. Subsequently, the Board of Directors, at their meeting held on March 27, 2023 considered and approved the forfeiture of 19,16,300 partly paid-up equity shares of face value ₹1/- each (prior to sub-division 1,91,630 partly paid-up equity shares of face value of ₹10/- each and paid-up ₹2.504 per share) on which the first and final call money was not paid.

As on March 31, 2023, the Company has 1210,63,39,970 Ordinary (equity) Shares representing 99.06% of the Company's share capital which is in dematerialised form.

Further, outstanding GDR Shares 8,79,53,750 (March 31, 2022: 96,95,642 shares of face value of ₹10/- each) of face value ₹1/- per share represent the shares underlying GDRs which were loose text, its too cramped Ordinary (equity) Share.

Designated e-mail address for investor services

To serve the investors better and as required under Regulation 46(2)(j) of the SEBI Listing Regulations, the designated e-mail address for investor complaints is cosec@tatasteel.com The e-mail address for grievance redressal is monitored by the Company's Compliance Officer.

Investor Awareness

As part of good governance we have provided subscription facilities to our investors for alerts regarding press release, results, webcasts, analyst meets and presentations amongst others. We also provide our investors facility to write queries regarding their rights and shareholdings and have provided details of persons to be contacted for this purpose. We encourage investors to visit our website for reading the documents and for availing the above facilities at www.tatasteel.com

Legal proceedings in respect of title of shares

There are certain pending cases related to disputes over title to shares in which the Company has been made a party. However, these cases are not material in nature.

Suspense Escrow Demat Account

In terms of SEBI Circular dated December 12, 2020, the Company has transferred 3,480 Ordinary (equity) shares to 'Suspense Escrow Demat Account' on account of non-receipt of demat request from the investor within 90 days of issuance of the Letter of Confirmation by Registrar and Share Transfer Agent ('**RTA**') for transfer of shares request.

Further, in terms of SEBI Circular dated January 25, 2022, the Company has transferred 13,560 Ordinary (equity) shares to 'Suspense Escrow Demat Account' on account of non-receipt of demat request from the investor within 120 days of issuance of the Letter of Confirmation by RTA for transmission / name deletion request.

Details of shares transferred to the 'Suspense Escrow Demat Account' are as under:

SN	Particulars	Details of shares transferred pursuant to SEBI Circular dated December 12, 2020		Details of shares transferred pursuant to SEBI Circular dated January 25, 2022	
		Number of shareholders	Number of shares	Number of shareholders	Number of shares
(a)	Aggregate number of shareholders and the outstanding shares lying in the suspense account at the beginning of the year	NIL	NIL	NIL	NIL
(b)	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	NIL	NIL	NIL	NIL
(c)	Number of shareholders to whom shares were transferred from suspense account during the year	NIL	NIL	NIL	NIL
(d)	Aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year	2	3,480	10	13,560

Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Commodity price risk

Coal, iron ore and other bulk commodities serve as an integral part of the steel manufacturing process with their sourcing concentrated in specific geographies. These commodities have complex, global supply chains and multiple factors such as geopolitical landscape, continued Russia – Ukraine conflict, exchange rate movements, energy crisis, supply-demand imbalance, policy interventions by Governments in key sourcing/consuming countries (especially China) serve as critical determinants of commodity market behavior. These factors coupled with changes in market dynamics cause volatility in prices of raw materials that has a bearing on the input costs of steelmaking. The changes in prices of commodities are balanced through adjustments in steel prices over a period which in effect acts as a natural hedge to the business.

The Company meets 100% of its iron ore requirements in India, through its captive iron ore mines and about one-fifth of its coking coal requirements from its coal mines. These captive mines provide a structural hedge to the price risk of these commodities.

The Company has a dedicated commodity sourcing team which engages with key raw material producers across the globe and the commodity market at large to optimise sourcing. The team proactively undertakes the assessment of risks of single geography and proprietary sourcing. They also periodically conduct risk assessment for key vendors to check their capability in meeting the supply requirements. Several mitigations have been put in place for diversified sourcing with focus on indigenisation as one of the major levers to de-risk the supply chain for both direct and indirect commodities which are dependent on imports. Coal sourcing is being diversified and long-term tie-ups with coal suppliers in Australia is likely to keep prices competitive with an improved reliability. Price forecasting tools are being used for commodities like Coal, Zinc, Aluminium, etc. to understand price movements and to time the buy for optimising costs. Tools like reverse auctions are being used for efficient price discovery for commodities like coal, ferro alloys, refractories, etc. The dynamic value-in-use (VIU) mapping with imported coal pricing is undertaken for advance planning and value maximisation.

Sustainable procurement policy is being deployed to engage with suppliers/service providers to take initiatives in the areas of 'Reduce, Recycle, and Reuse' and foster responsible supply chain policy.

FY2022-23 has been a year of significant volatility in commodity prices (including energy) particularly post the Russia-Ukraine war. Slowdown in global growth is likely to impact steel demand and prices though the projected recovery in China (post COVID) is expected to mitigate some of the impact. The team continuously revisits the risks through analysis of multiple risk scenarios to arrive at focused mitigation plans.

To address the short-term price volatility, the Company also hedges certain commodities in the derivatives market. Exposure of the Company to commodity and commodity risks faced by the Company throughout the year is given as below:

1. Total exposure of the listed entity to commodities (including commodities based on materiality): ₹45,627 crore.
2. Exposure to the listed entity to various commodities (based on materiality):

Commodity Name	Exposure in INR towards the particular commodity (crore)	Exposure in Quantity terms towards the particular commodity (Tonnes)	% of such exposure hedged through commodity derivatives				
			Domestic Market		International Market		Total
			OTC	Exchange	OTC	Exchange	
Coal	35,371	1,42,83,000	Nil	Nil	Nil	Nil	Nil
Pellet	3,014	30,77,000	Nil	Nil	Nil	Nil	Nil
Refractory	1,381	1,52,000	Nil	Nil	Nil	Nil	Nil

Compliance with discretionary requirements

All mandatory requirements of the SEBI Listing Regulations have been complied with by the Company. The status of compliance with the discretionary requirements, as stated under Part E of Schedule II to the SEBI Listing Regulations are as under:

Maintenance of Chairman's office: The Non-Executive Chairman has a separate office which is not maintained by the Company.

Shareholder Rights: The half-yearly financial performance of the Company is sent to all the Members whose e-mail IDs are registered with the Company/Depositories. The results are also available on the Company's website at https://www.tatasteel.com/investors/financial-performance/financial-results/

Modified opinion(s) in Audit Report: The Auditors have expressed an unmodified opinion in their report on the financial statements of the Company.

Separate posts of Chairperson and the Managing Director or the Chief Executive Officer: The Company has separate posts of Chairperson and the Managing Director & Chief Executive Officer.

Reporting of Internal Auditor: The Internal Auditor functionally reports to the Audit Committee.

Table O: Distribution of Shareholding of Ordinary Shares

Share Holding	Total No. of Shareholders as on March 31,		% to Total Shareholders as on March 31,		*Total No. of Shares as on March 31,		% to Total Capital as on March 31,	
	2023	2022	2023	2022	2023	2022	2023	2022
1	1,93,225	1,31,573	5.12	7.96	1,93,225	1,31,573	0.00	0.01
2-10	6,47,406	5,23,177	17.16	31.64	42,79,109	30,38,897	0.04	0.25
11-50	8,23,626	5,03,902	21.83	30.48	2,55,99,799	1,35,66,185	0.21	1.11
51-100	5,42,760	1,77,762	14.39	10.75	4,64,71,340	1,38,17,248	0.38	1.13
101-200	4,29,197	1,40,752	11.38	8.51	6,79,48,206	2,06,84,876	0.56	1.69
201-500	4,87,398	1,04,574	12.92	6.32	17,00,79,289	3,28,60,392	1.39	2.69
501-1,000	2,65,729	37,299	7.05	2.26	20,65,11,937	2,66,70,666	1.69	2.18
1,001-5,000	3,02,713	28,987	8.03	1.75	65,31,17,001	5,75,22,231	5.34	4.71
5,001-10,000	42,826	2,851	1.14	0.17	30,57,58,899	1,97,44,784	2.50	1.62
10,001-1,00,000	34,351	2,019	0.91	0.12	82,18,02,600	5,38,04,304	6.72	4.41
1,00,001 and above	2,566	584	0.07	0.04	991,97,75,595	97,94,62,524	81.17	80.20
Total	**37,71,797**	**16,53,480**	**100.00**	**100.00**	**1222,15,37,000**	**122,13,03,680**	**100.00**	**100.00**

*The Members of the Company, at the Annual General Meeting held on June 28, 2022, had approved sub-division of 1 Ordinary (equity) Share of face value ₹10/- each into 10 Ordinary (equity) Shares of face value ₹1/- each. The sub-division was applicable on those Members holding equity shares of the Company as on the Record Date of July 29, 2022. Further, the Board of Directors, at their meeting held on March 27, 2023 considered and approved the forfeiture of 19,16,300 partly paid-up equity shares of face value ₹1/- each (prior to sub-division 1,91,630 partly paid-up equity shares of face value of ₹10/- each and paid-up ₹2.504 per share) on which the first and final call money was not paid.

Transfer of Unclaimed Dividend and Shares to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of the Act, read with Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('**Rules**'), the dividends, unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company are liable to be transferred to the IEPF. Accordingly, unclaimed dividends of Shareholders for FY2015-16 lying in the unclaimed dividend account of the Company as on September 16, 2023 will be due for transfer to IEPF on the due date i.e., September 17, 2023. Further, the shares (excluding the disputed cases having specific orders of the Court, Tribunal or any Statutory Authority restraining such transfer) pertaining to which dividend remains unclaimed for a consecutive period of seven years from the date of transfer of the dividend to the Unpaid Dividend Account is also mandatorily required to be transferred to the IEPF Authority established by the Central Government.

The details of unclaimed dividends and shares transferred to IEPF within statutory timelines during FY2022-23 are as follows:

Financial Year	Amount of Unclaimed Dividend Transferred (₹)	Number of Shares Transferred
2014-15	6,93,56,856	34,52,492

Further, 4,87,85,760 Ordinary (equity) Shares of ₹1/- each aggregating ₹4,87,85,760 were transferred to IEPF pursuant to sub-division of shares during FY2022-23.

The Company had sent individual communication to the concerned shareholders at their registered address, whose dividend remained unclaimed and whose shares were liable to be transferred to the IEPF by September 16, 2022.

The communication was also published in national English and local Marathi newspapers.

Any person whose unclaimed dividend and shares pertaining thereto, matured deposits, matured debentures, application money due for refund, or interest thereon, sale proceeds of fractional shares, redemption proceeds of preference shares, amongst others has been transferred to the IEPF Fund can claim their due amount from the IEPF Authority by making an electronic application in web-form IEPF-5. Upon submitting a duly completed form, shareholders are required to take print of the same and send physical copy duly signed along with requisite documents as specified in the form to the attention of the Nodal Officer, at the Registered Office of the Company. The instructions for the web-form can be downloaded from our website at www.tatasteel.com under 'unclaimed dividend' tab in 'investor' section and simultaneously from the website of Ministry of Corporate Affairs at www.iepf.gov.in

Table P: The status of dividend remaining unclaimed is given hereunder:

Unclaimed Dividend	Status	Whether it can be claimed	Can be claimed from	Action to be taken
Up to and including the financial year 1994-95	Transferred to the General Revenue Account of the Central Government	Yes	Office of Registrar of Companies, Central Government Office Building, 'A' Wing, 2nd Floor, Next to Reserve Bank of India, CBD, Belapur - 400 614.	Claim to be forwarded in prescribed Form No. II of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978
For the financial years 1995-1996 to 2011-12	Transferred to the IEPF of the Central Government	Yes	Submit web-form IEPF-5 to the Registered Office of the Company addressed to the Nodal Officer along with complete documents.	IEPF Authority to pay the claim amount to the Shareholder based on the verification report submitted by the Company and the documents submitted by the investor.
For the financial years 2015-2016 to 2021-22	Amount lying in respective Unpaid Dividend Accounts	Yes	TSR Consultants Private Limited (formerly TSR Darashaw Consultants Private Limited), Registrars and Transfer Agent	Letter on plain paper

The Company has hosted on its website the details of the unclaimed dividend/unclaimed shares/interest/ principal amounts for the FY2022-23 as per the Notification No. G S R 352 (E) dated May 10, 2012 of Ministry of Corporate Affairs (as per Section 124 of the Act, as amended).

Table Q: Details of date of declaration of dividend & due date for transfer to IEPF

Year	Dividend per Fully paid-up Ordinary (equity) Share	Dividend per Partly paid-up Ordinary (equity) Share	Date of Declaration	Due date for Transfer to IEPF
2015-16	8	-	August 12, 2016	September 17, 2023
2016-17	10	-	August 08, 2017	September 09, 2024
2017-18	10	2.504	July 20, 2018	August 22, 2025
2018-19	13	3.25	July 19, 2019	August 22, 2026
2019-20	10	2.504	August 20, 2020	September 24, 2027
2020-21	25	6.25	June 30, 2021	August 02, 2028
2021-22	51	12.75	June 28, 2022	August 02, 2029

Shareholders are requested to contact the RTA for encashing the unclaimed dividend/interest/principal amount, if any, standing to the credit of their account.

Nomination Facility

Shareholders whose shares are in physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under Section 72 of the Act, may submit to RTA the prescribed Forms SH-13/SH-14. Further, shareholders who want to opt out of the nomination, may submit Form ISR–3, after cancelling his existing nomination, if any, through Form SH-14. The Nomination Form can be downloaded from the Company's website at www.tatasteel.com under the section 'Investors'.

Shares held in Electronic Form

Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, e-mail IDs, nomination and power of attorney should be given directly to the DP.

Shares held in Physical Form

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, e-mails IDs, nomination and power of attorney should be given to the Company's RTA i.e., TSR Consultants Private Limited in prescribed Form No. ISR-1 or other applicable form.

Updation of bank details for remittance of dividend/cash benefits in electronic form

SEBI vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 ('**Circular**'), which is applicable to all listed companies, mandated to update bank details of their shareholders holding shares in demat mode and/or physical form, to enable usage of the electronic mode of remittance i.e., National Automated Clearing House ('**NACH**') for distributing dividends and other cash benefits to the shareholders.

The Circular further states that in cases where either the bank details such as Magnetic Ink Character Recognition ('**MICR**') and Indian Financial System Code ('**IFSC**'), amongst others, that are required for making electronic payment are not available or the electronic payment instructions have failed or have been rejected by the bank, companies or their Registrars and Transfer Agents may use physical payment instruments for making cash payments to the investors. Companies shall mandatorily print the bank account details of the investors on such payment instruments.

Regulation 12 of the SEBI Listing Regulations, allows the Company to pay dividend by cheque or 'payable at par' warrants where payment by electronic mode is not possible. Shareholders to note that payment of dividend and other cash benefits through electronic mode has many advantages like prompt credit, elimination of fraudulent encashment/delay in transit amongst others. They are requested to opt for any of the above-mentioned electronic modes of payment of dividend and other cash benefits and update their bank details:

- In case of holdings in dematerialised form, by contacting their DP and giving suitable instructions to update the bank details in their demat account.
- In case of holdings in physical form, by informing the Company's RTA i.e., TSR Consultants Private Limited (formerly TSR Darashaw Consultants Private Limited), through a signed request letter with details such as their Folio No(s), Name and Branch of the Bank in which they wish to receive the dividend, the Bank Account type, Bank Account Number allotted by their banks after implementation of Core Banking Solutions ('**CBS**') the 9-digit MICR Code Number and the 11-digit IFSC Code. This letter should be supported by cancelled cheque bearing the name of the first shareholder.

Shareholders to note that those who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other electronic means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/Bankers' cheque/demand draft to such Members.

Listing on Stock Exchanges

As on March 31, 2023, the Company has issued Fully paid-up Ordinary Shares which are listed on BSE Limited and National Stock Exchange of India Limited in India. The annual listing fees has been paid to the respective stock exchanges.

Table R: ISIN and Stock Code details for Ordinary (equity) Shares

Stock Exchanges	ISIN	Stock Code
BSE Limited ('**BSE**') Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra, India	INE081A01020	500470
National Stock Exchange of India Limited ('**NSE**') Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Mumbai - 400 051, Maharashtra, India	INE081A01020	TATASTEEL

Table S: International listings of securities issued by the Company are as under:

Global Depository Receipts ('GDRs') as on March 31, 2023:

GDRs	1994	2009
ISIN	US87656Y1091	US87656Y4061
Listed on	Luxembourg Stock Exchange	London Stock Exchange

Table T: Unsecured Redeemable Non-Convertible Debentures ('NCDs') as on March 31, 2023, are listed on the Wholesale Debt Market segment of the Stock Exchanges as under:

(Amount in ₹ crore)

Coupon Rate (%)	ISIN	Principal Amount	Maturity		Credit Ratings	Name of the Stock Exchange on which the NCDs are listed
			Amount	Date		
8.15	INE081A08215	1,000.00	1,000.00	Oct 01, 2026	AA+ by CARE[#], AA+ by India Ratings[##] and AA+ by Brickwork[^]	BSE
9.8359	INE081A08223	4,315.00	1,078.75	Feb 28, 2031	AA+ CARE[#] and AA+ India Ratings[##]	BSE
			1,078.75	Mar 01, 2032		
			1,078.75	Mar 01, 2033		
			1,078.75	Mar 01, 2034		
7.70	INE081A08231	670.00	670.00	Mar 13, 2025	AA+ CARE[#] and AA+ India Ratings[##]	BSE
7.85	INE081A08249	1,025.00	1,025.00	Apr 17, 2023	AA+ CARE[#] and AA+ India Ratings[##]	BSE
7.85	INE081A08256	510.00	510.00	Apr 21, 2023	AA+ CARE[#] and AA+ India Ratings[##]	BSE
Floating Rate[$]	INE081A08264	1,000.00	1,000.00	Apr 27, 2023	AA+ CARE[#] and AA+ India Ratings[##]	BSE
Floating Rate[&]	INE081A08280 (Series A)	500.00	500.00	Apr 28, 2023	AA+ CARE[#] and AA+ India Ratings[##]	BSE
7.95	INE081A08272 (Series B)	500.00	500.00	Oct 30, 2023	AA+ CARE[#] and AA+ India Ratings[##]	BSE
8.25	INE081A08298	1,000.00	1,000.00	May 19, 2023	AA+ CARE[#] and AA+ India Ratings[##]	BSE
Floating Rate**	INE081A08306	400.00	400.00	Jun 02, 2023	AA+ CARE[#] and AA+ India Ratings[##]	BSE
7.50	INE081A08314	500.00	500.00	Sep 20, 2027	AA+ CARE[#] and AA+ India Ratings[##]	BSE
7.76	INE081A08322	1,500.00	1,500.00	Sep 20, 2032	AA+ CARE[#] and AA+ India Ratings[##]	BSE
8.03	INE081A08330	2,150.00	2,150.00	Feb 25, 2028	AA+ CARE[#] and AA+ India Ratings[##]	BSE

Notes:

^ Brickworks vide release dated September 22, 2022, have reaffirmed rating of 'AA+' with Stable Outlook of Unsecured NCDs of Tata Steel Limited.

CARE Ratings Limited vide release dated February 16, 2023, reaffirmed rating of 'AA+' with Stable Outlook of Unsecured NCDs of Tata Steel Limited.

India Ratings vide release dated February 13, 2023, reaffirmed rating of 'AA+' with Positive Outlook of Unsecured NCDs of Tata Steel Limited.

$ Coupon Rate on the Floating Rate Debentures is the sum of the prevailing Repo Rate fixed by the Reserve Bank of India on each Monthly Reset Date and the applicable Spread of 3.30% per annum, payable annually at the end of every year from the Date of Allotment.

& Coupon Rate on the Floating Rate Debentures is the sum of the prevailing Repo Rate fixed by the Reserve Bank of India on each Monthly Reset Date and the applicable spread of 3.45% per annum, payable annually at the end of every year from the Date of Allotment.

** Coupon Rate on the Floating Rate Debentures is the sum of the prevailing Repo Rate fixed by the Reserve Bank of India on each Monthly Reset Date and the applicable spread of 4.08% per annum, payable annually at the end of every year from the Date of Allotment.

Credit Rating

Details on credit rating for all debt instruments issued by the Company are provided in Table T above. Further details on credit rating are provided in the Board's Report. The above details are also available on our website at www.tatasteel.com

Loans and Advances in which Directors are interested

The Company has not provided any loans and advances to any firms/companies in which Directors are interested.

Market Information

Table U: Market Price Data - High, Low (based on daily closing price) and volume (no. of shares traded) during each month in FY2022-23 of Fully Paid-up Ordinary Shares, on BSE Limited and National Stock Exchange of India Limited:

Month	BSE Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	Volume (No. of shares traded)	High (₹)	Low (₹)	Volume (No. of shares traded)
April 2022	1,371.10	1,220.60	74,43,475	1,370.75	1,220.35	11,88,14,611
May 2022	1,295.10	999.20	1,28,05,311	1,295.20	999.10	21,34,45,777
June 2022	1,086.75	837.95	1,06,54,123	1,086.75	838.10	19,67,88,554
July 2022	960.90	100.35	3,03,05,327	960.70	100.35	46,46,67,533
August 2022	113.00	104.85	10,31,71,954	113.00	104.85	134,29,98,394
September 2022	109.10	95.25	11,20,90,055	109.15	95.20	144,48,89,552
October 2022	104.20	98.30	7,20,49,560	104.20	98.35	73,27,61,912
November 2022	108.65	101.20	7,12,12,696	108.55	101.20	92,75,49,504
December 2022	115.80	102.20	7,33,05,258	115.85	102.25	103,32,18,889
January 2023	123.50	115.60	6,07,23,080	123.55	115.65	111,77,97,658
February 2023	122.05	103.95	6,22,93,118	122.05	103.95	97,12,15,680
March 2023	108.65	102.15	4,58,28,674	108.65	102.10	102,03,02,409
Yearly	**1,371.10**	**95.25**	**66,18,82,631**	**1,370.75**	**95.20**	**958,44,50,473**

The Company's shares are regularly traded on BSE Limited and National Stock Exchange of India Limited, as is seen from the volume of shares indicated in the Table containing Market Information.

Table V: Performance of the share price of the Company in comparison to broad-based indices such as BSE SENSEX and NIFTY 50 are given below:

Month	Closing Price of Equity Shares at BSE (₹)	BSE SENSEX	Closing Price of Equity Shares at NSE (₹)	Nifty 50
April 2022	1,271.70	57,060.87	1,271.05	17,102.55
May 2022	1,055.55	55,566.41	1,055.65	16,584.55
June 2022	866.95	53,018.94	867.05	15,780.25
July 2022	107.65	57,570.25	107.60	17,158.25
August 2022	108.30	59,537.07	108.30	17,759.30
September 2022	99.30	57,426.92	99.30	17,094.35
October 2022	101.55	60,746.59	101.55	18,012.20
November 2022	107.70	63,099.65	107.65	18,758.35
December 2022	112.65	60,840.74	112.65	18,105.30
January 2023	119.65	59,549.90	119.70	17,662.15
February 2023	103.95	58,962.12	103.95	17,303.95
March 2023	104.50	58,991.52	104.50	17,359.75

Secretarial Audit

The Board of Directors has appointed Parikh and Associates (Firm Registration No. P1988MH009800), Practising Company Secretaries, to conduct secretarial audit of the Company's records and documents for FY2022-23. The Secretarial Audit Report confirms that the Company has complied with all applicable provisions of the Act, Secretarial Standards, Depositories Act 2018, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015, each as amended and all other regulations and guidelines of SEBI as applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.

Green Initiative

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, quarterly and half-yearly results, amongst others, to Shareholders at their e-mail addresses previously registered with the DPs and RTAs.

Shareholders who have not registered their e-mail addresses so far are requested to do the same. Those holding shares in demat form can register their e-mail addresses with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA, by sending a letter, duly signed by the first/sole holder quoting details of Folio No.

Plant Locations:

Jharkhand:

Jamshedpur
P. O. Bistupur
Jamshedpur, Jharkhand – 831001

Tata Steel Growth Shop
Adityapur Industrial Estate
P. O. Gamharia, Dist. Seraikela-Kharsawan,
Jharkhand – 832108

Cold Rolling Mill Complex, Bara
P. O. Agrico, P.S. Sidhgora
Block Jamshedpur, Dist.
East Singhbhum,
Jharkhand – 831009

Tata Steel Limited Tubes Division
P. O. Burmamines,
Jamshedpur, Jharkhand – 831 007

Odisha:

Kalinganagar
Kalinganagar Industrial Complex,
Duburi, Dist. Jajpur,
Odisha – 755026

Meramandali
At Narendrapur, P.O. Kusupanga,
Via Meramandali,
Dist. Dhenkanal, Odisha – 759121

Ferro Manganese Plant, Joda
Dist. Keonjhar, Odisha - 758034

Tata Steel Mining Limited:

Tata Steel Mining Ltd. Stainless Steel Plant
WBIIDC Road, P. O. Dwarika, P.S Bishnupur,
Dist. Bankura, West Bengal, 722122

Tata Steel Mining Ltd. Ferro Alloys Plant
Kalinga Nagar Industrial Estate,
At Rabana, Via Danagadi, P. O. Manatira,
P.S Jakhapura, Dist. Jajpur,
Odisha – 755026

Tata Steel Mining Limited: Bhubaneshwar
Tata Steel Mining Limited,
Plot No. N3/24, IRC Village, Nayapalli
Bhubaneswar, Odisha- Pin-751015
Landline Number - 0674 2551045

Athagarh
Ferro Alloy Plant Athagarh,
Tata Steel Mining Limited,
Anantapur, P. O. Dhurusia, Athagarh
Dist. Cuttack, Odisha - 754027

Sukinda
Sukinda Chromite Mine,
Tata Steel Mining Limited,
P. O. Kalarangiatta, Dist. Jajpur,
Odisha - 755028

Saruabil
Saruabil Chromite Mine,
Tata Steel Mining Limited,
P. O. Kansa, Dist. Jajpur, Odisha - 755028

Kamarda
Kamarda Chromite Mine,
Tata Steel Mining Limited,
P. O. Kansa, Dist. Jajpur, Odisha - 755028

Gopalpur
Ferro Alloy Plant Gopalpur,
Tata Steel Mining Limited,
Chamakhandi, Chatrapur Tehsil,
Dist. Ganjam, Odisha - 761020

Jajpur
Jajpur Ferro Alloys Plant,
Tata Steel Mining Limited,
Kalinganagar Industrial Complex,
Duburi, Jajpur Dist. Odisha - 755026

Bishnupur
Bishnupur Stainless-steel &
Ferro Alloys Plant,
Tata Steel Mining Limited,
Bishnupur Industrial Growth Centre
(WBIIDC Industrial Estate),
Dwarika, Bishnupur, Dist. Bankura, West Bengal – 722122

Kolkata
Tata Steel Mining Limited,
12th Floor, Tata Centre, 43 Jawaharlal
Nehru Road Road, Kolkata - 700071,
West Bengal

NINL:

Neelachal Ispat Nigam Limited
Kalinga Nagar Industrial Complex,
Duburi, Jajpur, Odisha - 755026

Ferro Alloys Plant, Bamnipal
P. O. Bamnipal, Dist. Keonjhar,
Odisha – 758082

Ferro Alloys Plant, Gopalpur
P. O. Chamakhandi, Chatrapur Tahsil,
Dist. Ganjam, Odisha – 761020

Ferro Alloys Plant, Balasore
Plot No. Z-1, IDCO IID Centre,
Somnathpur Industrial Estate,
Dist. Balasore, Odisha - 756019

Maharashtra:

Khopoli
Isamba Phata, Khopoli - Pen Road At Nifan Savroli, Khalapur, Dist. Raigad, Maharashtra – 410203

Cold Rolling Complex (West)
Plot No. S 76, Tarapur Industrial Area,
P. Box 22, P. O. Tarapur Industrial Estate
Dist. Palghar, Maharashtra – 401506

Wire Division, Tarapur
Plot F8 & A6, Tarapur MIDC,
P. O. Boisar, Dist. Palghar,
Maharashtra – 401504

Madhya Pradesh:

Wire Division, Indore
Plot 14/15/16 & 32, Industrial Estate Laxmibai Nagar, Fort, Indore - 452006, Madhya Pradesh

Wire Division, Pithampur
Plot 158 & 158A, Sector III,
Industrial Estate, Pithampur,
Madhya Pradesh – 454774

Tamil Nadu:

Hosur
Plot No. 104/3, Sipcot Industrial
Complex, Phase – 1 Hosur,
Dist. Krishnagiri,
Tamil Nadu – 635126

Uttar Pradesh:

Sahibabad
23, Site IV, Sahibabad Industrial
Area, Ghaziabad,
Uttar Pradesh – 201010

West Bengal

Hooghly Met Coke Division
Patikhali, P. O. Haldia Oil Refinery,
Purba Medinipur Haldia,
West Bengal – 721606

Bearings Division
P. O. Rakha Jungle, Nimpura
Industrial Estate,
Kharagpur, West Bengal – 721301

Mining Locations:

Iron Ore (OMQ):

Noamundi Iron Mine
P. O. Noamundi
Dist. West Singhbhum
Jharkhand - 833217

Joda East Iron Mine
P.O. Joda,
Dist. Keonjhar,
Odisha - 758034

Katamati Iron Mine
P. O. Deojhar,
Dist. Keonjhar,
Odisha - 758038

Khondbond Iron Mine
P.O. Joda,
Dist. Keonjhar,
Odisha - 758034

Manganese (FAMD):

Tiringpahar Iron & Manganese Mine
P.O. Bamebari, Joda, Dist. Keonjhar, Odisha – 758086

Joda West Iron & Manganese Mine
P.O. Bichakundi, Joda, Dist. Keonjhar, Odisha – 758034

Bamebari Iron & Manganese Mine
P.O. Bamebari, Joda, Dist. Keonjhar, Odisha - 758034

Collieries:

Jharia Division
Jamadoba, Dhanbad,
Jharkhand – 828112

West Bokaro Division
Ghatotand, Dist. Ramgarh,
Jharkhand - 825314

Investor Contact:

Registered Office:
Bombay House, 24, Homi Mody Street,
Fort, Mumbai - 400 001.
Tel.: +91 22 6665 8282
E-mail: cosec@tatasteel.com
Website: www.tatasteel.com
CIN: L27100MH1907PLC000260

Name, designation & address of Compliance Officer:

Mr. Parvatheesam Kanchinadham,
Company Secretary & Chief Legal Officer (Corporate & Compliance)
Bombay House, 24, Homi Mody Street,
Fort, Mumbai - 400 001.
Tel.: +91 22 6665 7279
E-mail: cosec@tatasteel.com

Name, designation & address of Investor Relations Officer:

Mr. Pavan Kumar,
Head - Group Investor Relation
Bombay House, 24, Homi Mody Street,
Fort, Mumbai - 400 001
Tel.: +91 22 6665 7292
E-mail: ir@tatasteel.com

Debenture Trustee:

IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai - 400 001.
Tel.: +91 22 4080 7000
Fax: +91 22 6631 1776
E-mail: itsl@idbitrustee.com
Website: www.idbitrustee.com

Catalyst Trusteeship Ltd.

604, Windsor Building, Kalina,
Santacruz East, Mumbai - 400 098,
Maharashtra, India
Tel.: +91 22 4922 0555
Fax: +91 22 4922 0505
E-mail: dt.mumbai@ctltrustee.com
Website: www.catalysttrustee.com

Stock Exchanges:

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.
Tel.: +91 22 2272 1233
Fax: +91 22 2272 1919
Website: www.bseindia.com

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051.
Tel.: +91 22 2659 8100
Fax: +91 22 2659 8120
Website: www.nseindia.com

Luxembourg Stock Exchange
35A Boulevard Joseph II
L-1840 Luxembourg,
Tel.: +352 4779361
Fax: +352 473298
Website: www.bourse.lu

London Stock Exchange
10 Paternoster Square,
London - EC4M 7LS
Tel.: +44 20 7797 1000
Website: www.londonstockexchange.com

Depository Services:

National Securities Depository Limited
Trade World, A Wing, 4th & 5th Floors,
Kamala Mills Compound,
Lower Parel, Mumbai - 400 013.
Tel.: +91 22 2499 4200
Fax: +91 22 2497 6351
E-mail: info@nsdl.co.in
Investor Grievance: relations@nsdl.co.in
Website: www.nsdl.co.in

Central Depository Services (India) Limited
Marathon Futurex, A-Wing, 25th Floor,
NM Joshi Marg, Lower Parel (East),
Mumbai - 400 013.
Tel.: +91 22 2305 8640/8624/8639/8663
E-mail: helpdesk@cdslindia.com
Investor Grievance: complaints@cdslindia.com
Website: www.cdslindia.com

Registrars and Transfer Agents:

TSR Consultants Private Limited (Formerly known as TSR Darashaw Consultants Private Limited)
CIN: U74999MH2018PTC307859
Unit: Tata Steel Limited,
C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai,
Maharashtra - 400 083
Tel.: +91 810 811 8484
Fax: +91 22 6656 8494
Timings: Monday to Friday,
10 a.m. (IST) to 5 p.m. (IST)
E-mail: csg-unit@tcplindia.co.in
Website: www.tcplindia.co.in

For the convenience of investors based in the following cities, correspondence/documents will also be accepted at the following branches/agencies of TSR Consultants Private Limited:

Bengaluru
TSR Consultants Private Limited
C/o. Mr. D. Nagendra Rao
Vaghdevi" 543/A, 7th Main, 3rd Cross,
Hanumanthnagar
Bengaluru - 560 019
Contact person: Mr. Shivanand M
Tel.: +91 80 2650 9004
Fax: +91 80 2558 0019
E-mail: tcplbang@tcplindia.co.in

Kolkata
TSR Consultants Private Limited
C/o. Link Intime India Private Limited
Vaishno Chamber, Flat No. 502 & 503,
5th Floor, 6, Brabourne Road,
Kolkata - 700 001
Tel.: +91 33 4008 1986
E-mail: tcplcal@tcplindia.co.in

New Delhi
TSR Consultants Private Limited
C/o. Link Intime India Private Limited
Noble Heights, 1st Floor,
Plot No. NH-2, C-1 Block, LSC,
Near Savitri Market, Janakpuri,
New Delhi - 110 058.
Tel.: +91 11 4941 1030
E-mail: tcpldel@tcplindia.co.in

Jamshedpur
TSR Consultants Private Limited
Bungalow No. 1, 'E' Road,
Northern Town, Bistupur,
Jamshedpur - 831 001.
Tel.: +91 657 2426 937
E-mail: tcpljsr@tcplindia.co.in

Ahmedabad
TSR Consultants Private Limited
C/o. Link Intime India Private Limited
5th Floor, 506 to 508
Amarnath Business Centre-1 (ABC-1),
Beside Gala Business Centre,
Nr. St. Xavier's College Corner,
Off. C.G. Road, Ellisbridge
Ahmedabad - 380 006
Tel.: +91 79 2646 5179
E-mail: csg-unit@tcplindia.co.in

Details of Corporate Policies

Particulars	Website Details/Links
Dividend Distribution Policy	https://www.tatasteel.com/media/6086/dividend-policy-final.pdf
Composition and Profile of the Board of Directors	https://www.tatasteel.com/corporate/our-organisation/leadership/
Terms and conditions of appointment of Independent Directors	https://www.tatasteel.com/media/2917/terms-and-conditions-of-appointment-of-independent-directors.pdf
Policy on Appointment and Removal of Directors	https://www.tatasteel.com/media/6816/policy-on-appointment-and-removal-of-directors.pdf
Familiarisation Programme for Independent Directors	https://www.tatasteel.com/media/12333/familiarisation-program.pdf
Remuneration Policy of Directors, KMPs & Other Employees	https://www.tatasteel.com/media/6817/remuneration-policy-of-directors-etc.pdf
Tata Code of Conduct	https://www.tatasteel.com/media/1864/tcoc.pdf
Criteria for Making Payments to Non-Executive Directors	https://www.tatasteel.com/media/3931/criteria-of-making-payments-to-neds.pdf
Corporate Social Responsibility Policy	https://www.tatasteel.com/media/11804/tata-steel-csr-policy-latest-2019.pdf
Code of Conduct for Non-Executive Directors	https://www.tatasteel.com/media/3930/tcoc-non-executive-directors.pdf
Policy on Related Party Transactions	https://www.tatasteel.com/media/5891/policy-on-related-party-transactions.pdf
Policy on Determining Material Subsidiaries	https://www.tatasteel.com/media/5890/policy-on-determining-material-subsidiaries.pdf
Whistle Blower Policy	https://www.tatasteel.com/media/9942/whistle-blower-policy-for-business-associates.pdf https://www.tatasteel.com/media/11322/revised-whistleblower-policy-december-18-2019.pdf
Code of Corporate Disclosure Practices	https://www.tatasteel.com/media/6843/code-of-corporate-disclosure-practices.pdf
Policy on Determination of Materiality for Disclosure(s)	https://www.tatasteel.com/media/6844/tata-steel-determination-of-materiality-policy.pdf
Document Retention and Archival Policy	https://www.tatasteel.com/media/6845/tata-steel-document-retention-policy.pdf
Prevention of Sexual Harassment (POSH) at Workplace Policy	https://www.tatasteel.com/media/7526/posh.pdf
Reconciliation of Share Capital Audit Report	https://www.tatasteel.com/investors/stock-exchange-compliances/reconciliation-of-share-capital-audit-reports/

Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Code of Conduct

This is to confirm that the Company has adopted the Tata Code of Conduct for its employees including the Managing Director and the Whole-time Directors. In addition, the Company has adopted the Tata Code of Conduct for the Non-Executive Directors. Both these Codes are available on the Company's website at www.tatasteel.com

I confirm that the Company has in respect of the financial year ended March 31, 2023, received from the Senior Management Team of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Members of the Management one level below the Chief Executive Officer & Managing Director as on March 31, 2023.

sd/-
T. V. NARENDRAN
Chief Executive Officer & Managing Director
DIN: 03083605

Mumbai
May 2, 2023

Practising Company Secretaries' Certificate On Corporate Governance

To,
The Members of
Tata Steel Limited

We have examined the compliance of the conditions of Corporate Governance by Tata Steel Limited **('the Company')** for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **('SEBI Listing Regulations')**.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended March 31, 2023.

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

For Parikh & Associates
Practising Company Secretaries

sd/-
P. N. PARIKH
Partner
FCS No.: 327 CP No.: 1228
UDIN: F000327E000235705
PR No.: 1129/2021

Mumbai
May 2, 2023

Practising Company Secretaries' Certificate on Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
Tata Steel Limited
Bombay House, 24, Homi Mody Street,
Fort, Mumbai – 400 001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Tata Steel Limited** having CIN: **L27100MH1907PLC000260** and having registered office at Bombay House, 24, Homi Mody Street, Fort, Mumbai – 400 001 (hereinafter referred to as 'the **Company**'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number ('**DIN**') status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

SN	Name of the Director	DIN	Date of Appointment in Company*
1.	N. Chandrasekaran	00121863	January 13, 2017
2.	Noel Naval Tata	00024713	March 28, 2022
3.	Saurabh Agrawal	02144558	August 10, 2017
4.	V. K. Sharma	02449088	August 24, 2018**
5.	O. P. Bhatt	00548091	June 10, 2013
6.	Farida Khambata	06954123	August 12, 2021
7.	Deepak Kapoor	00162957	April 01, 2017
8.	Bharti Gupta Ramola	00356188	November 25, 2022
9.	T. V. Narendran	03083605	August 14, 2014***
10.	Koushik Chatterjee	00004989	November 09, 2012

*The date of appointment is as per the MCA Portal.

**Mr. V. K. Sharma ceased to be a Non-Executive Non-Independent Director w.e.f. March 28, 2022 and was appointed as an Additional Independent Director w.e.f. March 28, 2022.

*** Mr. T. V. Narendran was appointed as the Managing Director of the Company effective September 19, 2013 and the said appointment was approved by the Shareholders at the Annual General Meeting held on August 14, 2014.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Practising Company Secretaries

sd/-
P. N. PARIKH
Partner
FCS No.: 327 CP No.: 1228
UDIN: F000327E000235738
PR No.: 1129/2021

Mumbai
May 2, 2023

ANNEXURE 4

Particulars of Remuneration

Part A: Information pursuant to Section 197(12) of the Companies Act, 2013
[Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

A. Ratio of the remuneration of each Director to the median remuneration of all the employees of the Company for FY2022-23 and % increase in remuneration of each Director/KMP of the Company for FY2022-23 are as under:

Name of Director	% increase in remuneration over previous year	Ratio of remuneration to median remuneration of all employees (1)
Non-Executive Directors		
Mr. N. Chandrasekaran (2)	NA	NA
Mr. Noel Naval Tata (3)	-	17.23
Mr. Saurabh Agrawal (4)	NA	NA
Independent Directors		
Ms. Mallika Srinivasan (5)	-	-
Mr. O. P. Bhatt	3.85	27.74
Mr. Deepak Kapoor	10.24	17.46
Mr. David W. Crane (5)	-	-
Ms. Farida Khambata (6)	-	14.14
Mr. V. K. Sharma	5.15	13.93
Ms. Bharti Gupta Ramola (7)	-	-
Executive Directors / KMP		
Mr. T. V. Narendran (8)	(4.29)	208.79
Mr. Koushik Chatterjee (8)	(6.33)	158.97
Mr. Parvatheesam Kanchinadham	21.89	42.06

Notes:

(1) The ratio of remuneration to median remuneration is based on remuneration paid during April 1, 2022 to March 31, 2023.

(2) As a policy, Mr. N. Chandrasekaran, Chairman, has abstained from receiving commission from the Company.

(3) Mr. Noel Naval Tata was appointed as an Additional Director (Non-Executive, Non-Independent) effective March 28, 2022. There were no Board Meetings which were conducted during FY2021-22 post his appointment and hence, no remuneration was payable to Mr. Tata for FY2021-22. Accordingly, the % increase in remuneration over previous year is not comparable and hence not stated.

(4) In line with the internal guidelines of the Company, no payment is made towards commission to the Non-Executive Directors of the Company, who are in full time employment with any other Tata Company. Accordingly, no commission has been paid to Mr. Saurabh Agrawal.

(5) Ms. Mallika Srinivasan completed her second term as an Independent Director of the Board and ceased as an Independent Director and Member of the Board effective May 20, 2022 and Mr. David W. Crane stepped down as an Independent Director and Member of the Board effective September 5, 2022. Since their remuneration is for part of the year, percentage increase in remuneration over previous year as well as the ratio of their remuneration to median remuneration is not comparable and hence not stated.

(6) Ms. Farida Khambata was appointed as an Independent Director effective August 12, 2021. Since her remuneration for FY2021-22 was for part of the year, the % increase in remuneration over previous year is not comparable and hence not stated.

(7) Ms. Bharti Gupta Ramola was appointed as an Independent Director effective November 25, 2022. Since the remuneration of Ms. Ramola is only for part of the year, percentage increase in remuneration over previous year as well as the ratio of her remuneration to median remuneration is not comparable and hence not stated.

(8) Includes the Commission/bonus approved by the Board of Directors for the Chief Executive Office & Managing Director and Executive Director & Chief Financial Officer on May 2, 2023, for FY2022-23 (which will be paid to them on conclusion of the Annual General Meeting scheduled to be held on July 5, 2023).

B. The percentage increase/(decrease) in the median remuneration of employees in the Financial Year 2022-23: 8.71%

C. The number of permanent employees on the rolls of Company as on March 31, 2023: 36,151

D. Comparison of average percentile increase in salary of employees other than the managerial personnel and the percentile increase in the managerial remuneration:

During FY2022-23, the average percentage increase / (decrease) in salary of the Company's employees, excluding the Key Managerial Personnel ('**KMP**') was 3.87%. The total remuneration of KMPs for FY2022-23 was ₹3,663.74 lakh as against ₹3,775.81 lakh during the previous year, a decrease of 2.97%.

E. Affirmations: It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.

On behalf of the Board of Directors

sd/-
N. CHANDRASEKARAN
Chairman
DIN: 00121863

Mumbai
May 2, 2023

ANNEXURE 5

Form No. AOC-1

Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint ventures

Pursuant to Section 129(3) of the Companies Act, 2013

[Read with Rule 5 of the Companies (Accounts) Rules, 2014]

PART 'A' - Summary of Financial Information of Subsidiary Companies

SL No.	Name of the company	Date since when the subsidiary was acquired	Reporting currency	Exchange rate&	Share Capital&& (₹ crore)	Reserves & Surplus (₹ crore)	Total Assets (₹ crore)	Total Liabilities (₹ crore)	Total Investments (₹ crore)	Turnover (₹ crore)	Profit before Taxation (₹ crore)	Provision for Taxation (₹ crore)	Profit after Taxation (₹ crore)	Proposed Dividend	Ownership (%)
1	ABJA Investment Co. Pte. Ltd.	Apr 12, 2013	USD	82.17	1.64	(38.14)	20,903.69	20,940.19	-	-	74.28	11.79	62.49	-	100.00
2	The Indian Steel & Wire Products Ltd$	Dec 20, 2003	INR	1.00	5.99	138.13	224.72	80.60	0.00	341.99	2.13	0.68	1.45	-	95.01
3	Tata Steel Utilities and Infrastructure Services Limited	Aug 25, 2003	INR	1.00	63.22	1,043.48	1,931.21	824.51	891.56	1,426.76	109.40	18.44	90.96	3.59	100.00
4	Haldia Water Management Limited	Dec 06, 2008	INR	1.00	27.77	(32.31)	0.30	4.84	-	-	(0.01)	-	(0.01)	-	60.00
5	Kalimati Global Shared Services Limited	Jan 08, 2018	INR	1.00	4.00	3.12	12.94	5.82	-	29.87	3.52	0.85	2.67	2.28	100.00
6	Tata Steel Special Economic Zone Limited	Oct 11, 2006	INR	1.00	459.86	(7.09)	472.14	19.37	-	17.46	(5.17)	-	(5.17)	-	100.00
7	The Tata Pigments Limited	May 18, 1985	INR	1.00	0.75	48.02	100.20	51.43	14.02	194.85	17.08	4.44	12.64	-	100.00
8	Adityapur Toll Bridge Company Limited	Jun 12, 2002	INR	1.00	46.78	16.47	63.61	0.36	-	13.47	9.27	1.16	8.11	-	88.50
9	Mohar Export Services Pvt. Ltd	Apr 30, 2015	INR	1.00	0.01	(0.05)	0.06	0.10	-	-	(0.00)	-	(0.00)	-	66.46
10	NatSteel Asia Pte. Ltd.@	Feb 15, 2005	USD	82.17	-	-	-	-	-	-	-	-	-	-	-
11	Rujuvalika Investments Limited	Apr 30, 2015	INR	1.00	1.33	131.25	136.69	4.11	136.13	-	6.48	0.48	6.00	-	100.00
12	Tata Steel Mining Limited (Formerly known as T S Alloys Limited)$	Mar 14, 2007	INR	1.00	850.12	(371.21)	5,075.90	4,596.99	33.74	4,999.91	(270.21)	2.29	(272.50)	-	100.00
13	Tata Korf Engineering Services Ltd	Oct 30, 1985	INR	1.00	-	-	-	-	-	-	-	-	-	-	100.00
14	Tata Metaliks Ltd.$	Feb 07, 2008	INR	1.00	31.58	1,547.89	2,505.92	926.45	100.25	3,259.57	100.70	20.15	80.55	15.79	60.03
15	Tata Steel Long Products Limited$	Aug 28, 2012	INR	1.00	14,025.01	2,014.30	20,666.31	4,627.00	13,632.63	7,464.07	(1,029.62)	55.87	(1,085.49)	-	74.91
16	Neelachal Ispat Nigam Limited	July 04, 2022	INR	1.00	6,311.23	4,906.55	13,449.24	2,231.46	556.75	1,645.55	(1,508.36)	(290.05)	(1,218.31)	-	74.67
17	T Steel Holdings Pte. Ltd.	July 05, 2006	USD	82.17	1,15,885.61	(91,841.08)	59,790.41	35,745.88	24,044.34	-	16.67	3.53	13.14	-	100.00
18	T S Global Holdings Pte Ltd.	July 04, 2008	USD	82.17	1,14,607.69	(98,043.11)	81,784.52	65,219.94	64,067.34	-	(2,464.95)	90.44	(2,555.39)	-	100.00
19	Orchid Netherlands (No.1) B.V.	Mar 20, 2009	EUR	89.29	0.16	(0.45)	8.16	8.45	-	-	(0.35)	-	(0.35)	-	100.00
20	The Siam Industrial Wire Company Ltd.	Feb 15, 2005	THB	2.40	110.51	1,685.73	1,968.56	172.32	33.63	2,036.80	200.54	32.34	168.20	-	100.00
21	TSN Wires Co., Ltd.	Apr 05, 2012	THB	2.40	168.17	(149.62)	207.50	188.95	-	282.22	(14.68)	-	(14.68)	-	60.00
22	Tata Steel Europe Limited	Apr 02, 2007	GBP	101.68	1,03,940.92	(50,853.78)	55,017.75	1,930.61	53,114.06	-	(18.29)	-	(18.29)	-	100.00
23	Apollo Metals Limited	Apr 02, 2007	USD	82.17	0.00	60.17	108.13	47.96	-	341.92	33.11	0.51	32.60	230.08	100.00
24	00030048 Limited (Formerly British Steel Corporation Limited)*	Apr 02, 2007	GBP	101.68	0.00	401.54	401.54	-	-	-	-	-	-	-	100.00
25	British Steel Nederland International B.V.	Apr 02, 2007	EUR	89.29	0.17	507.17	776.42	269.08	298.29	-	91.54	0.49	91.05	-	100.00
26	C V Benine**	Apr 02, 2007	EUR	89.29	19.35	(0.02)	93.00	73.67	-	-	-	-	-	-	76.92
27	Catnic GmbH	Apr 02, 2007	EUR	89.29	0.23	79.75	106.03	26.05	-	240.92	7.74	2.57	5.17	-	100.00
28	Catnic Limited	Apr 02, 2007	GBP	101.68	2.28	(2.90)	0.19	0.81	0.19	-	-	-	-	-	100.00
29	Tata Steel Mexico SA de CV	Apr 02, 2007	USD	82.17	0.03	1.60	2.01	0.38	-	-	0.27	0.14	0.13	-	100.00
30	Cogent Power Limited	Apr 02, 2007	GBP	101.68	433.84	(148.80)	594.36	309.32	191.54	-	13.96	-	13.96	-	100.00
31	Corbeil Les Rives SCI**	Apr 02, 2007	EUR	89.29	5.73	(0.45)	7.66	2.38	-	-	(5.69)	-	(5.69)	-	67.30
32	Corby (Northants) & District Water Company Limited	Apr 02, 2007	GBP	101.68	2.64	3.56	9.77	3.57	-	1.11	0.00	-	0.00	-	100.00

SL No.	Name of the company	Date since when the subsidiary was acquired	Reporting currency	Exchange rate&	Share Capital&& (₹ crore)	Reserves & Surplus (₹ crore)	Total Assets (₹ crore)	Total Liabilities (₹ crore)	Total Investments (₹ crore)	Turnover (₹ crore)	Profit before Taxation (₹ crore)	Provision for Taxation (₹ crore)	Profit after Taxation (₹ crore)	Proposed Dividend	Ownership (%)
33	Corus CNBV Investments	Apr 02, 2007	GBP	101.68	0.00	-	0.00	-	-	-	-	-	-	-	100.00
34	Corus Engineering Steels (UK) Limited	Apr 02, 2007	GBP	101.68	0.00	-	0.00	-	-	-	-	-	-	-	100.00
35	Corus Engineering Steels Limited	Apr 02, 2007	GBP	101.68	0.00	0.00	0.00	-	-	-	-	-	-	-	100.00
36	Corus Group Limited	Apr 02, 2007	GBP	101.68	65,265.92	(54,104.45)	13,592.21	2,430.74	13,582.76	-	(130.38)	-	(130.38)	-	100.00
37	Corus Holdings Limited	Apr 02, 2007	GBP	101.68	2.54	6.33	1.34	(7.53)	-	-	0.97	-	0.97	-	100.00
38	Corus International (Overseas Holdings) Limited	Apr 02, 2007	GBP	101.68	1,435.78	4,086.58	5,532.29	9.93	296.91	-	229.77	0.23	229.54	-	100.00
39	Corus International Limited	Apr 02, 2007	GBP	101.68	4,986.01	(1,873.72)	3,052.00	(60.29)	3,033.00	-	-	-	-	-	100.00
40	Corus International Romania SRL.**	Apr 02, 2007	RON	18.04	0.01	7.19	7.28	0.08	-	-	1.94	0.03	1.91	-	100.00
41	Corus Investments Limited*	Apr 02, 2007	GBP	101.68	0.00	230.61	230.61	-	-	-	-	-	-	-	100.00
42	Corus Ireland Limited	Apr 02, 2007	EUR	89.29	0.00	11.66	11.88	0.22	-	-	4.44	1.06	3.38	-	100.00
43	Corus Liaison Services (India) Limited*	Apr 02, 2007	GBP	101.68	0.00	(26.13)	-	26.13	-	-	-	-	-	-	100.00
44	Corus Management Limited	Apr 02, 2007	GBP	101.68	0.00	411.17	1,380.16	968.99	453.45	-	-	-	-	-	100.00
45	Corus Property	Apr 02, 2007	GBP	101.68	0.00	-	0.01	0.01	-	-	-	-	-	-	100.00
46	Corus UK Healthcare Trustee Limited	Mar 31, 2009	GBP	101.68	0.00	-	0.00	-	-	-	-	-	-	-	100.00
47	Crucible Insurance Company Limited	Apr 02, 2007	GBP	101.68	5.08	293.67	316.57	17.82	-	-	5.97	-	5.97	-	100.00
48	Degels GmbH	Apr 02, 2007	EUR	89.29	0.71	26.20	50.26	23.35	-	-	(1.95)	(1.14)	(0.81)	-	100.00
49	Demka B.V.	Apr 02, 2007	EUR	89.29	54.94	23.47	78.50	0.09	-	-	0.33	0.09	0.24	-	100.00
50	00026466 Limited (Formerly known as Firsteel Group Limited)*	Apr 02, 2007	GBP	101.68	182.28	(182.28)	-	-	-	-	(0.97)	-	(0.97)	-	100.00
51	Fischer Profil GmbH	Apr 02, 2007	EUR	89.29	91.31	13.26	443.70	339.13	-	1,308.98	20.98	8.60	12.38	-	100.00
52	Gamble Simms Metals Limited	Apr 02, 2007	EUR	89.29	5.67	(5.67)	-	-	-	-	-	-	-	-	100.00
53	H E Samson Limited	Apr 02, 2007	GBP	101.68	0.00	-	0.00	-	-	-	-	-	-	-	100.00
54	Hadfields Holdings Limited	Apr 02, 2007	GBP	101.68	1.02	(13.73)	-	12.71	-	-	-	-	-	-	62.50
55	Halmstad Steel Service Centre AB	Mar 31, 2015	SEK	7.94	0.04	161.81	426.96	265.11	-	1,226.27	5.51	1.18	4.33	-	100.00
56	Hille & Muller GmbH	Apr 02, 2007	EUR	89.29	45.70	207.79	682.17	428.68	-	1,028.82	5.84	(1.13)	6.97	-	100.00
57	Hille & Muller USA Inc.	Apr 02, 2007	USD	82.17	0.03	122.71	144.76	22.02	96.74	33.00	4.94	0.21	4.73	-	100.00
58	Hoogovens USA Inc.	Apr 02, 2007	USD	82.17	499.99	370.96	980.54	109.59	528.75	-	234.27	6.36	227.91	-	100.00
59	Huizenbezit "Breesaap" B.V.	Apr 02, 2007	EUR	89.29	0.41	(9.57)	0.26	9.42	-	-	0.11	0.03	0.08	-	100.00
60	Inter Metal Distribution SAS	Apr 02, 2007	EUR	89.29	0.00	(0.00)	(0.00)	0.00	-	458.94	24.76	-	24.76	-	100.00
61	Layde Steel S.L.	Apr 02, 2007	EUR	89.29	44.64	75.02	672.38	552.72	0.11	2,023.96	(49.99)	(0.22)	(49.77)	-	100.00
62	London Works Steel Company Limited*	Apr 02, 2007	GBP	101.68	0.00	(104.79)	56.94	161.73	-	-	-	-	-	-	100.00
63	Montana Bausysteme AG	Apr 02, 2007	CHF	89.93	35.97	155.87	354.29	162.45	-	723.63	53.77	3.33	50.44	12.59	100.00
64	Naantali Steel Service Centre OY	Mar 31, 2015	EUR	89.29	0.02	38.66	199.07	160.39	-	598.18	(43.42)	0.03	(43.45)	-	100.00
65	Norsk Stal Tynnplater AS	Mar 31, 2015	NOK	7.86	10.45	45.45	77.13	21.23	-	103.22	17.49	4.04	13.45	-	100.00
66	Norsk Stal Tynnplater AB	Mar 31, 2015	NOK	7.86	0.39	28.55	36.95	8.01	-	432.87	3.07	0.47	2.60	-	100.00
67	Oremco Inc.	Apr 02, 2007	USD	82.17	-	-	-	-	-	-	-	-	-	-	100.00
68	Rafferty-Brown Steel Co Inc Of Conn.	Apr 02, 2007	USD	82.17	26.02	(1.92)	24.10	0.00	-	-	(2.34)	(0.41)	(1.93)	-	100.00
69	S A B Profiel B.V.	Apr 02, 2007	EUR	89.29	1.21	286.78	701.75	413.76	-	1,267.30	243.79	3.51	240.28	364.30	100.00
70	S A B Profil GmbH	Apr 02, 2007	EUR	89.29	0.27	149.60	266.04	116.17	-	503.50	73.51	-	73.51	72.26	100.00
71	Service Center Gelsenkirchen GmbH	Apr 02, 2007	EUR	89.29	164.38	93.09	674.80	417.33	0.50	1,624.63	30.76	(1.50)	32.26	-	100.00
72	Service Centre Maastricht B.V.	Apr 02, 2007	EUR	89.29	0.48	302.79	974.05	670.78	-	3,713.84	(26.55)	(6.86)	(19.69)	-	100.00
73	Societe Europeenne De Galvanisation (Segal) Sa	Apr 02, 2007	EUR	89.29	111.61	32.68	346.83	202.54	-	842.77	29.60	8.32	21.28	168.76	100.00
74	Staalverwerking en Handel B.V.	Apr 02, 2007	EUR	89.29	0.00	0.00	0.00	0.00	-	-	353.69	(2.74)	356.43	-	100.00

SL No.	Name of the company	Date since when the subsidiary was acquired	Reporting currency	Exchange rate[&]	Share Capital[&&] (₹ crore)	Reserves & Surplus (₹ crore)	Total Assets (₹ crore)	Total Liabilities (₹ crore)	Total Investments (₹ crore)	Turnover (₹ crore)	Profit before Taxation (₹ crore)	Provision for Taxation (₹ crore)	Profit after Taxation (₹ crore)	Proposed Dividend	Ownership (%)
75	Surahammar Bruks AB	Apr 02, 2007	SEK	7.94	17.15	37.00	367.21	313.06	-	642.25	(15.59)	(2.07)	(13.52)	-	100.00
76	Swinden Housing Association Limited	Apr 02, 2007	GBP	101.68	0.00	13.94	14.56	0.62	-	-	0.28	-	0.28	-	100.00
77	Tata Steel Belgium Packaging Steels N.V.	Apr 02, 2007	EUR	89.29	137.81	31.03	197.82	28.98	0.70	120.79	10.34	2.61	7.73	17.92	100.00
78	Tata Steel Belgium Services N.V.	Apr 02, 2007	EUR	89.29	150.42	94.10	409.04	164.52	-	-	4.78	1.16	3.62	-	100.00
79	Tata Steel France Batiment et Systemes SAS	Apr 02, 2007	EUR	89.29	-	-	-	-	-	-	-	-	-	-	-
80	Tata Steel France Holdings SAS	Apr 02, 2007	EUR	89.29	44.64	830.26	1,567.32	692.42	1,021.29	-	19.41	(3.55)	22.96	-	100.00
81	Tata Steel Germany GmbH	Apr 02, 2007	EUR	89.29	1,448.81	(569.43)	1,712.68	833.30	886.67	-	106.07	17.75	88.32	-	100.00
82	Tata Steel IJmuiden BV	Apr 02, 2007	EUR	89.29	1,004.50	28,913.10	46,742.71	16,825.11	417.38	54,657.42	3,710.81	874.91	2,835.90	-	100.00
83	Tata Steel International (Americas) Holdings Inc	Apr 02, 2007	USD	82.17	4,822.60	(5,437.29)	(614.69)	0.00	362.58	-	5.64	39.69	(34.05)	-	100.00
84	Tata Steel International (Americas) Inc	Apr 02, 2007	USD	82.17	73.15	1,267.40	1,397.44	56.89	-	829.23	147.99	10.27	137.72	-	100.00
85	Tata Steel International (Czech Republic) S.R.O	Apr 02, 2007	CZK	3.80	0.46	17.64	18.76	0.66	-	-	13.05	2.34	10.71	13.32	100.00
86	Tata Steel International (France) SAS	Apr 02, 2007	EUR	89.29	1.79	30.74	38.95	6.42	-	-	10.45	2.08	8.37	38.39	100.00
87	Tata Steel International (Germany) GmbH	Apr 02, 2007	EUR	89.29	7.77	5.66	82.74	69.31	-	-	(0.27)	(0.11)	(0.16)	-	100.00
88	Tata Steel International (South America) Representações LTDA	Apr 02, 2007	USD	82.17	1.77	1.01	2.80	0.02	-	-	0.33	0.07	0.26	-	100.00
89	Tata Steel International (Italia) SRL	Apr 02, 2007	EUR	89.29	67.41	(24.02)	48.77	5.38	-	-	25.59	7.13	18.46	8.93	100.00
90	Tata Steel International (Middle East) FZE	Apr 02, 2007	AED	22.36	100.61	26.62	161.60	34.37	-	64.55	0.21	-	0.21	-	100.00
91	Tata Steel International Limited	Jun 10, 2008	NGN	0.18	-	-	-	-	-	-	-	-	-	-	100.00
92	Tata Steel International (Poland) sp Zoo	Apr 02, 2007	PLZ	19.08	7.26	18.46	27.40	1.68	-	-	8.65	0.94	7.71	2.58	100.00
93	Tata Steel International (Sweden) AB	Apr 02, 2007	SEK	7.94	0.08	58.74	63.45	4.63	-	-	43.19	8.91	34.28	27.78	100.00
94	Tata Steel International (India) Limited	Apr 02, 2007	INR	1.00	5.08	16.97	25.71	3.66	-	-	0.57	1.60	(1.03)	-	100.00
95	Tata Steel International Iberica SA	Apr 02, 2007	EUR	89.29	1.34	78.05	89.04	9.65	-	-	45.61	11.30	34.31	-	100.00
96	Tata Steel Istanbul Metal Sanayi ve Ticaret AS	Apr 02, 2007	USD	82.17	203.20	(147.73)	222.16	166.69	-	691.06	1.64	-	1.64	-	100.00
97	Tata Steel Maubeuge SAS	Apr 02, 2007	EUR	89.29	66.97	457.60	1,671.27	1,146.70	13.08	4,427.84	(55.95)	(1.38)	(54.57)	-	100.00
98	Tata Steel Nederland BV	Apr 02, 2007	EUR	89.29	3,460.89	9,666.28	22,813.80	9,686.63	14,821.07	-	(56.93)	(17.39)	(39.54)	-	100.00
99	Tata Steel Nederland Consulting & Technical Services BV	Apr 02, 2007	EUR	89.29	80.36	(53.69)	33.79	7.12	-	-	0.05	0.01	0.04	-	100.00
100	Tata Steel Nederland Services BV	Apr 02, 2007	EUR	89.29	3.80	(109.78)	303.00	408.98	-	-	(26.33)	(6.53)	(19.80)	-	100.00
101	Tata Steel Nederland Technology BV	Apr 02, 2007	EUR	89.29	0.00	708.24	966.79	258.55	14.89	-	(0.09)	(10.00)	9.91	-	100.00
102	Tata Steel Nederland Tubes BV	Apr 02, 2007	EUR	89.29	1,125.04	(1,059.07)	756.27	690.30	-	2,444.47	(184.90)	(48.28)	(136.62)	-	100.00
103	Tata Steel Netherlands Holdings B.V.	Apr 02, 2007	EUR	89.29	47,680.21	(9,555.50)	54,398.26	16,273.55	52,189.09	-	(650.67)	(169.05)	(481.62)	-	100.00
104	Tata Steel Norway Byggsystemer A/S	Apr 02, 2007	NOK	7.86	0.96	113.55	199.43	84.92	-	322.71	22.53	5.26	17.27	-	100.00
105	Tata Steel UK Consulting Limited	Apr 02, 2007	GBP	101.68	17.64	(24.15)	-	6.51	-	-	0.06	-	0.06	-	100.00
106	Tata Steel UK Holdings Limited	Apr 02, 2007	GBP	101.68	1,16,298.96	(67,065.84)	49,233.12	0.00	49,233.12	-	0.51	-	0.51	-	100.00
107	Tata Steel UK Limited	Apr 02, 2007	GBP	101.68	22,793.39	(18,747.38)	25,465.40	21,419.39	2,656.21	31,794.10	(2,695.32)	4,019.92	(6,715.24)	-	100.00
108	Tata Steel USA Inc.	Apr 02, 2007	USD	82.17	1.15	64.97	76.65	10.53	6.07	-	(0.08)	0.30	(0.38)	-	100.00
109	The Newport And South Wales Tube Company Limited	Apr 02, 2007	GBP	101.68	0.00	5.75	5.75	0.00	0.00	-	-	-	-	-	100.00
110	Thomas Processing Company	Apr 02, 2007	USD	82.17	0.00	157.77	195.88	38.11	-	32.86	(15.76)	-	(15.76)	-	100.00

SL No.	Name of the company	Date since when the subsidiary was acquired	Reporting currency	Exchange rate&	Share Capital&& (₹ crore)	Reserves & Surplus (₹ crore)	Total Assets (₹ crore)	Total Liabilities (₹ crore)	Total Investments (₹ crore)	Turnover (₹ crore)	Profit before Taxation (₹ crore)	Provision for Taxation (₹ crore)	Profit after Taxation (₹ crore)	Proposed Dividend	Ownership (%)
111	Thomas Steel Strip Corp.	Apr 02, 2007	USD	82.17	65.74	(122.91)	650.78	707.95	31.21	1,159.62	82.07	14.94	67.13	-	100.00
112	TS South Africa Sales Office Proprietary Limited	Aug 31, 2015	ZAR	4.62	0.00	7.55	7.80	0.25	-	-	5.37	1.39	3.98	-	100.00
113	Tulip UK Holdings (No.2) Limited	Apr 02, 2007	GBP	101.68	1,16,237.93	(61,784.72)	54,453.29	0.08	54,453.28	-	-	-	-	-	100.00
114	Tulip UK Holdings (No.3) Limited	Apr 02, 2007	GBP	101.68	1,16,241.36	(61,667.15)	54,574.21	0.00	54,574.21	-	-	-	-	-	100.00
115	UK Steel Enterprise Limited	Apr 02, 2007	GBP	101.68	101.68	126.67	213.15	(15.20)	49.08	-	4.56	-	4.56	-	100.00
116	Unitol SAS	Apr 02, 2007	EUR	89.29	53.57	72.84	672.01	545.60	2.37	2,113.76	7.39	(4.48)	11.87	-	100.00
117	Fischer Profil Produktions -und-Vertriebs - GmbH	Apr 01, 2021	EUR	89.29	0.22	0.39	4.00	3.39	-	-	0.38	(0.01)	0.39	-	100.00
118	Al Rimal Mining LLC	Feb 25, 2008	OMR	213.42	21.34	(0.45)	22.26	1.37	-	-	14.17	-	14.17	-	51.00
119	TSMUK Limited	Sep 23, 2010	USD	82.17	4,922.22	(463.61)	8,856.92	4,398.31	8,159.59	-	0.25	-	0.25	-	100.00
120	T S Canada Capital Ltd	Dec 31, 2012	USD	82.17	0.00	35.39	37.79	2.40	-	-	(0.65)	-	(0.65)	-	100.00
121	Tata Steel Minerals Canada Limited	Dec 31, 2010	USD	82.17	7,215.76	(8,435.93)	7,049.33	8,269.50	-	664.78	(1,112.66)	-	(1,112.66)	-	82.00
122	Tata Steel (Thailand) Public Company Limited	Apr 04, 2006	THB	2.40	2,023.19	1,182.43	3,243.86	38.24	-	147.85	68.74	0.77	67.97	101.16	67.90
123	Tata Steel Manufacturing (Thailand) Public Company Limited (formerly N.T.S Steel Group Public Limited Company)	Apr 04, 2006	THB	2.40	1,627.51	710.41	2,970.76	632.84	-	7,385.18	159.82	(2.17)	161.99	65.10	67.83
124	T S Global Procurement Company Pte. Ltd.	Apr 23, 2010	USD	82.17	818.73	746.62	18,622.05	17,056.70	6.69	75,791.36	(111.01)	16.52	(127.53)	-	100.00
125	TS Asia (Hong Kong) Ltd.	Sep 27, 2006	USD	82.17	-	-	-	-	-	-	(0.24)	(0.21)	(0.03)	-	-
126	Tata Steel International (Shanghai) Ltd.	Jan 25, 2008	CNY	11.95	5.84	0.42	6.50	0.24	-	11.55	0.70	-	0.70	-	100.00
127	Tata Steel Downstream Products Limited	Jul 14, 2009	INR	1.00	243.04	3,123.04	4,120.52	754.44	2,245.61	7,393.73	294.18	47.80	246.38	-	100.00
128	Tata Steel Advanced Materials Limited	Jun 22, 2012	INR	1.00	56.22	8.87	65.21	0.12	35.31	-	(0.53)	-	(0.53)	-	100.00
129	Ceramat Private Limited	Feb 28, 2022	INR	1.00	19.64	(4.45)	17.51	2.32	-	0.18	(4.29)	0.03	(4.32)	-	90.00
130	Tata Steel TABB Limited	May 23, 2022	INR	1.00	15.30	(0.76)	18.68	4.14	-	-	(0.76)	-	(0.76)	-	100.00
131	Tayo Rolls Limited~	Dec 01, 2008	INR	1.00	-	-	-	-	-	-	-	-	-	-	54.91
132	The Tinplate Company of India Limited$	Apr 01, 2011	INR	1.00	104.80	1,158.28	1,925.62	662.54	252.45	3,982.77	192.91	50.09	142.82	31.40	74.96
133	Tata Steel Foundation	Aug 16, 2016	INR	1.00	1.00	12.32	64.27	50.95	-	458.36	7.47	-	7.47	-	100.00
134	Jamshedpur Football and Sporting Private Limited	Jul 07, 2017	INR	1.00	40.80	(37.52)	9.82	6.54	-	47.79	(28.61)	-	(28.61)	-	100.00
135	Bhubaneshwar Power Private Limited	Aug 06, 2008	INR	1.00	253.25	153.54	802.50	395.71	7.69	597.12	58.91	14.21	44.70	-	100.00
136	Angul Energy Limited$	May 18, 2018	INR	1.00	10.00	928.60	1,011.74	73.14	19.61	195.00	53.95	-	53.95	-	99.99
137	Tata Steel Support Services Limited (formerly Bhushan Steel (Orissa) Ltd.)	May 18, 2018	INR	1.00	0.05	1.18	22.28	21.05	-	59.89	(0.09)	(0.02)	(0.07)	-	100.00
138	Bhushan Steel (South) Ltd.	May 18, 2018	INR	1.00	1.30	(1.14)	0.17	0.01	0.00	-	(0.02)	-	(0.02)	-	100.00
139	Tata Steel Technical Services Limited (formerly Bhushan Steel (Madhya Bharat) Ltd.)	May 18, 2018	INR	1.00	0.05	2.62	46.32	43.65	-	144.13	(1.03)	(0.24)	(0.79)	-	100.00
140	Bhushan Steel (Australia) PTY Ltd.	May 18, 2018	AUD	54.95	286.12	(282.14)	14.60	10.62	-	-	(0.29)	-	(0.29)	-	100.00
141	Bowen Energy PTY Ltd.	May 18, 2018	AUD	54.95	111.33	(111.33)	0.00	(0.00)	-	-	(0.00)	-	(0.00)	-	100.00
142	Bowen Coal PTY Ltd.	May 18, 2018	AUD	54.95	0.00	-	0.00	-	-	-	-	-	-	-	100.00
143	Creative Port Development Private Limited	Sep 18, 2018	INR	1.00	222.36	(12.78)	223.90	14.32	198.69	-	(0.74)	0.00	(0.74)	-	51.00
144	Subarnarekha Port Private Limited	Sep 18, 2018	INR	1.00	10.92	214.54	269.86	44.40	-	-	(8.40)	1.21	(9.61)	-	50.67
145	S & T Mining Company Limited$#	Apr 11, 2022	INR	1.00	37.05	(36.81)	1.15	0.91	-	-	1.01	-	1.01	-	100.00
146	Medica TS Hospital Pvt. Ltd.	Jan, 07 2022	INR	1.00	73.75	(29.91)	50.21	6.37	-	22.77	(3.37)	(0.03)	(3.34)	-	51.00

Notes

& Closing exchange rate as on March, 31 2023 has been considered for calculation

&& Includes share application money

* Subsidiary under liquidation

** Reporting period for subsidiary companies at Sl. 26, 31 and 40 is December 2022

@ Subsidiary merged

Entity converted from joint venture to subsidiary

~ Not considered for consolidation as the subsidiary is undergoing Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016.

$ Under amalgamation

0.00 represents value less than ₹1 lakh

I Name of the subsidiaries which have been liquidated/ sold/ merged during the year:

1 Tata Steel France Batiment et Systemes SAS
2 NatSteel Asia Pte. Ltd.
3 TS Asia (Hong Kong) Ltd.

II Name of the subsidiaries liquidated/struck-off with no assets, liabilities and transactions during the period:

1 British Steel Service Centres Limited
2 DSRM Group Limited
3 Europressings Limited
4 02727547 Limited (Formerly known as Firsteel Holdings Limited)
5 Lister Tubes Limited
6 Precoat International Limited
7 Precoat Limited
8 Stewarts & Lloyds Of Ireland Limited
9 The Templeborough Rolling Mills Limited
10 Toronto Industrial Fabrications Limited
11 Walkersteelstock Ireland Limited
12 Westwood Steel Services Limited
13 TSIL Energy Limited
14 Blastmega Limited
15 Corus Engineering Steels Holdings Limited
16 Grant Lyon Eagre Limited
17 Hammermega Limited
18 Plated Strip (International) Limited
19 Runmega Limited
20 Stewarts And Lloyds (Overseas) Limited
21 U.E.S Bright Bar Limited
22 Bowen Consolidated Pty Ltd

III Name of the subsidiaries under liquidation with no assets, liabilities and transactions during the period:

1 The Siam Construction Steel Company Limited
2 The Siam Iron and Steel (2001) Company Limited
3 British Steel Directors (Nominees) Limited
4 Orb Electrical Steels Limited
5 Tata Steel Denmark Byggsystemer A/S
6 Tata Steel Sweden Byggsystem AB

IV Subsidiaries yet to commence operations:

1 Subarnarekha Port Private Limited
2 Bhushan Steel (South) Ltd.
3 Bhushan Steel (Australia) PTY Ltd.
4 Bowen Energy PTY Ltd.
5 Bowen Coal PTY Ltd.

V The Company is continuing with its focus on simplifying the corporate structure which saw a significant number of entities enter into voluntary liquidation in the previous and current year. There remains an objective to simplify the structure further by dissolving additional entities which are either dormant or have ceased to have business operations.

PART 'B' - Joint-Ventures and Associates

SL No.	Name of the company	Latest audited balance sheet date	Date on which the Associate or Joint Venture was associated or acquired	Reporting currency*	No. of shares held by the company in associate/ joint venture on the year end	Amount of Investment in associate/joint venture (₹ crore)	Extend of holding %	Description of how there is significant influence	Reason why the associate / joint venture is not consolidated	Net worth attributable to shareholding as per latest balance sheet (₹ crore)	Share of profit/loss for the year (₹ crore)	
											Considered in consolidation	Not considered in consolidation
A	**Joint Ventures**											
1	mjunction services limited	Mar 31	Feb 01, 2001	INR	40,00,000	4.00	50.00	1		150.16	36.66	36.66
2	Tata NYK Shipping Pte Ltd.	Mar 31	Mar 19, 2007	USD	6,51,67,500	535.50	50.00	1		145.46	1.86	1.86
3	Tata NYK Shipping (India) Pvt. Ltd.	Mar 31	Apr 01, 2015	INR	12,50,000	0.13	50.00	5		3.43	0.51	0.51
4	TM International Logistics Limited	Mar 31	Jan 18, 2002	INR	91,80,000	9.18	51.00	4		130.80	27.94	26.85
5	International Shipping and Logistics FZE	Mar 31	Feb 01, 2004	USD	1	1.24	51.00	5		194.11	26.42	25.38
6	TKM Global China Ltd	Mar 31	Jun 25, 2008	CNY	1	4.39	51.00	5		3.75	0.70	0.67
7	TKM Global GmbH	Mar 31	Mar 01, 2005	EUR	100	1.11	51.00	5		94.51	2.99	2.88
8	TKM Global Logistics Limited	Mar 31	Jan 18, 2002	INR	36,00,000	5.16	51.00	5		16.52	13.44	12.91
9	Industrial Energy Limited	Mar 31		INR	17,31,60,000	173.16	26.00	1		281.79	30.13	85.77
10	Andal East Coal Company Pvt. Ltd.		May 18, 2018	INR	3,30,000	1.46	33.89	1	**	-	-	-
11	Naba Diganta Water Management Limited	Mar 31	Jan 9, 2008	INR	1,36,53,000	13.65	74.00	5		24.25	5.64	1.98
12	Jamipol Ltd.	Mar 31	Apr 24, 1995	INR	47,25,000	18.17	40.22	1		62.42	12.41	18.45
13	Nicco Jubilee Park Limited		May, 2001	INR	3,40,000	-	25.31	1	&	-	-	-
14	Himalaya Steel Mills Services Private Limited	Mar 31	Sep 15, 2010	INR	36,19,945	3.62	26.00	1		7.95	2.88	8.20
15	Air Products Llanwern Limited	Sep 30	Apr 02, 2007	GBP	50,000	0.01	50.00	2		9.87	2.06	2.06
16	Laura Metaal Holding B.V.	Dec 31	Apr 02, 2007	EUR	2,744	11.12	49.00	2		185.48	1.01	1.05
17	Ravenscraig Limited	Dec 31	Apr 02, 2007	GBP	100	0.00$$	33.33	2		(82.08)	(6.67)	(13.35)
18	Tata Steel Ticaret AS	Dec 31	Apr 02, 2007	TRY	80,000	0.03	50.00	2		13.01	14.12	14.12
19	Texturing Technology Limited	Mar 31	Apr 02, 2007	GBP	10,00,000	10.17	50.00	2		25.03	4.49	4.49
20	Hoogovens Court Roll Service Technologies VOF##	Mar 31	Apr 02, 2007	EUR	No shares since it is a partnership by agreement only	11.76	50.00	2		12.64	(2.01)	(2.01)
21	Minas De Benga (Mauritius) Limited	Mar 31	Nov 30, 2007	USD	27,77,69,593	2,596.31	35.00	2		(1,030.84)	44.74	83.08
22	Tata BlueScope Steel Private Limited	Mar 31	Feb 09, 2005	INR	43,30,00,000	433.00	50.00	1		760.82	139.43	139.43
23	BlueScope Lysaght Lanka (Pvt) Ltd	Mar 31	April 01, 2015	LKR	1,06,35,000	2.66	50.00	5		9.85	2.74	2.74
24	Jamshedpur Continuous Annealing & Processing Company Private Limited	Mar 31	Aug 17, 2012	INR	73,03,20,000	730.32	51.00	4		832.41	121.79	117.01

SL No.	Name of the company	Latest audited balance sheet date	Date on which the Associate or Joint Venture was associated or acquired	Reporting currency*	No. of shares held by the company in associate/ joint venture on the year end	Amount of Investment in associate/joint venture (₹ crore)	Extend of holding %	Description of how there is significant influence	Reason why the associate / joint venture is not consolidated	Net worth attributable to shareholding as per latest balance sheet (₹ crore)	Share of profit/loss for the year (₹ crore) Considered in consolidation	Not considered in consolidation
B	**Associates**											
1	Kalinga Aquatics Ltd.			INR	10,49,920	0.00$$	30.00	1	**	-	-	-
2	Kumardhubi Fireclay & Silica Works Ltd.			INR	-	-	27.78	1	**	-	-	-
3	Kumardhubi Metal Casting and Engineering Limited			INR	-	-	49.31	1	**	-	-	-
4	Strategic Energy Technology Systems Private Limited		Jan 16, 2009	INR	2,56,14,500	25.62	25.00	1	***	-	-	-
5	Tata Construction & Projects Ltd.			INR	-	-	27.19	1	**	-	-	-
6	TRF Limited	Mar 31	Oct 16, 1963	INR	37,53,275	204.02	34.11	1	$	6.51	29.93	57.82
7	TRF Singapore Pte Limited	Mar 31	Apr 01, 2015	SGD	1,90,86,929	126.28	34.11	5		20.78	(0.23)	(0.45)
8	TRF Holding Pte Limited	Mar 31	Apr 01, 2015	USD	1	0.00$$	34.11	5		0.01	0.15	0.29
9	Dutch Lanka Trailer Manufacturers Limited	Mar 31	Apr 01, 2015	USD	15,23,06,150	154.02	34.11	5		16.57	2.82	5.44
10	Dutch Lanka Engineering (Private) Limited	Mar 31	Apr 01, 2015	LKR	11,50,000	0.71	34.11	5		(0.86)	(0.67)	(1.29)
11	Malusha Travels Pvt Ltd.	Mar 31	Aug 05, 2014	INR	3,352	0.00$$	33.23	1		-	-	-
12	Bhushan Capital & Credit Services Private Limited	Mar 31	May 18, 2018	INR	86,43,742	9.40	42.58		@	-	-	-
13	Jawahar Credit & Holdings Private Limited	Mar 31	May 18, 2018	INR	86,43,742	9.40	39.65		@	-	-	-
14	European Profiles (M) Sdn. Bhd.	Dec 31	Jan 25, 2008	MYR	7,00,000	0.00$$	20.00	1		12.57	(0.25)	(1.02)
15	GietWals Onderhoud Combinatie B.V.	Dec 31	Apr 02, 2007	EUR	50	11.52	50.00	2		23.13	3.64	3.64
16	Hoogovens Gan Multimedia S.A. De C.V.	-	Apr 02, 2007	MXN	455,000 shares of the variable part; 25,000 of the minimum fixed part of the capital stock	0.01	50.00	2	#	-	-	-

SL No.	Name of the company	Latest audited balance sheet date	Date on which the Associate or Joint Venture was associated or acquired	Reporting currency*	No. of shares held by the company in associate/ joint venture on the year end	Amount of Investment in associate/joint venture (₹ crore)	Extend of holding %	Description of how there is significant influence	Reason why the associate / joint venture is not consolidated	Net worth attributable to shareholding as per latest balance sheet (₹ crore)	Share of profit/loss for the year (₹ crore)	
											Considered in consolidation	Not considered in consolidation
17	ISSB Limited	Jun 30	Apr 02, 2007	GBP	500	0.01	50.00	2	#	-	-	-
18	Wupperman Staal Nederland B.V.	Dec 31	Apr 02, 2007	EUR	2,400	74.57	30.00	2		127.90	5.17	12.06
19	Fabsec Limited	Dec 31	May 18, 2001	GBP	250	0.00[$$]	25.00	2	#	-	-	-
20	9336-0634 Québec Inc	-	Mar 30, 2017	CAD	1	-	27.33	1	&	-	-	-

1 Controls more than 20% of the total share capital
2 Controls more than 20% of the total share capital and has significant influence over operational and financial decision making
3 Insignificant influence on the financial and operating policy decisions
4 More than 50% stake, instead considered as joint venture as there is less significant influence over the control of the entity.
5 Under the Ind AS regime, subsidiary of an associate/ joint venture is also an associate/ joint venture of the holding company.
The operations of the companies are not significant and hence are immaterial for consolidation
* Closing rate as on March 31, 2023 has been considered for calculation
** Companies are in liquidation
$ Under amalgamation
Partnership without Share capital
*** Not consolidated, as the investment value is impaired
& Financial information are not available
$$ Represents value less than ₹1 lakh
@ Tata Steel BSL Limited (TSBSL) (earlier known as Bhushan Steel Limited), an erstwhile subsidiary (acquired through the corporate insolvency resolution process) which amalgamated with the Company during the year ended March, 2022 was being identified as the promoter of Jawahar Credit & Holdings Private Limited (JCHPL) and Bhushan Capital & Credit Services Private Limited (BCCSPL). These entities were connected to the previous management of erstwhile TSBSL, before acquisition of TSBSL by the Company (through Bamnipal Steel Limited) in May 2018. TSBSL had written to JCHPL, BCCSPL and the Registrar of Companies (National Capital Territory of Delhi & Haryana) intimating that TSBSL should not be identified as promoter of these two companies; accordingly, legally, neither erstwhile TSBSL nor the Company had any visibility or control over the operations of these two companies nor currently exercises any influence on these entities.

Note: During the financial year ended March 31, 2023 S & T Mining Company Limited was reclassified as a subsidiary from joint venture

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
DIN: 00024713

sd/-
O. P. Bhatt
Independent Director
DIN: 00548091

sd/-
Deepak Kapoor
Independent Director
DIN: 00162957

sd/-
Farida Khambata
Independent Director
DIN: 06954123

sd/-
V. K. Sharma
Independent Director
DIN: 02449088

sd/-
Bharti Gupta Ramola
Independent Director
DIN: 00356188

sd/-
Saurabh Agrawal
Non-Executive Director
DIN: 02144558

sd/-
T.V. Narendran
Chief Executive Officer & Managing Director
DIN: 03083605

sd/-
Koushik Chatterjee
Executive Director & Chief Financial Officer
DIN: 00004989

sd/-
Parvatheesam Kanchinadham
Company Secretary & Chief Legal Officer (Corporate & Compliance)
ACS: 15921

Mumbai
May 2, 2023

ANNEXURE 6

Companies that have become/ceased to be Company's Subsidiaries or Associate Companies (including Joint Venture Companies)

The names of companies which have become Subsidiaries or Associate Companies (including Joint Venture Companies) during FY2022-23:

Sl. No.	Name of the Company
Subsidiary	
1.	Rohit Ferro-Tech Limited [(a)]
2.	Tata Steel TABB Limited
3.	Neelachal Ispat Nigam Limited
4.	S & T Mining Company Limited [(b)]

The names of companies which have ceased to become Subsidiaries or Associate Companies (including Joint Venture Companies) during FY2022-23:

Sl. No.	Name of the Company
Subsidiary	
1.	British Steel Service Centres Limited
2.	DSRM Group Limited
3.	Europressings Limited
4.	02727547 Limited (Formerly known as Firsteel Holdings Limited)
5.	Lister Tubes Limited
6.	Precoat International Limited
7.	Precoat Limited
8.	Stewarts & Lloyds of Ireland Limited
9.	The Templeborough Rolling Mills Limited
10.	Toronto Industrial Fabrications Limited
11.	Walkersteelstock Ireland Limited
12.	Westwood Steel Services Limited
13.	Tata Steel France Batiment et Systemes SAS
14.	TSIL Energy Limited
15.	Rohit Ferro-Tech Limited [(a)]
16.	NatSteel Asia Pte. Ltd.
17.	TS Asia (Hong Kong) Limited
18.	Blastmega Limited
19.	Corus Engineering Steels Holdings Limited
20.	Grant Lyon Eagre Limited
21.	Hammermega Limited
22.	Plated Strip (International) Limited
23.	Runmega Limited
24.	Stewarts And Lloyds (Overseas) Limited
25.	U.E.S. Bright Bar Limited
26.	Bowen Consolidated Pty Ltd
27.	Eastern Steel Fabricators Philippines, Inc.

Sl. No.	Name of the Company
Joint Venture	
1.	S & T Mining Company Limited [(b)]

Notes:

(a) During FY2022-23, the Company acquired Rohit-Ferro Tech Limited ('**RFT**') through its unlisted subsidiary, Tata Steel Mining Limited ('**TSML**'), on April 11, 2022. RFT was amalgamated into and with TSML effective July 7, 2022.

(b) During FY2022-23, S & T Mining Company Limited was re-classified as a Subsidiary of the Company from being a Joint Venture.

On behalf of the Board of Directors

sd/-
N. CHANDRASEKARAN
Chairman
DIN: 00121863

Mumbai
May 2, 2023

ANNEXURE 7

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

(Pursuant to section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
Tata Steel Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tata Steel Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

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

(ii) The Securities Contract (Regulation) Act, 1956 ('**SCRA**') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)

  (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)

(vi) Other laws applicable specifically to the Company namely:

  (a) The Mines Act, 1952 and the rules, regulations made thereunder.

  (b) Mines and Minerals (Development & Regulation) Act, 1957 and the rules made thereunder.

(c) Air (Prevention and Control of Pollution) Act, 1981 and the rules and standards made thereunder.

(d) Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975

(e) Environment Protection Act, 1986 and the rules, notifications issued thereunder.

(f) Factories Act, 1948 and allied State Laws.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were in compliance of the applicable provisions.

Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes, the decisions at the Board Meetings were taken unanimously.

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

We further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

1. Amalgamation:

a) Amalgamation of Tata Steel Long Products Limited into and with Tata Steel Limited:

The Board of Directors of the Company ('**Board**'), at its meeting held on September 22, 2022, approved the scheme of amalgamation of Tata Steel Long Products Limited ('**TSLP**') into and with the Company ('**TSLP Scheme**'). TSLP is the listed subsidiary of the Company. The Board has recommended a share exchange ratio of 67 fully paid-up equity shares of nominal value of Re. 1/- each of the Company for every 10 fully paid-up equity shares of nominal value of ₹10/- each held by the public shareholders of TSLP. As part of the TSLP Scheme, the equity and preference shareholding of the Company in TSLP shall stand cancelled. The Company has received the 'observation letter' dated March 31, 2023 from the National Stock Exchange of India Limited and BSE Limited and has filed an application before the Hon'ble National Company Law Tribunal, Mumbai Bench for necessary directions. The amalgamation is subject to approval from the shareholders and other regulatory/governmental authorities.

b) Amalgamation of The Tinplate Company of India Limited into and with Tata Steel Limited

The Board, at its meeting held on September 22, 2022, approved the scheme of amalgamation of The Tinplate Company of India Limited ('**TCIL**') into and with the Company ('**TCIL Scheme**'). TCIL is the listed subsidiary of the Company.The Board has recommended a share exchange ratio of 33 fully paid-up equity shares of nominal value of Re. 1/- each of the Company for every 10 fully paid-up equity shares of nominal value of ₹10/- each held by the public shareholders of TCIL. As part of the TCIL Scheme, the equity shareholding of the Company in TCIL shall stand cancelled. The Company has received the 'observation letter' dated March 31, 2023 from the National Stock Exchange of India Limited and BSE Limited and has filed an application before the Hon'ble National Company Law Tribunal, Mumbai Bench for necessary directions.

The amalgamation is subject to approval from the shareholders and other regulatory/governmental authorities.

c) **Amalgamation of Tata Metaliks Limited into and with Tata Steel Limited**

The Board, at its meeting held on September 22, 2022, approved the scheme of amalgamation of Tata Metaliks Limited ('**TML**') into and with the Company ('**TML Scheme**'). TML is the listed subsidiary of the Company. The Board has recommended a share exchange ratio of 79 fully paid-up equity shares of nominal value of Re. 1/- each of the Company for every 10 fully paid-up equity shares of nominal value of ₹10/- each held by the public shareholders of TML. As part of the TML Scheme, the equity shareholding of the Company in TML shall stand cancelled. The Company has received the 'observation letter' dated March 31, 2023 from the National Stock Exchange of India Limited and BSE Limited and has filed an application before the Hon'ble National Company Law Tribunal, Mumbai Bench for necessary directions. The amalgamation is subject to approval from the shareholders and other regulatory/governmental authorities.

d) **Amalgamation of TRF Limited into and with Tata Steel Limited**

The Board, at its meeting held on September 22, 2022, approved the scheme of amalgamation of TRF Limited ('**TRF**') into and with the Company ('**TRF Scheme**'). TRF is the listed associate of the Company. The Board has recommended a share exchange ratio of 17 fully paid-up equity shares of nominal value of Re. 1/- each of the Company for every 10 fully paid-up equity shares of nominal value of ₹10/- each held by the public shareholders of TRF. As part of the TRF Scheme, the equity and preference shareholding of the Company in TRF shall stand cancelled. The Company has received the 'observation letter' dated March 31, 2023 from the National Stock Exchange of India Limited and BSE Limited and has filed an application before the Hon'ble National Company Law Tribunal, Mumbai Bench for necessary directions. The amalgamation is subject to approval from the shareholders and other regulatory/governmental authorities.

e) **Amalgamation of The Indian Steel & Wire Products Limited into and with Tata Steel Limited**

The Board, at its meeting held on September 22, 2022, approved the scheme of amalgamation of The Indian Steel & Wire Products Limited ('**ISWP**') into and with the Company ('**ISWP Scheme**'). ISWP is an unlisted subsidiary of the Company. Upon the Scheme coming into effect, the shareholders of ISWP (except the Company) shall receive ₹426 for every 1 fully paid-up equity share of nominal value of ₹10/- each of ISWP held by the shareholders of ISWP. As part of the ISWP Scheme, the equity shareholding of the Company in ISWP shall stand cancelled. The Company has received the 'observation letter ' from the National Stock Exchange of India Limited and BSE Limited on March 24, 2023. The amalgamation is subject to approval from the shareholders and other regulatory/governmental authorities.

f) **Amalgamation of Tata Steel Mining Limited into and with Tata Steel Limited**

The Board, at its meeting held on September 22, 2022, approved the scheme of amalgamation of Tata Steel Mining Limited ('**TSML**') into and with the Company ('**TSML Scheme**'). TSML is a wholly-owned subsidiary of the Company and upon the TSML Scheme coming into effect, the entire paid-up share capital of TSML shall stand cancelled. The TSML Scheme is pending approval before the Hon'ble National Company Law Tribunal, Cuttack Bench. The amalgamation is also subject to approval from other regulatory/governmental authorities.

g) **Amalgamation of S & T Mining Company Limited into and with Tata Steel Limited**

The Board, at its meeting held on September 22, 2022, approved the scheme of amalgamation of S & T Mining Company Limited ('**S&T Mining**') into and with the Company ('**S&T Scheme**'). S&T Mining is a wholly-owned subsidiary of the Company and upon the S&T Scheme coming into effect, the entire paid-up share capital of S&T Mining shall stand cancelled. The S&T Scheme is pending approval before the Hon'ble National Company Law Tribunal, Kolkata Bench. The amalgamation is also subject to approval from other regulatory/governmental authorities.

h) Amalgamation of Angul Energy Limited into and with Tata Steel Limited

The Board of Directors of the Company, at its meeting held on February 6, 2023, approved the scheme of amalgamation of Angul Energy Limited ('**AEL**') into and with the Company ('**AEL Scheme**'). Upon the AEL Scheme coming into effect, the shareholders of AEL (except the Company) shall receive ₹1,045 for every 1 fully paid-up equity share of nominal value of ₹10/- each of AEL held by the shareholders of AEL. The Company has filed the application with the National Stock Exchange of India Limited and BSE Limited for necessary directions. The amalgamation is subject to approval of the shareholders and other regulatory/governmental approvals.

2. Acquisitions, Investments and Portfolio Restructuring

a) Acquisition of Rohit Ferro-Tech Limited through Tata Steel Mining Limited, a wholly-owned subsidiary

On April 11, 2022, in terms of the approved Resolution Plan under the Corporate Insolvency Resolution Process ('**CIRP**') of the Insolvency and Bankruptcy Code 2016 ('**Code**'), the Company through Tata Steel Mining Limited ('**TSML**'), a wholly-owned subsidiary, completed the acquisition of 90% stake in Rohit Ferro-Tech Limited ('**RFT**'). On June 22, 2022, TSML acquired the remaining 10% equity stake of RFT held by the Financial Creditors for a consideration of approx. ₹20.06 crore which was paid by TSML on June 14, 2022. Upon completion of the said acquisition RFT became a wholly-owned subsidiary of TSML. Further, on July 7, 2022, RFT was amalgamated with TSML, pursuant to the order of the Hon'ble National Company Law Tribunal, Kolkata Bench dated April 7, 2022 approving the Resolution Plan submitted by TSML for acquisition of RFT.

b) Acquisition of Preference Shares of TRF Limited

On May 13, 2022, the Company acquired 1,30,00,000 - 11.25% Optionally Convertible Redeemable Preference Shares ('**OCRPS**') of face value ₹10/- each of TRF Limited ('**TRF**'), a listed associate of the Company, on a preferential basis aggregating to ₹13 crore. Further, on June 8, 2022 and March 1, 2023, the Company acquired 16,50,00,000 - 12.17% (effective yield) Non-cumulative, Non-convertible, Non-Participating, Redeemable Preference Shares ('**NCRPS**') and 7,40,00,000 - 12.17% (effective yield) NCRPS, respectively of face value ₹10/- each of TRF on a preferential basis aggregating to ₹165 crore and ₹74 crore, respectively.

The OCRPS and NCRPS have been acquired to assist TRF in repayment/prepayment of the whole or a part of it's existing indebtedness (including financial and operational creditors), additional working capital requirements, payment against long-outstanding vendor dues, to seek their support towards material supplies for completing legacy projects and delivering other committed orders and/or for other general corporate purposes.

The voting rights of the Company as a preference shareholder of TRF will be as per the provisions of the Companies Act, 2013 read with the Articles of Association of TRF. Further, the equity stake of the Company in TRF remains at 34.11%.

c) Investment in Tata Steel Mining Limited

On June 14, 2022 and August 30, 2022, the Company acquired 1,04,75,196 equity shares and 2,81,98,433 equity shares, respectively of face value ₹10/- each of Tata Steel Mining Limited ('**TSML**') at a premium of ₹9.15 per share on a preferential basis aggregating to approximately ₹20.06 crore and approximately ₹54 crore, respectively. TSML continues to be a 100% wholly-owned subsidiary post both the investments.

d) Acquisition of Neelachal Ispat Nigam Limited through Tata Steel Long Products Limited and investment in Neelachal Ispat Nigam Limited

On July 4, 2022, the Company through its listed subsidiary Tata Steel Long Products Limited ('**TSLP**'), completed the acquisition of 93.71% stake in Neelachal Ispat Nigam Limited ('**NINL**'). The acquisition was completed for an aggregate consideration of ₹12,100 crore as per the terms and conditions of the Share Sale and Purchase Agreement entered into by the Company in accordance with the process carried out by Department of Investment and Public Asset Management (DIPAM) and consequently, NINL became a step-down subsidiary of the Company.

During the year, the Company directly acquired equity shares aggregating to 5.24% in NINL by way of purchase of equity shares from minority shareholders and by acquiring additional equity shares issued by NINL on preferential basis. As on March 31, 2023, TSLP holds 92.68% and the Company holds 5.24% in NINL.

e) Investment in Tata Steel Downstream Products Limited

During the year under review, the Company acquired 7,11,743 equity shares of ₹10/- each at a premium of ₹130.50 per share, of Tata Steel Downstream Products Limited, a wholly-owned subsidiary of the Company, on a preferential basis for an amount aggregating to ₹10 crore.

f) **Investment in Tata Steel Advanced Materials Limited**

During the year under review, the Company acquired 4,26,93,207 (75.94%) equity shares of Tata Steel Advanced Materials Limited ('**TSAML**') from Tata Steel Downstream Products Limited, for an aggregate amount of ₹54.69 crore. Further, on March 23, 2023, the Company acquired the balance 1,35,29,959 (24.06%) shares held by Tata Steel Downstream Products Limited for an aggregate amount of ₹17.33 crore. Post the said acquisition, TSAML has become a direct wholly-owned subsidiary of the Company. The shares are of face value of ₹10/- each and were acquired at a premium of ₹2.81 per share.

g) **Investment in Tata Steel Utilities and Infrastructure Services Limited**

On January 31, 2023 and March 23, 2023, the Company acquired 26,97,674 and 4,65,116 equity shares, respectively of face value ₹10/- each of Tata Steel Utilities and Infrastructure Services Limited ('**TSUISL**') at a premium of ₹205/- per share, on rights basis for an aggregate amount of approximately ₹68 crore. TSUISL continues to be a wholly-owned subsidiary of the Company.

3. Divestments

Divestment of partial stake in Al Rimal Mining LLC, Oman

On October 3, 2022, T S Global Holdings Pte. Ltd. ('**TSGH**'), an indirect wholly-owned subsidiary of the Company, set up in South-East Asia, concluded the divestment of its 19% equity stake in Al Rimal Mining LLC ('**Al Rimal**') to Oman National Investments Development Company ('**Tanmia**') pursuant to an agreement entered into between TSGH and Tanmia, thereby reducing its equity stake in Al Rimal from 70% to 51%.

4. Corporate Actions, Financing and Debt Redemption

a) **Issue of Non-Convertible Debentures**

During the financial year 2022-23, the Company allotted the following Unsecured, Rated, Listed, Redeemable, Non-Convertible Debentures ('**NCDs**') to identified investors on a private placement basis:

No. of NCDs	Face value (₹)	Amount (₹ crore)	Date of allotment	Coupon	Tenure	Date of Maturity
5,000	10,00,000	500	September 20, 2022	7.50% (Series 1)	5 years	September 20, 2027
15,000	10,00,000	1,500	September 20, 2022	7.76% (Series 2)	10 years	September 20, 2032
2,15,000	1,00,000	2,150	February 27, 2023	8.03%	5 years	February 25, 2028

The NCDs are listed on the wholesale debt market segment of BSE Limited

b) **Redemption of NCDs**

The Company has redeemed the following NCDs on the relevant due date as per their respective terms of issue:

Amount (₹ crore)	Date of allotment	Coupon	Date of Maturity
1,500	April 23, 2012	2%	April 22, 2022 (Since April 23, 2022 was a bank holiday)

c) During the year under review, the Company issued 8,23,500 units of Commercial Papers aggregating to ₹41,175 crore and redeemed 9,10,500 units of Commercial Papers aggregating to ₹ 45,525 crore.

d) **Sub-division of Ordinary Shares of the Company**

On May 3, 2022, the Board of Directors of the Company, considered and approved the proposal for sub-division of 1 (one) equity share of the Company having face value of ₹10/- each into 10 (Ten) equity shares of the Company having face value of ₹1/- each ('**sub-division**') and consequential amendments in the Capital Clause of the Memorandum of Association of the Company and Articles of Association of the Company, subject to the approval of the Shareholders of the Company and other necessary approvals. The said proposal was approved by the Shareholders of the Company at the Annual General Meeting held on June 28, 2022.

The Record Date for the sub-division was set as July 29, 2022 and consequently, the face value of the equity shares of the Company (fully paid-up and partly paid-up) was sub-divided to ₹1/- each from ₹10/- each.

e) **First and Final Call on Partly Paid-up Equity Shares**

On February 9, 2021, the Board of Directors of the Company approved the making of the first and final call of ₹461/- (comprising ₹7.498 towards face value and ₹453.504 towards securities premium) per partly paid-up equity share ('**First and Final Call**') on 7,76,36,788 outstanding partly paid-up equity shares of face value ₹10/- each (paid-up: ₹2.504 per share), issued by the Company, on a Rights basis, pursuant to the Letter of Offer dated January 22, 2018. As on March 31, 2022, the Company had 2,23,288 partly paid-up equity shares of face value ₹10/- each (paid-up: ₹2.504 per share) on which the first and final call money remained unpaid.

On March 18, 2023, the Stakeholder Relationship Committee approved the conversion of 3,16,580 partly paid-up shares of face value of ₹1/- each (31,658 partly paid-up equity shares of face value of ₹10/- each on which ₹2.504 was paid-up).

f) **Forfeiture of shares**

The Board of Directors, at their meeting held on March 27, 2023 considered and approved the forfeiture of 19,16,300 partly paid-up equity shares of face value ₹1/- each (prior to sub-division 1,91,630 partly paid-up equity shares of face value of ₹10/- each and paid-up ₹2.504 per share) on which the first and final call money was not paid.

For **Parikh & Associates**
Company Secretaries

sd/-
P. N. Parikh
Partner
FCS No: 327 CP No: 1228
UDIN: F000327E000235672
PR No.: 1129/2021

Place: Mumbai
Date: May 2, 2023

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

'Annexure A'

To,
The Members,
Tata Steel Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Parikh & Associates**
Company Secretaries

Signature:
P. N. Parikh
Partner
FCS No: 327 CP No: 1228
UDIN: F000327E000235672
PR No.: 1129/2021

Place: Mumbai
Date: May 2, 2023

ANNEXURE 8

Particulars of Loans, Guarantees or Investments

(Pursuant to Section 186 of the Companies Act, 2013)

Amount Outstanding as on March 31, 2023

(₹ crore)

	Amount
Loans Given	35,970.29
Guarantees Given	10,848.37
Investments Made	44,138.90

Loans, Guarantees given or Investments made during FY2022-23

(₹ crore)

<table>
<tr><th>Name of the Entity</th><th>Relation</th><th>Amount</th><th>Particulars of Loans, Guarantees given or Investments made</th><th>Purpose for which the Loans, Guarantees given or Investments are proposed to be utilised</th></tr>
<tr><td>Neelachal Ispat Nigam Limited</td><td rowspan="7">Subsidiary</td><td>396.69</td><td rowspan="6">Investments in Equity Shares</td><td rowspan="12">Business Purpose</td></tr>
<tr><td>S & T Mining Company Limited^</td><td>0.00</td></tr>
<tr><td>Tata Steel Advanced Materials Limited</td><td>72.02</td></tr>
<tr><td>Tata Steel Downstream Products Limited</td><td>10.00</td></tr>
<tr><td>Tata Steel Mining Limited</td><td>699.07</td></tr>
<tr><td>Tata Steel Utilities and Infrastructure Services Limited</td><td>68.00</td></tr>
<tr><td>Creative Port Development Private Limited</td><td>48.00</td><td rowspan="2">Investments in Optionally Convertible Redeemable Preference Shares</td></tr>
<tr><td rowspan="2">TRF Limited</td><td rowspan="2">Associate</td><td>25.00</td></tr>
<tr><td>239.00</td><td>Investments in Non-convertible Redeemable Preference Shares</td></tr>
<tr><td>Bhubaneswar Power Pvt. Ltd.*</td><td rowspan="3">Subsidiary</td><td>1.45</td><td rowspan="3">Loan</td></tr>
<tr><td>Tata Steel Downstream Products Limited#</td><td>558.70</td></tr>
<tr><td>Tata Steel Mining Limited</td><td>681.00</td></tr>
</table>

^Represents value less than ₹0.01 crore

*Represents loans given and repaid during the year ended March 31, 2023

#Includes loans amounting to ₹236.40 crore repaid during the year ended March 31, 2023

Advance against equity made during the FY2022-23

(₹ crore)

Name of the Entity	Relation	Amount
Angul Sukinda Railway Limited	Others	50.00

Notes:

(i) During the year ended March 31, 2023, the Company transferred its entire stake held in NatSteel Asia Pte. Ltd. to T Steel Holdings Pte. Ltd. ('**TSH**'),a wholly-owned subsidiary of the Company, for cash consideration of ₹**1,112.42** crore.

(ii) During the year ended March 31, 2023, the Company has recognised a net impairment loss of ₹**1,056.39** crore and net fair value gain of ₹**30.99** crore with respect to investments held in its affiliates. The impairment of ₹**1,056.39** crore relates to provision for impairment of investment of ₹**1,170.00** crore in T Steel Holdings Pte. Ltd. and ₹**112.39** crore in TRF Limited, net of reversal of ₹**126.00** crore for investments in NatSteel Asia Limited and ₹**100** crore for loan provided to TRF Limited. Net fair value gain represents a gain of ₹**30.99** crore on preference shares investments held in TRF Limited and Angul Sukinda Railway Limited.

On behalf of the Board of Directors

sd/-

N. CHANDRASEKARAN

Chairman

DIN: 00121863

Mumbai

May 2, 2023

ANNEXURE 9

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

[Pursuant to Companies (Accounts) Rules, 2014]

(A) CONSERVATION OF ENERGY

(i) Steps taken or impact on conservation of energy:

Jamshedpur

<table>
<tr><th>SN</th><th>Achievements</th><th>Key Enablers</th></tr>
<tr><td>1.</td><td>Achieved lowest ever plant Specific Energy Consumption of 5.314 GCal/tcs.</td><td rowspan="9">• Digital predictive model developed and deployed for CO gas generation from coke plant.
• Arrangements done to increase LD Gas utilisation by injecting in TSCR Gas mixing station.
• LD Gas recovery improvement from LD1 by enhancing the reliability of LD1 gas recovery system.
• Launched an idea generation campaign across Tata Steel India focusing on spreading awareness and enhancing sensitisation regarding energy conservation.</td></tr>
<tr><td>2.</td><td>Achieved highest ever LD Gas recovery of 105,089 Nm^3/hr.</td></tr>
<tr><td>3.</td><td>Achieved by-product gas utilisation of 97.48%</td></tr>
<tr><td>4.</td><td>Achieved highest ever inhouse Power generation of 276.58 MW by utilising by-product in-house gases and through waste heat recovery.</td></tr>
<tr><td>5.</td><td>Achieved lowest ever Argon cost of 930 ₹/T</td></tr>
<tr><td>6.</td><td>Achieved low-pressure process steam consumption of 319.48 tonnes/hour</td></tr>
<tr><td>7.</td><td>Lowest ever specific water consumption of 1.97 m^3/tcs recorded.</td></tr>
<tr><td>8.</td><td>Lowest ever freshwater intake 12.67 MGD.</td></tr>
<tr><td>9.</td><td>Highest ever CETP production of 5.15 MGD.</td></tr>
</table>

Kalinganagar

<table>
<tr><th>SN</th><th>Achievements</th><th>Key Enablers</th></tr>
<tr><td>1.</td><td>Reduction in Specific consumption of Clarified water from .081 m3/t in FY2022 to .060 m^3/t in FY2023 due to magnetic treatment of water at sinter plant.</td><td rowspan="10">• Safety enhancement in liquid propane unloading procedure by replacing the hoses with a fully articulated and self-supported hard arm system.
• Automatic Tube Cleaning System successfully introduced for cleaning the condensers at the Chiller Plants. This method is eco-friendly, saves up to 30% energy (as compared to conventional cleaning procedure) and reduces corrosion failures.
• VFD installation and commissioning done successfully for Aeration blower-D in BOD area in order to save the power consumption and reduce the standard deviation of Dissolved oxygen.</td></tr>
<tr><td>2.</td><td>Reduction in Gaseous Fuel Rate from 15.63 G Cal/t in FY2022 to 14.14 G Cal/t in FY2023 due to effective coating.</td></tr>
<tr><td>3.</td><td>Reduction in Coke Rate from 358 kg/thm in FY2022 to 347 kg/thm in FY2023.</td></tr>
<tr><td>4.</td><td>Reduction in Fuel rate from 537 kg/thm in FY2022 to 529kg/thm in FY2023.</td></tr>
<tr><td>5.</td><td>Increase in TRT power generation to 110354 MWh (Increase of 6% over FY2022).</td></tr>
<tr><td>6.</td><td>Best ever average cycles of concentration ('COC') in main cooling tower achieved at 8.81 in FY2023 against previous best of 7.97 in FY2022. Higher the COC, lower the make-up water consumption in cooling tower.</td></tr>
<tr><td>7.</td><td>Reduction in specific heat consumption of 705 Kcal/kg of dry coal in FY2023 against FY2022 consumption of 718 Kcal/kg of dry coal. Monthly best ever of 620 Kcal/kg of dry coal in the month of March 2023.</td></tr>
<tr><td>8.</td><td>Reduction in make water consumption to BOD plant by replacement of makeup water to BOD treated water line. Average per day make up water consumption in BOD area in FY2023: 20 m^3/day against FY2022 average consumption at 160 m3/day.</td></tr>
<tr><td>9.</td><td>Annual average Coke Oven Gas quality properties were best ever at 208 mg/Nm3 H2S against the previous best of 228 mg/Nm3 during FY2022 (lower the better, this gas is used as fuel throughout the plant, cleaner gas helps in improving the combustion efficiency)</td></tr>
<tr><td>10.</td><td>Increase in LD gas recovery from 62.62% in FY2022 to 78.73% in FY2023 by elimination of chronic process interruptions.</td></tr>
</table>

Meramandali

SN	Achievements	Key Enablers
1.	Increase in hot blast temperature at Blast Furnace (BF)-1 from 1103Deg C (F2022 Avg.) to 1137Deg C Without Waste Heat Recovery System in line	• Change in air to fuel ratio from 0.75 to 0.82 and reduction of stove incubation period time from 12 minutes to 4 minutes
2.	Reduction in coke moisture during wet quenching up to 4.5% at Coke Oven-2	• Increased Coke Retention Time and Step Quenching
3.	Increase in Pulverised Coal Injection (PCI) Rate at BF-2 from 157 to 175 Kg/Thm.	• Additional PCI system introduced for increasing the PCI rate
4.	Improvement in Coke Reactivity Index at Coke Oven-1 by 1%	• Availability of Desired Coal and avoid Contamination/mixing.
5.	Increased Coke Dry Quenching (CDQ) -2 Pushing at Coke Oven-2 from 64 Per Day in FY2022 To 72 Per Day in FY2023 (Avg.)	• Increased in Oven Availability and consistency in pushing and improvement in Heating System
6.	Revival & Commissioning of LD Gas Holder for utilisation of LD gas	• Support from OEM experts for rectification of seal
7.	Reduction of power by optimising no of Operating Compressor at Central Compressor House.	• Interconnection of compressed air line between Centralised Compressor House & BFPP-2 Ash Handling Compressor House
8.	Utilisation of unused flash steam at Blast Furnace Power Plant #2 (BFPP-2).	• Steam Line design modification at 60 TPH & 125 TPH Boiler.
9.	Reduction of Oxygen Venting from 4% to 2.7%.	• Pressure set point optimisation of Oxygen Horton sphere vessel and Commissioning of 2*250Cum Buffer Vessel
10.	Replacement of Energy Efficient motor in place of IE1 Motor (25 Nos) at RMHS for Reduction in power consumption	• Procurement & Replacement.

(ii) Steps taken by the Company for utilising alternate sources of Energy:

- Projects on Power generation from solar and non-conventional energy source gained momentum.
- 28 MW generation capacity through solar power source is in the pipeline.
- Project on Central LDC is in progress, targeted to reduce DISCOM drawl (by ~07 MW).
- Project on installation of 'Energy recovery Micro Turbine' to recover throttling loss in steam pressure are in progress at PH#3, PH#4, and PH#5, G,H,I BF and BPP, TSJ
- Project on retrofitting of existing cooling tower with S.M.A.R.T. system using predictive control strategy, feasibility work in progress for CRM cooling towers.
- Power wheeling across TSL locations to maximise power utilisation from captive units
- Successfully commissioned a solar farm of 1MW capacity at the Raw Water Treatment Plant.
- Utilisation of by product gas-conversion of coal fired boiler to dual fire at Angul Energy Limited is under Progress.
- Initiated of feasibility study for utilisation of natural gases at TSM.
- Power generation by using of microturbine at BFPP-2 is under Progress.
- CDQ-1 installation at Coke oven-1 is under progress.

(iii) Capital investment on energy conservation equipment:

S. No.	Particulars	₹ crore
Jamshedpur		
1	LD Gas injection in TSCR Gas Mixing Station	0.94
2	Micro turbines at G, H, I BF, TSJ	4.78
3	Micro turbines at BPP, TSJ	3.39
Meramandali		
4	Revamping of Energy Management Centre at Meramandali	0.7

(B) Technology Absorption

1. Efforts made towards technology absorption

(i) Projects under Research and Development and Digital initiatives

Jamshedpur

Project title	Benefits
Jamshedpur	
Reduction in coke moisture by super absorbent polymer	Super absorbent polymers have high moisture absorption and retention capacity. Therefore, a methodology is developed at a lab scale and implemented at several locations. This method proved in reduction of 15-20 kg coke rate, and 40-45 kg CO_2 emissions per tonne of hot metal production.
Metal Chalcogenide generators to generate green electricity	Thermoelectric generators produce electricity due to Seebeck effect, where an electric potential is generated due to a thermal gradient across 2 surfaces. The present system produces 1 Kilo Watt Hour of green electricity.
Increasing hydrocyclone yield at a wet plant by improving the dewatering screen efficiency.	At wet plant, hydrocyclone underflow product is dewatered through high frequency dewatering screen having conventional 2D panels. R&D is working towards introducing 3D screen panels in place of 2D panels based on encouraging results as obtained from DEM simulation and Demo scale trials at plant site.
Throughput improvement of a Washery by improving Concentrate thickener operation by new design feed well	R&D has taken up a project to improve fine clean coal yield and throughput by improving the fine clean coal thickener performance of a Washery at mine site. Studies suggested that an improved feeding arrangement through new feed well design will enhance the reagent-particle and particle-particle interactions and lesser air entrainment.
Innovative Pulse iron ore sintering	TSL R&D has developed an innovative technology in iron ore sintering called "Pulse Sintering". Unlike conventional sintering process where the suction in the sinter bed is continuously downdraft, in pulse sintering, pulsating action in the suction wind boxes creates back pressure and thereby broadens the flame front and increases sinter heating index by improving heat transfer rate of flowing gas. This concept was successfully implemented in sinter plant.
Enhancement of iron ore grinding process in ball mills thru surface charge modifiers	To improve the grinding of iron ore during ball milling, a polymer-based surface charge modifier has been established and implemented in pellet plant by R&D. Neutralised surface charges on the ore particles during grinding improves particle breakage leading to increase in ball mill thruput and drop in rejects. An improvement of 2.7% in ball mill thruput was observed during plant trials at pellet plant.
Sacrificial anode	A High phosphorus pig iron (HPPi) based sacrificial anode has been developed. This sacrificial anode is useful for enhancing the life of metallic structures inside sea, soil and concrete. The pilot trial has been successfully done and product is ready to be explored on a commercial scale.
Antimicrobial coating	Polymer coated steel sheet is primary product for white good sector, appliances and construction application. The antiviral paints were developed at lab scale complying to the JIS Z 2801 and ISO21702 standards. The antiviral product reduces the secondary transmission of virus & bacterial therefore, it is healthy to use for the in-house applications in house/community centres/hospitals/schools/railway station/airport.

Project title	Benefits
Mesh seam welding	A mathematical model to map the weldability lobe for resistance mash seam welding of high strength and high thickness grade was developed by R&D team. Time-temperature profile during mesh seam welding provides online assessment of weld quality and prevents coil breakage in line.
Development of hot rolled complex steel with minimum UTS of 780 MPa	The project aims at developing a hot rolled complex phase steel, consisting of different phases like bainite, ferrite and martensite. This steel grade is suitable for manufacturing various automotive components. The advantage of this grade is an excellent combination of strength, toughness and flanging property. The in-house development of this advanced high strength steel grade comprises various steps, such as alloy design, laboratory scale heat making, thermomechanical simulation and pilot scale hot rolling in laboratory.

Kalinganagar

Raw Material Handling System & Logistics Operation

Project title	Benefits
Robot Operation In wagon tippler	Elimination of MMI during coupling and decoupling activity.
Modification of CHP HMI mapping of all the piles in yard	By mapping of the Coal stockpiles in HMI resulted in elimination of mixing of different grades of material due to human error.
Productivity enhancement of Conveyor through effective Braking	By measuring and setting up the conveyor stoppage time in sync with preceding and succeeding conveyor which eliminated jamming in conveyor circuits.
Enhanced reliability of Moving equipment through installation of Drag Chain	This system will eliminate the failure of composite cable along with risk of electrocution.

Sinter Plant

Project title	Benefits
Lime fines visibility dashboard to improve sinter productivity	Central visibility dashboard to track the real time movement of lime fines to maintain a healthy stock to maintain sinter production levels.
Auto surge bin control loop at tsk sinter plant	This control will minimise the interruptions in green mix circuit having a positive impact on life of equipment. Also, it will help in consistency of operations reducing the variations in quality.
Installation & commissioning of online FeO analyser to improve quality and reduce coke consumption at tsk sinter plant.	We are able to monitor real time FeO% in product sinter then Coke trimming can be optimised in real time as per the dynamic value of FeO% in product Sinter.

Coke Plant

Project title	Benefits
• Automation of Ammonia stripper top temperature done with external steam flow. • Installation and commissioning of automatic foam type fire extinguishing system for coal tar tanks.	This will improve safety and better process control at CP By-product plant
Deploying drones at coal yard by to capture tonnage of coal and linking it with its corresponding properties.	This will improve better inventory management and also reduce coal mix-up probability

Steel Melting Shop (Data warehouse/Digital)

Project title	Benefits
Successful implementation of Desulphurisation Advanced analytics model	This will reduce desulphurising reagent consumption
Successful implementation of Heat weight model	This will increase cast weight by 2 T/heat
Adaptive ferro-alloy model developed	This will lead to better product mix and process efficiency
Development of superheat model for Ladle Furnace	This will improve steelmaking process control and stability

Hot Strip Mill (Digital)

Project title	Benefits
Soft Sensor for width Measurement	Data Analytics Model has been implemented for predicting product width to avoid rolling stoppage in case of unavailability of width measurement device after finishing mill
Auto Coil Decision System	Auto Coil Decision System has been implemented to reduce quality decision cycle time. Automatic decision is taken based on dimensional measurement, chemistry, lab testing & inspection results
3D View of Yard Management system	Improved visualisation and control of Coil Yard management system through 3D view mapping

Utilities

Project title	Benefits
10 Tons per Day Waste-to-Energy ARC-Cat-Polycrack technology-based plant (under construction)	The plant shall primarily generate syn gas (CO+H2) along with mixed gas, oil and biochar from carbonaceous waste in a cost-effective and eco-friendly manner.

Meramandali

Blast Furnace 1 & Blast Furnace 2

Project title	Benefits
BF level 2 system is developed based on first principles of physical laws of BF process and operation practices. The system consists of the following mathematical models: a) Burden Calculation Model b) Stock House Matrix editor c) Shaft Simulator d) Lab Browser e) Water Ingress Model f) Liquid Level Monitoring System	It calculates the optimum burden recipe required to achieve the desired hot metal and slag chemistry using the raw material analysis and adopting the typical mass balance principles. It generates the setpoints of raw materials that are transferred automatically with minimum operator's intervention.
Torpedo Ladle Tracking System was implemented in Hot Metal Logistics area using RF technology and IoT sensors.	Auto weighment of hot metals is captured, on-line tracking of torpedoes help hot logistics team to assign torpedoes to blast furnaces and upstaging to higher level system for further process analysis and data analytics projects.

Coke Plant 1 & Coke Plant 2

Project title	Benefits
Coke oven Level 2 systems brings high regularity in oven operations, consistency in coke quality and eliminates human coordination in operating the oven machines. The system consists of the following functions. • Dynamic Scheduling for Oven • Machine group management • Heating control	This system helps to improve the consistency of operations of the battery by the help of computer-generated pushing/ charging schedules. Computerised heating control improves the standard deviation of the coke mass temperature and therefore ensures consistent coke quality. This system provides for comprehensive data analysis and report generation, which help in overall efficient operations.

Sinter Plant

Project title	Benefits
Level-2 system consisting of process models like Sintering temperature simulation model, Stack PM prediction model, Decision support system (recommendations model) and Alert systems- real time alerts on key parameters in case of any abnormality was implemented in Sinter Plant-2 and Sinter Plant-3.	Provides real process visualisation of the Sinter plant and in turn assists the operation with better optimisation and control facilities. The prediction and simulation models of the level II system guides the operators to take early corrective actions for process control.

Maintenance Technology Roadmap (MTR)

Project title	Benefits
Maintenance Transformation was enabled for predictive maintenance under MTR. **Track1:** End to end predictive maintenance was developed using Conventional Sensor's and in House Machine Learning Model were deployed for BOF Primary ID Fan and Secondary ID Fan, Sinter Plant Waste Gas Fan, Conarc Secondary ID Fan, LF3 Booster Fan, BF2 MB Belts Motor and Conveyor Driving System. **Track 2:** Predictive maintenance was implemented using OEM SMART (Vibration & Temperature) sensors for rotating equipment having no conventional sensors. 268 IOT Based smart sensor's installed in BF1, BF2, SMS and HSM.	Reduction in unplanned & planned downtime & achieve benchmark OEE. Early decision to user regarding Sensor Health, Abnormality, and failure. Optimise maintenance cost and resources. Perform real time monitoring & raise flags by predicting critical events.

Lime Plant:

Project title	Benefits
Lime Plant Level-2 - The following was implemented as part of Lime Plant Level-2: • **Data acquisition and centralised historisation:** A system to historise real time process parameters for better visualisation and analysis of the process. • **Visualisation of process and operational Data:** Process visualisation and parameter trends to all stakeholders for better decision making. • **A setup to deploy process models:** Scope of process optimisation through model deployments. • **Kiln operation in Closed loop control mode:** Operation of kiln using Optimised set points in semi-automatic mode through level#2	Improvement in lime quality, transparency (single version of truth) leading to increase in agility in decision making, reduction in quality deterioration of product lime, System based decision over tacit knowledge and standardised operation (independent of operator) and increase in Kiln availability.

Steel Melting Shop (SMS)

Project title	Benefits
SMS Control Tower Phase1 - SMS Control Tower main dashboard has been developed which gives real time, to the scale visualisation of process and equipment at SMS shop. SMS Shop have eighteen (18) process units (BOF, Conarc, slab casters, LF, RH etc.) and thirty-nine (39) mobile equipment (ladle transfer cars, overhead cranes, slag pot carriers etc). Status of process units and mobile equipment changes every minute which leads to dynamic constrain. Shift planner faces challenge in managing such a complex combination of process and equipment for optimum production leading to loss of production due to unavailability of logistic. Realtime to the scale visualisation of all process and equipment gives shift planner bird eye for optimising equipment availability to have maximum production.	Increase in production and decrease in delay due to logistic issue.

Project title	Benefits
Torpedo Level 2 system – It implements new heat id concept in hot metal area. Blast furnace heat id and torpedo information is linked with SMS batch id using this system. The system enables representative hot metal analysis and temperature being available to BOF and Conarc for optimum process control. It works as basic infrastructure for further implementation of BOF/Conarc level-2.	Reduction in flux consumption at BOF and Conarc. Increase in transparency and reduction in phone calls.
Quality Evaluation System (QES) - The system provides automated slab decision and visualisation of slab-wise abnormalities The system has following feature. • Online visualisation screen for the slab quality inside the casting strand. • Historisation of product abnormalities for future analysis (Customer complaint investigation, through process analysis etc.) • Automated quality decision based on process charts. • Suggestion for alternate grade in case of exception.	To prevent manual mistakes while giving slab decision with adequate system check. Faster and automated quality decision. Online visualisation screen available for QA team for slab decision to see each slabs abnormalities and for big data analytics.

Hot Strip Mill

Project title	Benefits
Integrated Quality Management System (IQMS) at HSM - It provides Coil Quality Decision and visualisation of Coil-wise abnormalities. The system has following feature: • It has integrated platform for PDI, PDO data and capture process parameter data for real-time data visualisation. • Online Visualisation screen for the Coil Quality Decision. • Automated quality decision based on TDC parameter. • Historisation of product abnormalities for future analysis (Customer complaint investigation, Through process analysis etc.)	• Online visualisation screen available for QA team for Coil Decision. • Quicker Decision. • Coil Quality assurance. • Coil abnormalities and defect analysis

Cold Rolling Mill

Project title	Benefits
Reversing Mill-3 level-2 system at Sahibabad has been implemented with help of OEM (MS Primetal). Rolling through level-2 has been enabled. Integration with MES has been done.	Better process control coil defect analysis

(ii) Process Improvement

Raw Material Division

Ferro Alloys

- ***Reduction of ferrochrome production cost by introducing low-cost carbon composite briquette:***

  To tap the cheaper reductant source and utilise in Ferrochrome making process, an innovative approach is developed to utilise the coke fines. In this process, composite briquette is prepared with coke fines and chrome ore mix and utilise into the submerged arc furnace in Ferrochrome making process. Through this approach sized coke requirement is reduced substantially and as a result the cost of production has come down.

- ***Convert low value FeCr fines into prime lump product through induction melting:***

  Ferrochrome is sold according to the size grading specifications of users. Due to this lots of undesirable fines are generated during size reduction process. An induction furnace melting process of FeCr fines has developed, through this route FeCr fines can be melted and converted back to prime lump product easily which will help Ferrochrome makers to recover the full value of its product.

Mining Technology

- ***Identification of Eccentric Ripper Technology as an alternate Blast free mining solution for Extraction of overburden at West Bokaro:***

  Trial is in progress to establish techno-commercial feasibility & decision on way forward.

- ***Novel mining approach proposed for extraction of friable chrome ore (~20 million Ton) below ultimate pit limit at Sukinda:***

  Feasibility study is completed & Techno-commercial feasibility is established. Decision on way forward is in progress.

Ore Beneficiation

- ***Technology development to upgrade sub grade iron ore (45%<Fe<55%) for self-sufficiency and enhancing captive resource utilisation:***

  To be a leader in the Raw material technology area, Process Technology Group is exploring innovative approaches to upgrade sub-grade to make it usable for downstream process. In this regard, two non-conventional techniques were identified, namely reduction roasting and ultra high dense media separation. Lab studies for captive ore have been completed and achieved encouraging result, pilot scale study will be carried out for validation of test work result. These technologies will help Tata steel to set a direction for forthcoming Iron ore mines auction in FY2030.

Coal Beneficiation

- ***Performance Improvement of Reflux Classifier (RC) at JCPP:***

  RC clean coal ash reduced from 24.4% to 22.5% by optimisation of classifying cyclone operating parameters (pulp density & feed pressure) along with implementation of preventive measures.

- ***Real time performance monitoring of DMC using Electrical Impedance Spectroscopy (EIS):***

  EIS Installed for one stream of Dense Media Cyclone (DMC) of Washery#3 in Dec'22, which eliminates traditional way of monitoring media density comprising manual collection & analysis of samples – time consuming & a costly affair. Upon implementation in all four streams, this will have a potential impact of 0.2% on overall yield of the washery#3.

- ***Beneficiation of Intermediate Size Fraction using Fine DMC:***

  To produce low ash clean coal, fine DMC Pilot Test work was carried out at PESCO lab, South Africa. Targeted clean coal ash of 13% was achieved at the yield of 55%.

Jamshedpur

Agglomeration

- A cold bonded agglomerate consisting of Fe bearing in house generated waste material is used in blast furnaces, resulting in carbon rate reduction of 1.5 kg/thm with 1% addition in Blast furnace burden.

Coke Making

- ***Coke Yield Improvement at Coke Dry Quenching system:***

  Of the several reactions that occur during CDQ, the reaction of CO_2 with Carbon leads to weakening of the coke structure and thus, adversely affecting its

CSR and coke yield. Based on this theory, researchers found that by optimising the CO and CO2 % in the circulating gas led to improvement in coke yield and coke CSR. A trial was conducted at Battery 10,11 wherein CDQ 10-11 was operated at optimised CO% During trial, there was improvement in coke yield by 0.2-0.3% and now this has been implemented at Battery 10-11.

Blast Furnace

- ***Enhance sinter fines usage at HBF by 1%:***

  Implemented 4mm sinter fines material at HBF stock house on Nov'22. Its enabling generation of coarser sinter return fines that can be charged in BF and as a result HBF has increased its utilisation. Due to 1% higher agglomerate in burden coke rate dropped by 1.5 kg/thm at BF"

Process visibility

- ***Improved sensorisation at sinter plant:***

  To monitor difficult to measure parameters like bed heating uniformity in sinter bed, a thermal imaging-based sensor has been installed in at the discharge end. Heating non uniformity index is developed and corelating with upstream parameters are being explored.

Kalinganagar:

Sinter Plant

- Achieved Best ever Annual average BF return fines of 13.77. (Previous best was 14% in FY2022).
- 100 KT Sinter was dispatched to NINL while managing Sinter Plant MSD and monsoon.
- Maintained 77% burden with 427 KT higher production than ABP partially replacing procured pellet and reduced moisture load during monsoon.
- Buffer stock maintained at 100 KT (quickly recovered post monsoon).
- Benchmark MTTR for replacing DCTC.
- 97.98% RDI compliance.
- Uninterrupted sinter supply during 6 days standalone MSD.

Steel Meting Shop

- Achieved best scrap consumption of 9.2% in FY2023 surpassing previous best of 7.7% in FY2022 enabling reduced carbon footprint.
- Successful casting of 1.2%, 2.4%, and 3.35% Si Electrical steel.
- Lowest ever annual flux consumption of 83 Kg/TCS achieved with best monthly consumption of 79.3 Kg/TCS.
- Achieved highest ever average heat size of 305.2 T/heat in FY2023.
- Segregation of Converter#1 tilt field devices by installation of separate RIO to avoid downtime of both Converters in case of any mishaps.
- Installation of Linear Heat Sensing cable system in LC#18 conveyor to avoid major damage due to fire in conveyor line.
- Positioning of RH transfer car using laser sensor instead of limit switches.
- Implementation of control stop in LF transfer car.
- Installation and commissioning of redundant turret drive.
- Reliability improvement of converter skirt PLC for easy troubleshooting.
- Upgradation of server at HMDS, Converter, and RH.
- Installation and commissioning of tundish anti-tilting to prevent unequal submergence of SEN in mould thereby increasing SEN life.
- Installation of sensors for slab width measurement.
- Risk reduction from R2 to R4 risk scenario by installation and commissioning of auto-flushing system in converter flare stack COG line.
- 1st in India, IBOS (Improved Bottom Optimised Solution) – Precast block for Steel Ladle bottom has been installed to reduce metal return.
- Lowest ever internal rejection in FY2023 0.06% against ABP target of 0.30%.
- 1st time achievement of ultra- low Carbon 5ppm in IF grade.

- Longest Tundish sequence length of 739 heats (2,26,810 tons) cast in February 2023 surpassing previous best of 538 heats (1,63,844 tons) in January 2023.

Hot Strip Mill

- Successfully rolled 300Kt+ TSM Slabs through synergy initiatives.
- Improvement of gross yield from 98.21% in FY2022 to 98.22% in FY2023 through daily management.
- Successfully rolled Electrical Steel up to 2.4% Silicon.
- Achieved Width Performance (97.3%) among the entire product mix through improvement in width control model.
- Consistent supply of API grades rolling with superior quality (for nation building-City Gas Project, CGP) with respect to surface, shape & mechanical properties. Produced 200 KT+ API grade steel in FY2023 with API X70 as major share (63%) in it.

(iii) Product Development

Jamshedpur

- Cr-free secondary coated GA fuel tanks of Bharat Stage VI (BS-VI) compliant two-wheelers.
- High strength, high ductility 6mm air cooled rebars with superior weld shear strength for welded wire mesh.
- Grade Fe 550D CRS rebar to cater to the requirement of high strength corrosion resistant rebar.
- Grade HC58A wire rod addressing customer requirement of high-speed direct drawing wire rod.
- Grade HC78BX wire rod was developed for rope application.
- C80 HR with improved cold rollability.

Kalinganagar

Following Grades were developed in FY2023:

- **S355MC (impact guarantee at -48 degree Celsius):** Developed HR steel for arctic region transformer cover. It is a first in India product.
- **HS900:** Developed and successfully tried out for bulk trailer application. This resulted in 550 kg of weight saving per trailer. It is a first in India product.
- **SPFH590 (100% HER Min.):** Developed for JBM (for Suzuki, Gujarat). Component trial successful in the first attempt itself. It is a first in India product.
- **SPFH 590 (low Si):** To improve the surface finish for wheel disc application, grade with low silicon was developed.
- **X42 (Sour):** For API sour service.
- **X65 (low Moly):** A low-cost version of X65 was developed for API non sour application
- **S355J2 (low Si):** HR developed for export structural tubes application with improved surface finish.
- **0.6%, 1.2% CRNO Electrical Steel:** Developed 2.5mm thick sheets for Posco and Surahammer.
- **SPFH540 (Mn / Si) for Kalyani Maxion Wheels:** Developed for wheel rim of LCV.
- **IRS Grade A:** Developed 5 to 20mm thick sheets for various ship builders.
- **16MnCr5, SCM435, 15Cr3 for Tubes Products of India:** Developed these alloy steels for application in Sprocket and Chain components.

Meramandali

- **ASTM A 572 - Gr 50 Type 1 (8 to 12 mm):** Developed for Pre-Engineered Building segment
- **E46:** Developed for Heavy Commercial Vehicle chassis
- **YST38:** Developed for Commercial Vehicle wheel disc
- **EN 10025 S235+AR J2 (5 to 12 mm):** Developed for Exports market for structural application
- **EN 10025 S275+AR J2 (5 to 12 mm):** Developed for Exports market for structural application
- **Fe330:** Developed for Brake Back plate application
- **JIS G3113 SAPH370:** Developed for Car wheel application
- **Grade A CF:** Developed for Wheel disc and brake component

2. **Benefits derived from key projects like product improvement, cost reduction, product development or import substitution:**

Project title	Benefits derived
Jamshedpur	
Rolling of Fe550SD at high-speed using lean chemistry	Less diversions with consistent billet quality. Expected savings of ₹22.5 crore in FY2023
Developing TSCR as an alternate route for Steelium Coil production instead of HSM	Savings of ₹3.68 crore in FY2023
Use of coated sink roll to extend campaign length in GA (GA Skin) Campaign	Savings of ₹0.66 crore in FY2023
Developing heat optimisation model for tunnel furnace in LD#3 TSCR	Gas consumption savings of ₹3 crore in FY2023

3. **Information regarding imported technology (last three years):**

S. No.	Technology Imported	Financial year of Import	Status
Jamshedpur			
1	Electro Magnetic Brake (Phase-2)	2020 - 21	Commissioned
2	Electro Vessel 2 Trunion and Guide System (Part of LD#2 Converter Scheme)		
3	Granshot	2021 - 22	Commissioned
4	Surface inspection system at PLTCM		
5	Revamping of ARP 1, 2 ar TSJ CRM		
6	Revamping of ARP at CRM Bara		
7	Extrusion briquetting machine for plant reverts	2022 - 23	Yet to be commissioned
Kalinganagar			
8	2nd Barrel Reclaimer (Make: TAKRAF Tenova) in RMBB Sinter Plant	2019-20	Commissioned

4. **Expenditure on Research & Development (R&D)**

(₹ crore)

(a)	Capital	4.27
(b)	Recurring	270.65
(c)	**Total**	**274.92**
(d)	Total R&D expenditure as a % of Total Turnover	0.21%

(C) Foreign Exchange Earnings and Outgo

(₹ crore)

	FY2022-23	FY 2021-22
Foreign Exchange Earnings	8,612.98	17,187.78
Value of direct imports (C.I.F. Value)	42,522.99	29,071.56
Expenditure in foreign currency	799.51	505.33

On behalf of the Board of Directors

sd/-
N. CHANDRASEKARAN
Chairman
DIN: 00121863

May 2, 2023
Mumbai

Financial Statements

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FINANCIAL HIGHLIGHTS

(₹ crore)

	Tata Steel Standalone		Tata Steel Group	
	2022-23	2021-22	2022-23	2021-22
Revenue from operations	1,29,006.62	1,29,021.35	2,43,352.69	2,43,959.17
Profit/(Loss) before tax	21,021.92	44,090.65	18,235.12	50,226.87
Profit/(Loss) after tax	15,495.11	33,011.18	8,075.35	41,749.32
Dividend	6,233.11	3,007.08	6,227.15	3,004.16
Retained earnings	85,970.98	76,498.67	48,166.32	55,647.79
Capital employed	1,85,854.05	1,70,045.84	2,04,183.90	2,04,985.59
Net worth	1,34,797.51	1,25,433.76	1,05,175.21	1,17,098.46
Borrowings	42,372.39	36,524.51	84,893.05	75,561.35
	Ratio		**Ratio**	
Net debt to Equity	0.30	0.30	0.61	0.52
	₹		**₹**	
Net worth per Share as at year end	110.29	102.72	86.14	96.92
Earnings per Share:				
Basic	12.68	27.03	7.17	33.24
Diluted	12.67	27.01	7.17	33.21
Dividend per Ordinary Share	3.60	51.00#	3.60	51.00#
Employees (Numbers)	36,151	35,927	75,263	72,551
Shareholders (Numbers)	36,44,090	15,87,315		

Dividend declared on face value of ₹10 each.

The net worth per share, basic and diluted EPS for the prior year have been restated considering the face value of ₹1/- each on account of sub-division of the Ordinary (equity) Shares of face value ₹10/- each into Ordinary (equity) Shares of face value of ₹1/- each.

FINANCIAL RATIOS

		Tata Steel Standalone		Tata Steel Group	
		2022-23	2021-22	2022-23	2021-22
1.	EBITDA/Turnover	21.84%	39.88%	13.44%	26.16%
2.	PBET/Turnover	16.90%	34.36%	7.45%	20.64%
3.	Return on average capital employed	12.78%	29.59%	11.62%	29.13%
4.	Return on average net worth	11.91%	29.93%	7.27%	42.91%
5.	Asset turnover	68.77%	72.30%	87.05%	89.99%
6.	Inventory turnover (in days)	59	47	79	62
7.	Debtors turnover (in days)	9	9	15	16
8.	Gross block to net block	1.35	1.31	1.57	1.58
9.	Net debt to equity	0.30	0.30	0.61	0.52
10.	Current ratio	0.86	0.62	1.01	1.07
11.	Interest service coverage ratio	10.40	22.84	6.01	12.82
12.	Net worth per share (₹)	110.29	102.72	86.14	96.92
13.	Basic earnings per share (₹)	12.68	27.03	7.17	33.24
14.	Dividend payout	28%	19%	54%	15%
15.	P/E ratio	8.24	4.84	14.57	3.93

Note: The net worth per share and basic earnings per share for the prior year have been restated considering the face value of ₹1/- each on account of sub-division of the Ordinary (equity) Shares of face value ₹10/- each into Ordinary (equity) Shares of face value of ₹1/- each.

1. EBITDA/Turnover

   (EBITDA: PBT +/(-) Exceptional items + Net finance charges + Depreciation and amortisation - Share of results of equity accounted investments)

   (Net Finance Charges: Finance costs - Interest income - Dividend income from current investments - Net gain/(loss) on sale of current investments)

   (Turnover: Revenue from operations)

2. PBET/Turnover

   Profit before exceptional items and tax/Turnover

3. Return on Average Capital Employed: EBIT/Average Capital Employed

   (Capital Employed: Total Equity + Non-current borrowings + Current maturities of Non-current borrowings and Lease obligations + Current borrowings + Deferred tax liabilities)

   (EBIT: PBT +/(-) Exceptional items + Net finance charges)

4. Return on Average Net worth: PAT/Average Net worth

   (Net worth: Total equity)

5. Asset Turnover: Turnover/(Total Assets - Investments - Advance Against Equity - Assets held for sale)

6. Inventory Turnover: Average Inventory/Sale of Products in days

7. Debtors Turnover: Average Trade receivables/Turnover in days

8. Gross Block to Net Block: Gross Block/Net Block

   (Gross Block: Cost of property, plant and equipment + Cost of right-of-use assets + Capital work-in-progress + Cost of intangible assets + Intangible assets under development)

   (Net Block: Gross Block - Accumulated depreciation and amortisation - Accumulated impairment)

9. Net Debt to Equity: Net Debt/Average Equity

   (Net debt: Non-current borrowings + Current borrowings + Non-current and current lease obligations - Current investments - Cash and cash equivalents - Other balances with banks (including non-current earmarked balances)

10. Current Ratio: Total Current Assets/Current Liabilities

    (Current liabilities: Total Current liabilities - Current maturities of Non-current borrowings and Lease obligations)

11. Interest Service Coverage Ratio: EBIT/Net Finance Charges

    (Net Finance Charges: Finance costs (excluding interest on current borrowings) - Interest income - Dividend income from current investments - Net gain/(loss) on sale of current investments)

12. Net worth per share: Net Worth/Number of Equity Shares

13. Basic Earnings per share: Profit attributable to Ordinary Shareholders/Weighted average number of Ordinary Shares

14. Dividend Payout: Proposed dividend for the year/Profit after tax

15. P/E Ratio: Market Price per share/Basic Earnings per share

PRODUCTION STATISTICS

'000 Tonnes

Year	Iron Ore	Coal	Iron (Hot metal)	Crude steel	Rolled/ Forged Bars and Structurals	Plates	Sheets	Hot Rolled Coils/ Strips	Cold Rolled Coils	Railway Materials	Semi-Finished for Sale	Total Saleable Steel
1993-94	4,201	3,922	2,598	2,487	561	-	124	281	-	6	1,182	2,117
1994-95	4,796	4,156	2,925	2,788	620	-	137	613	-	2	1,074	2,391
1995-96	5,181	4,897	3,241	3,019	629	-	133	1,070	-	-	869	2,660
1996-97	5,766	5,294	3,440	3,106	666	-	114	1,228	-	-	811	2,783
1997-98	5,984	5,226	3,513	3,226	634	0	60	1,210	-	0	1,105	2,971
1998-99	6,056	5,137	3,626	3,264	622	0	0	1,653	-	0	835	3,051
1999-00	6,456	5,155	3,888	3,434	615	0	0	2,057	-	0	615	3,262
2000-01	6,989	5,282	3,929	3,566	569	0	0	1,858	356	0	647	3,413
2001-02	7,335	5,636	4,041	3,749	680	0	0	1,656	734	0	566	3,596
2002-03	7,985	5,915	4,437	4,098	705	0	0	1,563	1,110	0	563	3,975
2003-04	8,445	5,842	4,466	4,224	694	0	0	1,578	1,262	0	555	4,076
2004-05	9,803	6,375	4,347	4,104	706	0	0	1,354	1,445	0	604	4,074
2005-06	10,834	6,521	5,177	4,731	821	0	0	1,556	1,495	0	679	4,551
2006-07	9,776	7,041	5,552	5,046	1,230	0	0	1,670	1,523	0	506	4,929
2007-08	10,022	7,209	5,507	5,014	1,241	0	0	1,697	1,534	0	386	4,858
2008-09	10,417	7,282	6,254	5,646	1,350	0	0	1,745	1,447	0	833	5,375
2009-10	12,044	7,210	7,231	6,564	1,432	0	0	2,023	1,564	0	1,421	6,439
2010-11	13,087	7,024	7,503	6,855	1,486	0	0	2,127	1,544	0	1,534	6,691
2011-12	13,189	7,460	7,750	7,132	1,577	0	0	2,327	1,550	0	1,514	6,970
2012-13	15,005	7,295	8,858	8,130	1,638	0	0	3,341	1,445	0	1,518	7,941
2013-14	17,364	6,972	9,899	9,155	1,676	0	0	4,271	1,638	0	1,346	8,931
2014-15	13,694	6,044	10,163	9,331	1,778	0	0	4,259	1,836	0	1,200	9,073
2015-16	16,431	6,227	10,655	9,960	1,823	0	0	4,742	1,689	0	1,443	9,698
2016-17	21,284	6,315	13,051	11,683	1,882	0	0	6,295	1,837	0	1,481	11,351
2017-18	23,043	6,224	13,855	12,482	1,882	0	0	7,093	1,853	0	1,481	12,237
2018-19	23,374	6,546	14,237	13,228	1,959	0	0	7,801	1,858	0	1,386	12,980
2019-20	26,512	6,210	14,094	13,152	1,984	0	0	7,793	1,713	0	1,499	12,878
2020-21*	28,659	5,853	17,141	16,277	1,642	0	0	10,973	1,806	0	1,538	15,959
2021-22	30,584	4,680	18,899	18,377	1,942	0	0	12,382	2,174	0	1,407	17,906
2022-23	31,387	5,769	19,250	18,966	2,052	0	0	13,122	1,685	0	1,329	18,188

* Includes production details of erstwhile Tata Steel BSL Limited pursuant to the merger (refer note 44, page F121 of the standalone financial statements).

FINANCIAL STATISTICS

(₹ crore)

Year	Capital^	Reserves and Surplus	Borrow-ings	Gross Block	Net Block	Invest-ments	Total Income	Total Expen-diture*	Depre-ciation	Profit before Tax	Tax	Profit after Tax	Dividend
2020-21	1,977.56	93,207.56	37,065.49	1,36,665.57	1,08,051.56	36,184.13	84,888.03	60,808.93	5,469.26	18,609.84	1,531.87	17,077.97	1,145.92
2021-22	1,222.37	1,24,211.39	36,524.51	1,42,620.03	1,08,832.39	43,497.54	1,30,473.37	80,919.03	5,463.69	44,090.65	11,079.47	33,011.18	3,007.08
2022-23	**1,222.40**	**1,33,575.11**	**42,372.39**	**1,51,845.69**	**1,12,793.17**	**46,189.30**	**1,32,332.10**	**1,05,875.57**	**5,434.61**	**21,021.92**	**5,526.81**	**15,495.11**	**6,233.11**

^ Capital includes Equity share capital, Hybrid perpetual securities and Share application money pending allotment.

* Expenditure includes excise duty recovered on sales, exceptional items and excludes depreciation.

DIVIDEND STATISTICS

Year	First Preference (₹150)		Second Preference (₹100)			Ordinary (₹10)			Total ₹ lakh
	Rate ₹	Dividend ₹ lakh	Rate ₹	Dividend@ ₹ lakh	Tax on dividend ₹ lakh	Rate* ₹	Dividend@ ₹ lakh	Tax on dividend ₹ lakh	
1993-94	–	–	–	–	–	3.00 [a]	9,655.44	–	9,655.44
1994-95	–	–	–	–	–	3.50 [b]	11,823.94	–	11,823.94
1995-96	–	–	–	–	–	4.50 [c]	15,697.11	–	15,697.11
1996-97	–	–	–	–	–	4.50	18,222.25	1,656.57	18,222.25
1997-98	–	–	–	–	–	4.00	16,198.05	1,472.55	16,198.05
1998-99	–	–	–	–	–	4.00	16,329.05	1,618.19	16,329.05
1999-00	–	–	9.25	860.80	85.30	4.00	16,329.07	1,618.20	17,189.87
2000-01	–	–	–	1,496.58 [d,e]	275.88	5.00	20,264.09	1,875.50	21,760.67
2001-02	–	–	8.42	228.33	21.13	4.00	14,710.88	–	14,939.21
2002-03	–	–	–	–	–	8.00	33,299.88	3,781.33	33,299.88
2003-04	–	–	–	–	–	10.00	41,625.77	4,727.58	41,625.77
2004-05	–	–	–	–	–	13.00	82,137.22	10,185.74	82,137.22
2005-06	–	–	–	–	–	13.00	82,042.66	10,092.00	82,042.66
2006-07	–	–	–	–		15.50	1,10,432.51	16,041.72	1,10,432.51
2007-08	–	–	0.4 [f]	2,596.11	377.12	16.00	1,36,759.54	19,866.05	1,39,355.65
2008-09	–	–	2.00	12,805.48	1,860.16	16.00	1,36,443.72	19,549.31	1,49,249.20
2009-10	–	–	2.00	5,367.78	779.74	8.00	82,477.15	11,500.02	87,844.93
2010-11	–	–	–	–	–	12.00	1,30,777.35	15,671.62	1,30,777.35
2011-12	–	–	–	–	–	12.00	1,34,703.22	18,157.49	1,34,703.22
2012-13	–	–	–	–	–	8.00	90,569.91	12,872.69	90,569.91
2013-14	–	–	–	–	–	10.00	1,03,740.40	6,618.86	1,03,740.40
2014-15	–	–	–	–	–	8.00	92,627.74	14,930.51	92,627.74
2015-16	–	–	–	–	–	8.00	92,471.69	14,774.46	92,471.69
2016-17	–	–	–	–	–	10.00	1,16,893.21	19,771.66	1,16,893.21
2017-18	–	–	–	–	–	10.00 [g]	1,38,147.27	23,554.82	1,38,147.27
2018-19	–	–	–	–	–	13.00	1,79,587.42	30,620.57	1,79,587.42
2019-20	–	–	–	–	–	10.00	1,14,593.05	–	1,14,593.05
2020-21	–	–	–	–	–	25.00	2,99,660.44	–	2,99,660.44
2021-22	–	–	–	–	–	51.00	6,23,310.71	–	6,23,310.71
2022-23	–	–	–	–	–	3.60 ^	4,39,975.33	–	4,39,975.33

a On the Capital as increased by Ordinary Shares issued during the financial year 1993-94 against Detachable Warrants.

b On the Capital as increased by Ordinary Shares issued during the financial year 1994-95 against Detachable Warrants and Foreign Currency Convertible Bonds.

c On the Capital as increased by Ordinary Shares issued during the financial year 1995-96 against Detachable Warrants, Foreign Currency Convertible Bonds and Naked Warrants.

d Includes Dividend of ₹22.30 lakh on 9.25% Cumulative Redeemable Preference Shares for the period April 1, 2000 to June 27, 2000.

e Includes Dividend of ₹1,198.40 lakh on 8.42% Cumulative Redeemable Preference Shares for the period June 1, 2000 to March 31, 2001.

f Dividend paid for 74 days.

g On the Capital as increased by Rights Issue of Ordinary Shares during the financial year 2017-18.

* Dividend proposed for the year

@ Includes tax on dividend.

^ Dividend on Ordinary Shares of ₹1 each.

INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Steel Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Tata Steel Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31,2023 and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Emphasis of Matter

4. We draw your attention to Note 6(iv) to the standalone financial statements which states that the ability of Tata Steel Europe (TSE), the step-down subsidiary of T Steel Holdings Pte. Ltd. (TSH), a subsidiary of the Company, to continue as a going concern is dependent on the outcome of measures taken as stated therein and the availability of future funding requirements, which may have a consequential impact on the carrying amount of investments of ₹19,684.89 crore in TSH as at March 31, 2023.

   Our Opinion is not modified in respect of the above matter.

Key audit matters

5. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of litigations and related disclosure of contingent liabilities [Refer to Note 2 (c) to the standalone financial statements– "Use of estimates and critical accounting judgements – Provisions and contingent liabilities", Note 35 (A) to the standalone financial statements "Contingencies" and Note 36 to the standalone financial statements – "Other significant litigations"] As at March 31, 2023, the Company has exposures towards litigations relating to various matters as set out in the aforesaid Notes. Significant management judgement is required to assess such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognised or a disclosure should be made. The management judgement is also supported with legal advice in certain cases as considered appropriate. As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on the application of their best judgement, related legal advice including those relating to interpretation of laws/ regulations, it is considered to be a Key Audit Matter.	Our audit procedures included the following: • We understood, assessed and tested the design and operating effectiveness of key controls surrounding assessment of litigations relating to the relevant laws and regulations; • We have reviewed the legal and other professional expenses and enquired with the management for recent developments and the status of the material litigations which were reviewed; • We performed our assessment on a test basis on the underlying calculations supporting the contingent liabilities/other significant litigations disclosed in the standalone financial statements; • We used auditor's experts/specialists to gain an understanding and to evaluate the disputed tax matters; • We considered external legal opinions, where relevant, obtained by management; • We evaluated management's assessments by understanding precedents set in similar cases and assessed the reliability of the management's past estimates/judgements; • We evaluated management's assessment around those matters that are not disclosed or not considered as contingent liability, as the probability of material outflow is considered to be remote by the management; and • We assessed the adequacy of the Company's disclosures. Based on the above work performed, the assessment in respect of litigations and related disclosures relating to contingent liabilities/other significant litigations in the standalone financial statements is considered to be reasonable.

Key audit matter	How our audit addressed the key audit matter
Assessment of carrying value of investments in Non-Convertible Redeemable Preference Shares and Equity Shares of Tata Steel Long Products Limited (TSLP) and Neelachal Ispat Nigam Limited (NINL), subsidiaries respectively [Refer to Note 2(c) to the standalone financial statements – "Use of estimates and critical accounting judgements – Impairment", Note 2(m) to the standalone financial statements - "Investments in subsidiaries, associates and joint ventures" and Note 6 to the standalone financial statements – "Investments", Note 2(n)(I) to the standalone financial statements – "Financial assets", Note 6(v) to the standalone financial statements] The Company's investment in 0.01% non-convertible, non-cumulative redeemable preference shares (NCRPS) in its subsidiary Tata Steel Long Products Limited (TSLP) and equity investment in its step-down subsidiary Neelachal Ispat Nigam Limited (NINL) amounts to ₹13,983.08 crore and ₹396.69 crore respectively. The Company accounts for investment in NCRPS of Tata Steel Long Products Limited initially at fair value and subsequently at amortised cost. Contractual cash flows from the NCRPS represent the principal (₹12,700 crore) plus accrued interest (₹1,283.08 crore) aggregating to ₹13,983.08 crore as on March 31, 2023. These investments have been made in TSLP for acquisition of NINL at a consideration of ₹12,100 crore and for meeting the fund requirements/obligations of NINL. The above equity investment in NINL is carried at cost. Where an indication of impairment exists, the carrying value of investment is assessed for impairment and where applicable an impairment provision is recognised. The impairment assessment for such investments have been carried out by the management in accordance with Ind AS 36 and Ind AS 109, as applicable. The key inputs and judgements involved in the impairment of unquoted investments include: • Cash flows forecast/incremental cash flows including assumptions on capacity expansion • Discount rates • Terminal growth rate • Economic and entity specific factors incorporated in the valuation. The accounting for above investments is a Key Audit Matter as the determination of recoverable value for impairment assessment involves significant management judgement and estimates.	Our audit procedures included the following: • We obtained an understanding from the management, assessed and tested the design and operating effectiveness of the Company's key controls over the impairment assessment of investments. • We evaluated the appropriateness of the Company's accounting policy in respect of impairment assessment of investments in subsidiaries. • We evaluated the Company's process regarding impairment assessment by involving auditor's valuation experts, where considered necessary, to assist in assessing the appropriateness of the impairment assessment model, underlying assumptions relating to discount rate, terminal value etc. • We evaluated the cash flow forecasts/ incremental cash flows by comparing them to the budgets and our understanding of the internal and external factors. • We checked the mathematical accuracy of the impairment model and agreed the relevant data with the latest budgets, actual past results and other supporting documents, as applicable. • We assessed the sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to impairment. • We have discussed the key assumptions and sensitivities with those charged with governance. • We evaluated the appropriateness of the disclosures made in the standalone financial statements. Based on the above procedures performed, we did not identify any significant exceptions in the management's assessment in relation to the carrying value of investments in aforesaid subsidiaries.

Other Information

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Integrated Report, Board's Report along with its Annexures and Financial Highlights included in the Company's Annual report (titled as 'Tata Steel Integrated Report & Annual Accounts 2022-23') but does not include the standalone financial statements and our auditor's report thereon.

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

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

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the Standalone Financial Statements

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

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

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

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

10. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

14. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

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

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

    (e) On the basis of the written representations received from the directors, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.

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

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

        i. The Company has disclosed the impact of pending litigations as on March 31, 2023 on its financial position in its standalone financial statements – Refer Note 35(A) and 36 to the standalone financial statements;

        ii. The Company was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts (including derivative contracts).

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, 2023 except for amount aggregating to ₹6.72 crore, which according to the information and explanations provided by the management is held in abeyance due to dispute/ pending legal cases.

iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Notes to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries [Refer Notes 6(xi) and 7(iv) to the standalone financial statements];

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries [Refer Notes 6(xii) and 7(v) to the standalone financial statements]; and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act, except for dividend amounting to ₹4.16 crore, which has been paid subsequently without depositing the amount to a separate bank account. [Also refer note C(i) to the standalone financial statements]

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

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

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

Subramanian Vivek
Partner
Membership Number 100332
UDIN: 23100332BGYVTL5217

Place: Mumbai
Date: May 2, 2023

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 15 (f) of the Independent Auditor's Report of even date to the members of Tata Steel Limited on the standalone financial statements as of and for the year ended March 31, 2023.

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

1. We have audited the internal financial controls with reference to standalone financial statements of Tata Steel Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles,

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

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

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

Subramanian Vivek
Partner
Membership Number 100332
UDIN: 23100332BGYVTL5217

Place: Mumbai
Date: May 2, 2023

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Tata Steel Limited on the standalone financial statements as of and for the year ended March 31, 2023.

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

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

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 on Property, plant and equipment and Note 4 on Right-of-use assets to the standalone financial statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value (₹ crore)	Held in the name of	Whether promoter, director or their relative or employee	Period held (i.e. dates of capitalisation provided in range)#	Reason for not being held in the name of the Company
Freehold Land	279.85	Not Applicable	No	March, 1928 to April, 2020	Title Deeds not available with the Company
Buildings	55.13	Not Applicable	No	March, 1974 to January, 1995	Title Deeds not available with the Company
Freehold Land	224.65	Tata Steel BSL Limited	No	April, 2020	For certain properties acquired through amalgamation/merger, the name change in the name of the Company is pending
Freehold Land	147.19	Bhushan Steel Limited (earlier name of Tata Steel BSL Limited)	No	April, 2020	
Freehold Land	1.92	Bhushan Steel & Strips Limited (earlier name of Tata Steel BSL Limited)	No	April, 2020	
Buildings	3.08	Indian Tube Company Limited	No	January, 1960	
Buildings	24.70	Tata SSL Limited	No	January, 1989 to January, 2000	
Right-of-use Land	523.65	Tata Steel BSL Limited	No	April, 2020	
Right-of-use Land	179.40	Bhushan Steel Limited (earlier name of Tata Steel BSL Limited)	No	April, 2020	
Right-of-use Land	139.93	Bhushan Steel & Strips Limited (earlier name of Tata Steel BSL Limited)	No	April, 2020	
Right-of-use Land	3.28	Jawahar Metal Industries Private Limited (earlier name of Tata Steel BSL Limited)	No	April, 2020	
Right-of-use Buildings	13.34	Tata Steel BSL Limited	No	April, 2020 to October, 2021	
Right-of-use Land	0.15	Not Applicable	No	Not Available	Lease Deed not available with the Company

In case of immovable properties acquired from Tata Steel BSL Limited which got merged with the Company in the preceding year have been considered with effect from the merger.

(d) The Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) or intangible assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.

ii. (a) The physical verification of inventory (excluding stocks with third parties) has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedures of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. In respect of inventories of stores and spares, the Management has a verification programme designed to cover the items over a period of three years. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has been sanctioned working capital limits in excess of ₹5 crore, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the books of account other than those as set out below.

Name of the Bank	Aggregate working capital limits sanctioned (₹ crore)	Nature of Current Asset offered as Security	Quarter ended	Amount disclosed as per quarterly return/ statement (₹ crore)	Amount as per books of account (₹ crore)	Difference (₹ crore)	Reasons for difference
State Bank of India and consortium of banks	2,000.00	Refer Note below	December 31, 2022	12,594.47	12,572.90	21.57	Incorrect amount of Creditors for Goods under Non-LC & others

Note: Pari-passu charge on the Company's entire current assets namely stock of raw materials, finished goods, stocks-in-process, consumables stores and spares and book debts at its plant sites or anywhere else, in favour of the Bank, by way of hypothecation.

The Company has filed the revised quarterly return/ statement with such banks for the above instance, in March, 2023, with the correct amounts, which are in agreement with the books of account.

Also refer Note 18(iv) to the standalone financial statements.

iii. (a) The Company has, during the year, made investments in eight companies and sixteen mutual fund schemes, granted unsecured loans to four companies and eight hundred and forty-six employees and stood guarantee for five companies. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans and guarantees to subsidiaries and to parties other than subsidiaries, joint ventures and associates are as per the table given below:

Particulars	Guarantees (₹ crore)	Loans (₹ crore)
Aggregate amount granted/ provided during the year		
Subsidiaries	478.80	3,674.60
Others	-	3.86
Balance outstanding (gross) as at balance sheet date in respect of the above cases		
Subsidiaries	349.05	3,436.75
Others	-	3.14

The above amounts are included in Note 7 on Loans and Note 35(B) on Commitments to the standalone financial statements.

(b) In respect of the aforesaid investments, guarantees and loans, the terms and conditions under which such investments were made, guarantees provided and loans were granted are not prejudicial to the Company's interest, based on the information and explanations provided by the Company.

(c) In respect of the loans outstanding as on the balance sheet date, the schedule of repayment of principal and payment of interest has been stipulated by the Company except for one loan aggregating ₹2.00 crore (fully provided in books) where no schedule of repayment of principal and payment of interest has been stipulated. Except for the aforesaid instance (where in the absence of stipulation of repayment/payment terms, we are unable to comment on the regularity of repayment of principal and payment of interest) and the following instance, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

Name of the entity	Amount (₹ crore)	Due Date	Extent of delay (provided in range)	Remarks
Tayo Rolls Limited	81.30	Multiple Dates	1,826 days - 2,421 days	The amounts pertain to principal and interest, which are overdue as at March 31, 2023. The company is under corporate insolvency resolution process. The Company has filed its claim as financial creditor. The amounts are fully provided in books.

(d) In respect of the following loan, the total amount overdue for more than ninety days as at March 31, 2023 is ₹81.30 crore. Based on the information and explanations given to us, the entity is under corporate insolvency resolution process and accordingly, the Company is not taking any further steps for the recovery of the principal and interest amounts, other than those mentioned in clause (iii)(c) above against Tayo Rolls Limited.

No. of cases	Principal Amount Overdue (₹ crore)	Interest Overdue (₹ crore)	Total Overdue (₹ crore)	Remarks
One	67.00	14.30	81.30	The amounts are fully provided in books

(e) Following loans were granted to same parties, which has fallen due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

Name of the parties	Aggregate amount of dues renewed or extended (₹ crore)	Percentage of the aggregate to the total loans granted during the year
Tata Steel Downstream Products Limited	150.00	3.92%
Tata Steel Mining Limited	790.00	20.66%
Tata Steel Holdings Pte. Ltd.	1,643.45	42.97%

The above amounts are included in Note 7 on Loans to the standalone financial statements.

(f) The loans granted during the year, including to related parties had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand. No loans were granted during the year to promoters.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, as applicable.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of royalty, the Company is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. We are informed that the Company has applied for exemption from operations of Employees' State Insurance Act at some locations. We are also informed that actions taken by the authorities at some locations to bring the employees of the Company under the Employees' State Insurance Scheme has been contested by the Company and payment has not been made of the contribution demanded. The extent of the arrears of statutory dues outstanding as at March 31, 2023, for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of dues	Amount (₹ crore)	Period to which the amount relates	Due date	Date of Payment
The Mines and Minerals (Development and Regulation) Amendment Act, 2021	Royalty	2,025.44	March, 2021 to September, 2022	Various dates till September 30, 2022	Not yet paid

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of statutory dues referred to in sub-clause (a) as at March 31, 2023, which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (net of payments) (₹ crore)	Amount paid (₹ crore)	Period to which the amount relates (FY)	Forum where the dispute is pending
Income-tax Act, 1961	Income Tax	2,061.05	1,131.51	1998-1999, 2006-2014, 2015-2017, 2018-2019	Tribunal
		197.47	124.12	2013-2016, 2017-2018	Commissioner (Appeals)
Customs Act, 1962	Customs Duty	2.44	-	2017-2018	Commissioner
		153.89	53.43	2005-2008, 2010-2016, 2017-2019	Tribunal
		15.17	1.91	1993-1994, 2002-2003, 2017-2021	High Court
		6.59	3.77	2005-2009, 2013-2014	Supreme Court
Central Excise Act, 1944	Excise Duty	10.54	0.92	2017-2018	Additional Commissioner
		61.90	5.87	1988-1989, 1994-1997, 2013-2018	Commissioner
		1.88	1.07	2016-2017	Joint Commissioner
		565.62	37.21	2002-2005, 2006-2018	Tribunal
		33.12	0.10	1989-1990, 2003-2009	High Court
Goods & Services Tax Act, 2017	Goods & Services Tax	15.83	-	2017-2018	Additional Commissioner
		0.75	0.04	2018-2020	Assistant Commissioner
		0.16	-	2018-2019	Deputy Commissioner
		0.05	-	2017-2018	Commissioner

Name of the statute	Nature of dues	Amount (net of payments) (₹ crore)	Amount paid (₹ crore)	Period to which the amount relates (FY)	Forum where the dispute is pending
Sales Tax Laws	Sales Tax	0.41	0.19	1983-1984, 1988-1989, 1990-1991, 1992-1993, 1994-1996	Sales Tax Officer
		362.04	2.36	1983-1984, 2002-2003, 2012-2013, 2016-2018	Additional Commissioner
		6.30	3.63	1973-1974, 1980-1992, 1994-1997, 2004-2005, 2016-2018	Assistant Commissioner
		15.02	2.94	1975-1976, 1983-1988, 1994-1995, 1997-2002, 2007-2012, 2013-2014, 2016-2019	Deputy Commissioner
		215.40	4.56	1988-1990, 1991-1992, 1993-1995, 2001-2004, 2013-2014	Commissioner
		66.25	0.50	2011-2013, 2014-2018	Joint Commissioner
		46.67	8.14	1977-1978, 1980-1981, 1983-1985, 1987-1988, 1989-1999, 2000-2002, 2003-2010, 2013-2016	Tribunal
		32.13	12.13	1977-1979, 1983-1984, 1991-1993, 1995-1997, 2000-2004, 2008-2009	High Court
Sales Tax Laws	Sales Tax (VAT)	69.28	0.46	2005-2006, 2012-2017	Additional Commissioner
		0.68	0.12	2005-2007, 2016-2018	Assistant Commissioner
		140.57	1.78	2004-2007, 2009-2018	Deputy Commissioner
		10.99	0.08	2006-2011, 2014-2015	Commissioner
		31.33	2.00	2011-2013, 2014-2017	Joint Commissioner
		6.72	2.90	2005-2010, 2012-2015, 2016-2017	Tribunal
		252.84	1.07	2001-2002, 2003-2004, 2007-2008, 2012-2016	High Court
Service Tax Laws	Service tax	0.74	0.03	2013-2018	Assistant Commissioner
		2.75	0.10	2004-2008, 2012-2017	Commissioner
		3.18	0.12	2016-2018	Joint Commissioner
		372.91	14.14	2007-2018	Tribunal
		0.30	-	2010-2011	High Court
Bihar Electricity Duty Act, 1948	Electricity Duty	0.59	-	2006-2011	Commercial Tax Officer
		3.82	-	2012-2013, 2014-2016	Deputy Commissioner
		7.18	0.03	2002-2003, 2008-2012	State Tax Officer
		0.31	-	1976-1980, 2004-2008	Tribunal
Employee State Insurance Act, 1948	Employee State Insurance	21.37	-	1996-1997	High Court

Name of the statute	Nature of dues	Amount (net of payments) (₹ crore)	Amount paid (₹ crore)	Period to which the amount relates (FY)	Forum where the dispute is pending
Entry Tax Laws	Entry Tax	6.02	-	2008-2009, 2011-2012, 2014-2015	Assessing Officer
		0.35	0.29	2007-2011, 2014-2015	Additional Commissioner
		0.37	4.86	2009-2021	Assistant Commissioner
		0.95	0.56	2001-2002, 2005-2007	Deputy Commissioner
		0.11	0.24	2008-2012	Joint Commissioner
		1.19	1.21	2007-2011	Tribunal
		318.65	14.35	1999-2003, 2005-2018	High Court
Mines and Mineral (Development and Regulation) Act, 1957	Excess Mining / Common Cause	2,140.30	-	2000-2017	Revisional Authority, Ministry of Mines
		132.91	-	1998-2011	Additional Chief Secretary, Steel & Mines
		2,994.49	573.83	2011-2015	High Court
Jharkhand Mineral Area Development Authority Act, 2000	Mineral Area Development Fee	58.51	18.00	2005-2007, 2008-2010, 2011-2014, 2016-2017	High Court
		8.23	-	1992-1995, 2005-2006	Supreme Court
Employees Provident Fund & Miscellaneous Provisions Act, 1952	Provident Fund	-	1.02	1997-1998	High Court
Mineral Concession Rules, 1960	Royalty on Minerals	408.48	2.60	2009-2015	Mines Tribunal
		1,366.78	1,211.92	2000-2008	Supreme Court
Indian Stamp Act, 1899	Stamp Duty	5,165.00	414.00	2013-2014	High Court
State Water Tax Laws	Water Tax	1,361.75	511.48	1980-1994, 1995-2023	High Court

The following matter has been decided in favour of the Company although the department has preferred appeal at higher levels:

Name of the statute	Nature of dues	Amount (net of payments) (₹ crore)	Period to which the amount relates (FY)	Forum where the dispute is pending
Customs Act, 1962	Customs Duty	248.24	2006-2009	Supreme Court
Central Excise Act, 1944	Excise Duty	235.48	2004-2005	Supreme Court
		16.34	2009-2010	Tribunal

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year. Also refer Note 18(ii) on Borrowings to the standalone financial statements.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion, and according to the information and explanations given to us, the monies raised by way of further public offer in an earlier year have been applied, on an overall basis, for the purposes for which they were obtained.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause. As explained by the management, there were certain complaints in respect of which investigations are ongoing as on the date of our report and hence, the impact on our audit report in respect of those complaints cannot be determined at this stage.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 “Related Party Disclosures” specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group has seven CICs as part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios (also refer Note 42 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. The Company has during the year spent the amount of Corporate Social Responsibility as required under sub-section (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

Subramanian Vivek
Partner
Membership Number 100332
UDIN: 23100332BGYVTL5217

Place: Mumbai
Date: May 2, 2023

BALANCE SHEET

as at March 31, 2023

(₹ crore)

	Note	Page	As at March 31, 2023	As at March 31, 2022
Assets				
I Non-current assets				
(a) Property, plant and equipment	3	F41	84,942.31	87,946.22
(b) Capital work-in-progress	3	F41	21,091.92	14,159.32
(c) Right-of-use assets	4	F46	5,480.11	5,538.18
(d) Goodwill			3.22	-
(e) Other intangible assets	5	F48	760.65	806.03
(f) Intangible assets under development	5	F48	514.96	382.64
(g) Financial assets				
(i) Investments	6	F50	44,138.90	43,401.43
(ii) Loans	7	F60	32,779.08	30,195.27
(iii) Derivative assets			403.40	133.21
(iv) Other financial assets	8	F62	2,263.36	1,211.81
(h) Non-curent tax assets (net)			4,145.27	3,620.76
(i) Other assets	10	F65	3,318.72	3,301.78
Total non-current assets			**1,99,841.90**	**1,90,696.65**
II Current assets				
(a) Inventories	11	F66	20,795.56	19,942.94
(b) Financial assets				
(i) Investments	6	F50	2,050.40	96.11
(ii) Trade receivables	12	F66	3,351.72	3,280.30
(iii) Cash and cash equivalents	13	F68	858.98	2,671.59
(iv) Other balances with banks	14	F68	218.35	183.70
(v) Loans	7	F60	3,191.21	2,368.01
(vi) Derivative assets			82.21	89.54
(vii) Other financial assets	8	F62	760.96	718.30
(c) Other assets	10	F65	2,640.13	1,939.08
Total current assets			**33,949.52**	**31,289.57**
Total assets			**2,33,791.42**	**2,21,986.22**
Equity and liabilities				
III Equity				
(a) Equity share capital	15	F69	1,222.40	1,222.37
(b) Other equity	17	F73	1,33,575.11	1,24,211.39
Total equity			**1,34,797.51**	**1,25,433.76**
IV Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	18	F78	30,880.89	20,290.81
(ii) Lease liabilities			3,649.33	3,726.90
(iii) Derivative liabilities			-	10.18
(iv) Other financial liabilities	19	F83	928.81	883.23
(b) Provisions	20	F83	2,555.25	2,685.00
(c) Retirement benefit obligations	21	F84	1,979.33	2,315.91
(d) Deferred income	22	F85	0.35	0.74
(e) Deferred tax liabilities (net)	9	F63	8,684.15	8,087.57
(f) Other liabilities	23	F85	3,878.50	4,887.29
Total non-current liabilities			**52,556.61**	**42,887.63**
V Current liabilities				
(a) Financial liabilities				
(i) Borrowings	18	F78	7,298.12	11,984.66
(ii) Lease liabilities			544.05	522.14
(iii) Trade payables	24	F86		
(a) Total outstanding dues of micro and small enterprises			791.87	678.20
(b) Total outstanding dues of creditors other than micro and small enterprises			17,290.53	20,412.94
(iv) Derivative liabilities			65.58	81.48
(v) Other financial liabilities	19	F83	5,806.15	5,137.54
(b) Provisions	20	F83	1,080.94	1,082.42
(c) Retirement benefit obligations	21	F84	109.51	114.99
(d) Deferred income	22	F85	9.81	67.84
(e) Current tax liabilities (net)			1,714.98	1,079.69
(f) Other liabilities	23	F85	11,725.76	12,502.93
Total current liabilities			**46,437.30**	**53,664.83**
Total equity and liabilities			**2,33,791.42**	**2,21,986.22**
Notes forming part of the financial statements	1 - 49			

In terms of our report attached

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

sd/-
Subramanian Vivek
Partner
Membership Number 100332

Mumbai, May 2, 2023

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
DIN: 00024713

sd/-
O. P. Bhatt
Independent Director
DIN: 00548091

sd/-
Deepak Kapoor
Independent Director
DIN: 00162957

sd/-
Farida Khambata
Independent Director
DIN: 06954123

sd/-
V. K. Sharma
Independent Director
DIN: 02449088

sd/-
Bharti Gupta Ramola
Independent Director
DIN: 00356188

sd/-
Saurabh Agrawal
Non-Executive Director
DIN: 02144558

sd/-
T. V. Narendran
Chief Executive Officer & Managing Director
DIN: 03083605

sd/-
Koushik Chatterjee
Executive Director & Chief Financial Officer
DIN: 00004989

sd/-
Parvatheesam Kanchinadham
Company Secretary & Chief Legal Officer (Corporate & Compliance)
ACS: 15921

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2023

(₹ crore)

		Note	Page	Year ended March 31, 2023	Year ended March 31, 2022
I	Revenue from operations	25	F87	1,29,006.62	1,29,021.35
II	Other income	26	F88	3,325.48	1,452.02
III	**Total income**			**1,32,332.10**	**1,30,473.37**
IV	**Expenses:**				
	(a) Cost of materials consumed			54,011.50	35,256.98
	(b) Purchases of stock-in-trade			7,467.30	4,089.03
	(c) Changes in inventories of finished and semi-finished goods, stock-in-trade and work- in-progress	27	F88	(1,142.06)	(1,820.87)
	(d) Employee benefits expense	28	F89	6,616.29	6,365.80
	(e) Finance costs	29	F89	3,792.14	2,792.08
	(f) Depreciation and amortisation expense	30	F89	5,434.61	5,463.69
	(g) Other expenses	31	F90	38,870.96	36,458.65
				1,15,050.74	**88,605.36**
	Less: Expenditure (other than finance cost) transferred to capital account			4,519.34	2,458.09
	Total expenses			**1,10,531.40**	**86,147.27**
V	**Profit before exceptional items and tax (III-IV)**			**21,800.70**	**44,326.10**
VI	**Exceptional items:**	32	F91		
	(a) Profit/(loss) on sale of non-current investments			338.56	343.68
	(b) Provision for impairment of investments/doubtful advances (net)			(1,056.39)	(93.22)
	(c) Employee separation compensation			(91.94)	(330.81)
	(d) Restructuring and other provisions			-	(204.84)
	(e) Gain/(loss) on non-current investments classified as fair value through profit and loss (net)			30.99	49.74
	Total exceptional items			**(778.78)**	**(235.45)**
VII	**Profit before tax (V+VI)**			**21,021.92**	**44,090.65**
VIII	**Tax expense:**				
	(a) Current tax			4,928.05	11,611.94
	(b) Deferred tax			598.76	(532.47)
	Total tax expense			**5,526.81**	**11,079.47**
IX	**Profit for the year(VII-VIII)**			**15,495.11**	**33,011.18**
X	**Other comprehensive income/(loss)**				
	A (i) Items that will not be reclassified subsequently to profit and loss				
	(a) Remeasurement gain/(loss) on post-employment defined benefit plans			281.04	7.57
	(b) Fair value changes of investments in equity shares			(193.59)	654.92
	(ii) Income tax on items that will not be reclassified subsesquently to profit and loss			(48.05)	(69.79)
	B (i) Items that will be reclassified subsequently to profit and loss				
	(a) Fair value changes of cash flow hedges			81.47	136.57
	(ii) Income tax on items that will be reclassified subsesquently to profit and loss			(20.50)	(34.37)
	Total other comprehensive income/(loss) for the year			**100.37**	**694.90**
XI	**Total comprehensive income/(loss) for the year (IX+X)**			**15,595.48**	**33,706.08**
XII	**Earnings per share**	33	F92		
	Basic (₹)			12.68	27.03
	Diluted (₹)			12.67	27.01
	Notes forming part of the financial statements	1 - 49			

In terms of our report attached

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

sd/-
Subramanian Vivek
Partner
Membership Number 100332

Mumbai, May 2, 2023

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
DIN: 00024713

sd/-
O. P. Bhatt
Independent Director
DIN: 00548091

sd/-
Deepak Kapoor
Independent Director
DIN: 00162957

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Farida Khambata
Independent Director
DIN: 06954123

sd/-
V. K. Sharma
Independent Director
DIN: 02449088

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Bharti Gupta Ramola
Independent Director
DIN: 00356188

sd/-
Saurabh Agrawal
Non-Executive Director
DIN: 02144558

sd/-
T. V. Narendran
Chief Executive Officer & Managing Director
DIN: 03083605

sd/-
Koushik Chatterjee
Executive Director & Chief Financial Officer
DIN: 00004989

sd/-
Parvatheesam Kanchinadham
Company Secretary & Chief Legal Officer (Corporate & Compliance)
ACS: 15921

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

A. Equity share capital

(₹ crore)

Balance as at April 1, 2022	Changes during the year	Balance as at March 31, 2023
1,222.37	0.03	1,222.40

(₹ crore)

Balance as at April 1, 2021	Changes during the year	Balance as at March 31, 2022
1,198.78	23.59	1,222.37

B. Hybrid perpetual securities

(₹ crore)

Balance as at April 1, 2022	Changes during the year	Balance as at March 31, 2023
-	-	-

(₹ crore)

Balance as at April 1, 2021	Changes during the year	Balance as at March 31, 2022
775.00	(775.00)	-

C. Other equity

(₹ crore)

	Retained earnings (refer note 17A, page F73)	Items of other comprehensive income (refer note 17B, page F74)	Other reserves (refer note 17C, page F75)	Shares pending issue (refer note 17D, page F77)	Share application money pending allotment (refer note 17E, page F77)	Total
Balance as at April 1, 2022	**76,498.67**	**914.90**	**46,797.82**	**-**	**-**	**1,24,211.39**
Profit for the year	15,495.11	-	-	-	-	15,495.11
Other comprehensive income for the year	210.31	(109.94)	-	-	-	100.37
Total comprehensive income for the year	**15,705.42**	**(109.94)**	**-**	**-**	**-**	**15,595.48**
Received during the year	-	-	-	-	1.46	1.46
Subscription to final call on equity shares	-	-	1.44	-	(1.46)	(0.02)
Equity issue expenses written (off)/back	-	-	(0.09)	-	-	(0.09)
Dividend[(i)]	(6,233.11)	-	-	-	-	(6,233.11)
Balance as at March 31, 2023	**85,970.98**	**804.96**	**46,799.17**	**-**	**-**	**1,33,575.11**

STATEMENT OF CHANGES IN EQUITY (CONTD.)

for the year ended March 31, 2023

(₹ crore)

	Retained earnings (refer note 17A, page F73)	Items of other comprehensive income (refer note 17B, page F74)	Other reserves (refer note 17C, page F75)	Shares pending issue (refer note 17D, page F77)	Share application money pending allotment (refer note 17E, page F77)	Total
Balance as at April 1, 2021	**46,480.00**	**235.66**	**46,473.69**	**18.21**	**3.78**	**93,211.34**
Profit for the year	33,011.18	-	-	-	-	33,011.18
Other comprehensive income for the year	5.67	689.23	-	-	-	694.90
Total comprehensive income for the year	**33,016.85**	**689.23**	**-**	**-**	**-**	**33,706.08**
Received during the year	-	-	-	-	326.85	326.85
Subscription to final call on equity shares	-	-	324.90	-	(330.27)	(5.37)
Issue of Ordinary Shares	-	-	0.35	(18.21)	(0.36)	(18.22)
Equity issue expenses written (off)/back	-	-	(1.12)	-	-	(1.12)
Dividend [(i)]	(3,007.08)	-	-	-	-	(3,007.08)
Distribution on hybrid perpetual securities	(1.46)	-	-	-	-	(1.46)
Tax on distribution on hybrid perpetual securities	0.37	-	-	-	-	0.37
Transfers within equity	9.99	(9.99)	-	-	-	-
Balance as at March 31, 2022	**76,498.67**	**914.90**	**46,797.82**	**-**	**-**	**1,24,211.39**

(i) Dividend paid during the year ended March 31, 2023 is ₹**51.00** per Ordinary share (face value ₹10 each, fully paid-up) and ₹**12.75** per Ordinary Share (face value ₹10 each, partly paid-up ₹2.504 per share) (March 31, 2022: ₹25.00 per Ordinary Share of face value ₹10 each, fully paid-up and ₹6.25 per Ordinary Share of face value ₹10 each, partly paid-up ₹2.504 per share). Further, dividend amounting to ₹4.16 crore pertaining to those shares allotted pursuant to the composite scheme of amalgamation of Bamnipal Steel Limited and Tata Steel BSL Limited into and with the Company but pending legal proceedings or rejected during corporate actions has been paid subsequently without depositing the amount to a separate bank account.

D. Notes forming part of the financial statements — Note 1-49

In terms of our report attached

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

sd/-
Subramanian Vivek
Partner
Membership Number 100332

Mumbai, May 2, 2023

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
DIN: 00024713

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O. P. Bhatt
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Chief Executive Officer & Managing Director
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Executive Director & Chief Financial Officer
DIN: 00004989

sd/-
Parvatheesam Kanchinadham
Company Secretary & Chief Legal Officer (Corporate & Compliance)
ACS: 15921

STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

(₹ crore)

		Year ended March 31, 2023		Year ended March 31, 2022
(A) Cash flows from operating activities:				
Profit before tax		**21,021.92**		**44,090.65**
Adjustments for:				
Depreciation and amortisation expense	5,434.61		5,463.69	
Dividend Income	(285.38)		(243.92)	
(Gain)/loss on sale of property, plant and equipment including intangible assets (net of loss on assets scrapped/written off)	68.00		(17.28)	
Exceptional (income)/expenses	778.78		235.45	
(Gain)/loss on cancellation of forwards, swaps and options	0.58		(39.05)	
Interest income and income from current investments	(2,852.86)		(1,125.57)	
Finance costs	3,792.14		2,792.08	
Foreign exchange (gain)/loss	(2,542.96)		(851.60)	
Other non-cash items	(50.05)		2.25	
		4,342.86		**6,216.05**
Operating profit before changes in non-current/current assets and liabilities		**25,364.78**		**50,306.70**
Adjustments for:				
Non-current/current financial and other assets	(679.28)		(1,119.44)	
Inventories	(1,011.54)		(7,072.78)	
Non-current/current financial and other liabilities/provisions	(4,555.71)		11,111.87	
		(6,246.53)		2,919.65
Cash generated from operations		**19,118.25**		**53,226.35**
Income taxes paid (net of refund)		(4,891.32)		(11,240.23)
Net cash from/(used in) operating activities		**14,226.93**		**41,986.12**
(B) Cash flows from investing activities:				
Purchase of capital assets	(8,554.58)		(6,288.29)	
Sale of capital assets	19.08		132.61	
Purchase of investments in subsidiaries	(1,245.77)		(12,897.00)	
Purchase of other non-current investments	(314.00)		(55.39)	
Purchase of business undertaking	(130.00)		-	
Sale of investments in subsidiaries	1,112.42		-	
Sale of other non-current investments	-		9.99	
(Purchase)/sale of current investments (net)	(1,822.14)		7,183.31	
Loans given	(1,241.15)		(23,104.83)	
Repayment of loans given	564.65		483.74	
Principal receipts under sublease	-		1.43	
Fixed/restricted deposits with banks (placed)/realised (net)	(12.21)		(21.60)	
Interest received	277.71		144.32	
Dividend received from subsidiaries	234.93		113.89	
Dividend received from associates and joint ventures	26.83		109.64	
Dividend received from others	23.62		20.39	
Net cash from/(used in) investing activities		**(11,060.61)**		**(34,167.79)**

STATEMENT OF CASH FLOWS (CONTD.)

for the year ended March 31, 2023

(₹ crore)

	Year ended March 31, 2023		Year ended March 31, 2022	
(C) Cash flows from financing activities:				
Proceeds from issue of equity shares (net of issue expenses)	1.37		325.72	
Proceeds from long-term borrowings (net of issue expenses)	16,628.55		36.88	
Repayment of long-term borrowings	(2,904.30)		(9,380.72)	
Proceeds/(repayments) of short-term borrowings (net)	(8,106.56)		8,794.21	
Payment of lease obligations	(495.00)		(483.03)	
Amount received/(paid) on utilisation/cancellation of derivatives	(13.85)		33.33	
Repayment of hybrid perpetual securities	-		(775.00)	
Distribution on hybrid perpetual securities	-		(44.19)	
Interest paid	(3,856.03)		(2,868.17)	
Dividend paid	(6,233.11)		(3,007.08)	
Net cash from/(used in) financing activities		**(4,978.93)**		**(7,368.05)**
Net increase/(decrease) in cash and cash equivalents		**(1,812.61)**		**450.28**
Opening cash and cash equivalents (refer note 13, page F68)		**2,671.59**		**2,221.31**
Closing cash and cash equivalents (refer note 13, page F68)		**858.98**		**2,671.59**

(i) Significant non-cash movements in borrowings during the year include:

(a) amortisation/effective interest rate adjustments of upfront fees ₹**27.02** crore (2021-22: ₹138.99 crore).

(b) exchange loss ₹**277.74** crore (2021-22: ₹137.10 crore).

(c) adjustments to lease obligations, increase ₹**439.34** crore (2021-22: ₹196.68 crore).

(D) Notes forming part of the financial statements — **Note 1-49**

In terms of our report attached

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

sd/-
Subramanian Vivek
Partner
Membership Number 100332

Mumbai, May 2, 2023

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
DIN: 00024713

sd/-
O. P. Bhatt
Independent Director
DIN: 00548091

sd/-
Deepak Kapoor
Independent Director
DIN: 00162957

sd/-
Farida Khambata
Independent Director
DIN: 06954123

sd/-
V. K. Sharma
Independent Director
DIN: 02449088

sd/-
Bharti Gupta Ramola
Independent Director
DIN: 00356188

sd/-
Saurabh Agrawal
Non-Executive Director
DIN: 02144558

sd/-
T. V. Narendran
Chief Executive Officer & Managing Director
DIN: 03083605

sd/-
Koushik Chatterjee
Executive Director & Chief Financial Officer
DIN: 00004989

sd/-
Parvatheesam Kanchinadham
Company Secretary & Chief Legal Officer (Corporate & Compliance)
ACS: 15921

NOTES
forming part of the Financial Statements

1. Company information

Tata Steel Limited ("the Company") is a public limited Company incorporated in India with its registered office in Bombay House 24, Homi Modi Street Fort, Mumbai-400 001, Maharashtra, India. The Company is listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

The Company has presence across the entire value chain of steel manufacturing from mining and processing iron ore and coal to producing and distributing finished products. The Company offers a broad range of steel products including a portfolio of high value added downstream products such as hot rolled, cold rolled, coated steel, rebars, wire rods, tubes and wires.

The functional and presentation currency of the Company is Indian Rupee ("₹") which is the currency of the primary economic environment in which the Company operates.

As on March 31, 2023, Tata Sons Private Limited owns 32.44% of the Ordinary Shares of the Company, and has the ability to influence the Company's operations.

The financial statements for the year ended March 31, 2023 were approved by the Board of Directors and authorised for issue on May 2, 2023.

2. Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

(a) Statement of compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time and other relevant provisions of the Act.

(b) Basis of preparation

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair value by Ind AS.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(c) Use of estimates and critical accounting judgements

In the preparation of financial statements, the Company makes judgements in the application of accounting policies; and estimates and assumptions which affects carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment, useful lives of property, plant and equipment, right-of-use assets and intangible assets and expected credit loss for financial instruments carried at amortised cost (detailed in note 2(n), page F34) provisions and contingent liabilities, fair value measurements of financial instruments and retirement benefit obligations as discussed below.

Impairment

The Company estimates the value in use of the cash generating unit (CGU) based on future cash flows after considering current economic conditions and trends, estimated future operating results and growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value. Further details of the Company's impairment review and key assumptions are set out in note 3, page F41, note 4, page F46, note 5, page F48 and note 6, page F50.

Useful lives of property, plant and equipment, right-of-use assets and intangible assets

The Company reviews the useful life of property, plant and equipment and intangible assets at the end of

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forming part of the Financial Statements

2. Significant accounting policies (Contd.)

each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods. The policy has been detailed in note 2(i), page F31.

Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Further details are set out in note 20, page F83 and note 35A, page F100.

Fair value measurements of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including Discounted Cash Flow Model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair value. Judgements include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Further details are set out in note 39, page F110.

Retirement benefit obligations

The Company's retirement benefit obligations are subject to number of assumptions including discount rates, inflation and salary growth. Significant assumptions are required when setting these criteria and a change in these assumptions would have a significant impact on the amount recorded in the Company's balance sheet and the statement of profit and loss. The Company sets these assumptions based on previous experience and third party actuarial advice. Further details on the Company's retirement benefit obligations, including key assumptions are set out in note 34, page F92.

(d) Property, plant and equipment

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Property, plant and equipment is stated at cost or deemed cost applied on transition to Ind AS, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses are capitalised. Borrowing costs incurred during the period of construction is capitalised as part of cost of qualifying asset.

The gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between sale proceeds and carrying value of such item, and is recognised in the statement of profit and loss.

(e) Exploration for and evaluation of mineral resources

Expenditures associated with search for specific mineral resources are recognised as exploration and evaluation assets. The following expenditure comprises cost of exploration and evaluation assets:

- obtaining of the rights to explore and evaluate mineral reserves and resources including costs directly related to this acquisition
- researching and analysing existing exploration data
- conducting geological studies, exploratory drilling and sampling
- examining and testing extraction and treatment methods

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forming part of the Financial Statements

2. Significant accounting policies (Contd.)

- compiling pre-feasibility and feasibility studies
- activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource

Administration and other overhead costs are charged to the cost of exploration and evaluation assets only if directly related to an exploration and evaluation project.

If a project does not prove viable, all irrecoverable exploration and evaluation expenditure associated with the project net of any related impairment allowances is written off to the statement of profit and loss.

The Company measures its exploration and evaluation assets at cost and classifies as property, plant and equipment or intangible assets according to the nature of the assets acquired and applies the classification consistently. To the extent that a tangible asset is consumed in developing an intangible asset, the amount reflecting that consumption is capitalised as a part of the cost of the intangible asset.

As the asset is not available for use, it is not depreciated. All exploration and evaluation assets are monitored for indications of impairment. An exploration and evaluation asset is no longer classified as such when the technical feasibility and commercial viability of extracting a mineral resource are demonstrable and the development of the deposit is sanctioned by the management. The carrying value of such exploration and evaluation asset is reclassified to mining assets.

(f) Development expenditure for mineral reserves

Development is the establishment of access to mineral reserves and other preparations for commercial production. Development activities often continue during production and include:

- sinking shafts and underground drifts (often called mine development)
- making permanent excavations
- developing passageways and rooms or galleries
- building roads and tunnels and
- advance removal of overburden and waste rock

Development (or construction) also includes the installation of infrastructure (e.g., roads, utilities and housing), machinery, equipment and facilities.

Development expenditure is capitalised and presented as part of mining assets. No depreciation is charged on the development expenditure before the start of commercial production.

(g) Provision for restoration and environmental costs

The Company has liabilities related to restoration of soil and other related works, which are due upon the closure of certain of its mining sites.

Such liabilities are estimated case-by-case based on available information, taking into account applicable local legal requirements. The estimation is made using existing technology, at current prices, and discounted using an appropriate discount rate where the effect of time value of money is material. Future restoration and environmental costs, discounted to net present value, are capitalised and the corresponding restoration liability is raised as soon as the obligation to incur such costs arises. Future restoration and environmental costs are capitalised in property, plant and equipment or mining assets as appropriate and are depreciated over the life of the related asset. The effect of time value of money on the restoration and environmental costs liability is recognised in the statement of profit and loss.

(h) Intangible assets

Patents, trademarks and software costs are included in the balance sheet as intangible assets when it is probable that associated future economic benefits would flow to the Company. In this case they are measured initially at purchase cost and then amortised on a straight-line basis over their estimated useful lives. All other costs on patents, trademarks and software are expensed in the statement of profit and loss as and when incurred.

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Costs incurred on individual development projects are recognised as intangible assets from the date when all of the following conditions are met:

(i) completion of the development is technically feasible.

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forming part of the Financial Statements

2. Significant accounting policies (Contd.)

(ii) it is the intention to complete the intangible asset and use or sell it.

(iii) ability to use or sell the intangible asset.

(iv) it is clear that the intangible asset will generate probable future economic benefits.

(v) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available.

(vi) it is possible to reliably measure the expenditure attributable to the intangible asset during its development.

Recognition of costs as an asset is ceased when the project is complete and available for its intended use, or if these criteria are no longer applicable.

Where development activities do not meet the conditions for recognition as an asset, any associated expenditure is treated as an expense in the period in which it is incurred.

Subsequent to initial recognition, intangible assets with definite useful lives are reported at cost or deemed cost applied on transition to Ind AS, less accumulated amortisation and accumulated impairment losses.

(i) Depreciation and amortisation of property, plant and equipment, right-of-use assets and intangible assets

Depreciation or amortisation is provided so as to write off, on a straight-line basis, the cost/deemed cost of property, plant and equipment and intangible assets, including right-of-use assets to their residual value. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives or, in the case of right-of-use assets, over the lease period, if shorter. The estimated useful lives of assets, residual values and depreciation method are reviewed regularly and, when necessary, revised.

Depreciation on assets under construction commences only when the assets are ready for their intended use.

The estimated useful lives for main categories of property, plant and equipment and intangible assets are:

	Estimated useful life (years)
Buildings	upto 60 years*
Roads	5 to 10 years
Plant and machinery	upto 40 years*
Railway sidings	upto 35 years*
Vehicles and aircraft	5 to 20 years
Furniture, fixtures and office equipments	3 to 10 years
Computer software	3 to 5 years
Assets covered under Electricity Act (life as prescribed under the Electricity Act)	3 to 38 years

Mining assets are amortised over the useful life of the mine or lease period whichever is lower.

Major furnace relining expenses are depreciated over a period of 10 years (average expected life).

Freehold land is not depreciated.

Assets value upto ₹25,000 are fully depreciated in the year of acquisition.

*For these class of assets, based on internal assessment and independent technical evaluation carried out by chartered engineers, the Company believes that the useful lives as given above best represents the period over which the Company expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

(j) Impairment

At each balance sheet date, the Company reviews the carrying value of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

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forming part of the Financial Statements

2. Significant accounting policies (Contd.)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

(k) Leases

The Company determines whether an arrangement contains a lease by assessing whether the fulfilment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to control the use of that asset to the Company in return for payment.

The Company as lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception comprises of the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date.

Certain lease arrangements include options to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that such options would be exercised.

The right-of-use assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease liability is measured at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications. The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

Variable lease payments not included in the measurement of the lease liabilities are expensed to the statement of profit and loss in the period in which the events or conditions which trigger those payments occur.

Payment made towards leases for which non-cancellable term is 12 months or lesser (short-term leases) and low value leases are recognised in the statement of Profit and Loss as rental expenses over the tenor of such leases.

In a sale and lease back transaction, the Company measures right-of-use asset arising from the leaseback as the proportion of the previous carrying amount of the

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forming part of the Financial Statements

2. Significant accounting policies (Contd.)

asset that relates to the right-of-use retained. The gain or loss that the company recognises in the statement of profit and loss is limited to the proportion of the total gain or loss that relates to the rights transferred to the buyer.

The Company as lessor

(i) **Operating lease** – Rental income from operating leases is recognised in the statement of profit and loss on a straight- line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognised on a straight-line basis over the lease term.

(ii) **Finance lease** – When assets are leased out under a finance lease, the present value of minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return.

(l) Stripping costs

The Company separates two different types of stripping costs that are incurred in surface mining activity:

- developmental stripping costs and
- production stripping costs

Developmental stripping costs which are incurred in order to obtain access to quantities of mineral reserves that will be mined in future periods are capitalised as part of mining assets. Capitalisation of developmental stripping costs ends when the commercial production of the mineral reserves begins.

A mine can operate several open pits that are regarded as separate operations for the purpose of mine planning and production. In this case, stripping costs are accounted for separately, by reference to the ore extracted from each separate pit. If, however, the pits are highly integrated for the purpose of mine planning and production, stripping costs are aggregated too.

The determination of whether multiple pit mines are considered separate or integrated operations depends on each mine's specific circumstances. The following factors normally point towards the stripping costs for the individual pits being accounted for separately:

- mining of the second and subsequent pits is conducted consecutively with that of the first pit, rather than concurrently
- separate investment decisions are made to develop each pit, rather than a single investment decision being made at the outset
- the pits are operated as separate units in terms of mine planning and the sequencing of overburden and ore mining, rather than as an integrated unit
- expenditures for additional infrastructure to support the second and subsequent pits are relatively large
- the pits extract ore from separate and distinct ore bodies, rather than from a single ore body.

The relative importance of each factor is considered by the management to determine whether, the stripping costs should be attributed to the individual pit or to the combined output from the several pits.

Production stripping costs are incurred to extract the ore in the form of inventories and/or to improve access to an additional component of an ore body or deeper levels of material. Production stripping costs are accounted for as inventories to the extent the benefit from production stripping activity is realised in the form of inventories.

The Company recognises a stripping activity asset in the production phase if, and only if, all of the following are met:

- it is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow to the Company
- the Company can identify the component of the ore body for which access has been improved and
- the costs relating to the improved access to that component can be measured reliably.

2. Significant accounting policies (Contd.)

Such costs are presented within mining assets. After initial recognition, stripping activity assets are carried at cost/deemed cost less accumulated amortisation and impairment. The expected useful life of the identified component of the ore body is used to depreciate or amortise the stripping asset.

(m) Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are carried at cost/deemed cost applied on transition to Ind AS, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

(n) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss. Trade Receivables that do not contain a significant financing component are measured at transaction price.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(I) Financial assets

Cash and bank balances

Cash and bank balances consist of:

(i) **Cash and cash equivalents -** which includes cash on hand, deposits held at call with banks and other short-term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have original maturities of less than three months. These balances with banks are unrestricted for withdrawal and usage.

(ii) **Other bank balances -** which includes balances and deposits with banks that are restricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if such financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and to sell such financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company in respect of certain equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments. These investments are

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2. Significant accounting policies (Contd.)

held for medium or long-term strategic purpose. The Company has chosen to designate these investments in equity instruments as fair value through other comprehensive income as the management believes this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in the statement of profit and loss.

Financial assets not measured at amortised cost or at fair value through other comprehensive income are carried at fair value through profit and loss.

Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and effective interest rate applicable.

Dividend income

Dividend income from investments is recognised when the right to receive payment has been established.

Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income.

The Company recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction.

For financial assets (apart from trade receivables that do not constitute of financing transaction) whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk of the financial asset has significantly increased since initial recognition.

De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a borrowing for the proceeds received.

(II) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

2. Significant accounting policies (Contd.)

De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Derivative financial instruments and hedge accounting

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations. The instruments are confined principally to forward foreign exchange contracts, cross currency swaps, interest rate swaps and collars. The instruments are employed as hedges of transactions included in the financial statements or for highly probable forecast transactions/firm contractual commitments. These derivatives contracts do not generally extend beyond six months, except for certain currency swaps and interest rate derivatives.

Derivatives are initially accounted for and measured at fair value on the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period.

The Company adopts hedge accounting for forward foreign exchange and interest rate contracts wherever possible. At inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item and transaction and nature of the risk being hedged. At inception, each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognised immediately in the statement of profit and loss.

When hedge accounting is applied:

- for fair value hedges of recognised assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognised in the statement of profit and loss and compensate for the effective portion of symmetrical changes in the fair value of the derivatives.
- for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognised directly in other comprehensive income and the ineffective portion is recognised in the statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the statement of profit and loss in the same period in which the hedged item affects the statement of profit and loss.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss as and when they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the statement of profit and loss for the period.

(o) Employee benefits

Defined contribution plans

Contributions under defined contribution plans are recognised as expense for the period in which the employee has rendered service. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the

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2. Significant accounting policies (Contd.)

Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Defined benefit plans

For defined benefit retirement schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each year-end balance sheet date. Remeasurement gains and losses of the net defined benefit liability/(asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/(asset) are recognised as an expense within employee costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations as reduced by the fair value of plan assets.

Compensated absences

Liabilities recognised in respect of other long-term employee benefits such as annual leave and sick leave are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date using the projected unit credit method with actuarial valuation being carried out at each year-end balance sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the period in which they arise.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised based on actuarial valuation.

(p) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is ascertained on a weighted average basis. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

Provisions are made to cover slow-moving and obsolete items based on historical experience of utilisation on a product category basis, which involves individual businesses considering their product lines and market conditions.

(q) Provisions

Provisions are recognised in the balance sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where the time value of money is material, provisions are measured on a discounted basis.

Constructive obligation is an obligation that derives from an entity's actions where:

(i) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and;

(ii) as a result, the entity has created a valid expectation on the part of those other parties that it will discharge such responsibilities.

(r) Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

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2. Significant accounting policies (Contd.)

(s) Government grants

Government grants are recognised at its fair value, where there is a reasonable assurance that such grants will be received and compliance with the conditions attached therewith have been met.

Government grants related to expenditure on property, plant and equipment are credited to the statement of profit and loss over the useful lives of qualifying assets or other systematic basis representative of the pattern of fulfilment of obligations associated with the grant received. Grants received less amounts credited to the statement of profit and loss at the reporting date are included in the balance sheet as deferred income.

(t) Business combination under common control

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonise the accounting policies. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. The identity of the reserves is preserved in the same form in which they appeared in the financial statements of the transferor and the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve.

(u) Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. The Company must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

(v) Income Taxes

Tax expense for the year comprises of current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying value of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

NOTES

forming part of the Financial Statements

2. Significant accounting policies (Contd.)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognised as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity.

(w) Revenue

The Company manufactures and sells a range of steel and other products.

Sale of products

Revenue from sale of products is recognised when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, the risks of loss has been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied. Sale of products include related ancillary services, if any.

Goods are often sold with volume and price discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume and price discounts. Accumulated experience is used to estimate and provide for the discounts, using the most likely method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are generally made with a credit term of 30-90 days, which is consistent with market practice. Any obligation to provide a refund is recognised as a provision. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Sale of power

Revenue from sale of power is recognised when the services are provided to the customer based on approved tariff rates established by the respective regulatory authorities. The Company doesn't recognise revenue and an asset for cost incurred in the past that will be recovered.

(x) Foreign currency transactions and translations

The financial statements of the Company are presented in Indian Rupees ("₹"), which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements, transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the re-translation or settlement of monetary items are included in the statement of profit and loss for the period.

(y) Borrowing costs

Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale.

NOTES
forming part of the Financial Statements

2. Significant accounting policies (Contd.)

Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is recognised in the statement of profit and loss.

Discounts or premiums and expenses on the issue of debt securities are amortised over the term of the related securities and included within borrowing costs. Premiums payable on early redemptions of debt securities, in lieu of future finance costs, are recognised as borrowing costs.

All other borrowing costs are recognised as expenses in the period in which it is incurred.

(z) Earnings per share

Basic earnings per share is computed by dividing profit or loss for the year attributable to equity holders by the weighted average number of shares outstanding during the year. Partly paid-up shares are included as fully paid equivalents according to the fraction paid-up.

Diluted earnings per share is computed using the weighted average number of shares and dilutive potential shares except where the result would be anti-dilutive.

(aa) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") has notified the following new amendments to Ind AS which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2023.

Amendment to Ind AS 1 "Presentation of Financial Instruments"

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information is material if, together with other information can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Amendment to Ind AS 12 "Income Taxes"

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Amendment to Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities use measurement techniques and inputs to develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

NOTES

forming part of the Financial Statements

3. Property, plant and equipment

[Item No. I(a) and I(b), Page F22]

(₹ crore)

	Land including roads	Buildings	Plant and machinery	Furniture, fixtures and office equipments	Vehicles	Railway sidings	Total
Cost/deemed cost as at April 1, 2022	14,950.30	16,445.58	83,203.23	718.07	411.94	1,241.08	1,16,970.20
Additions	28.39	324.33	1,341.38	91.84	1.96	(0.91)	1,786.99
Additions relating to acquisitions	-	20.98	117.09	0.24	0.24	-	138.55
Disposals	(38.62)	(13.50)	(85.85)	(10.39)	(15.43)	(0.04)	(163.83)
Cost/deemed cost as at March 31, 2023	**14,940.07**	**16,777.39**	**84,575.85**	**799.76**	**398.71**	**1,240.13**	**1,18,731.91**
Accumulated impairment as at April 1, 2022	-	1.21	-	-	-	-	1.21
Accumulated impairment as at March 31, 2023	**-**	**1.21**	**-**	**-**	**-**	**-**	**1.21**
Accumulated depreciation as at April 1, 2022	906.90	2,723.31	24,277.34	587.01	230.34	297.87	29,022.77
Charge for the year	53.34	551.55	4,080.61	73.67	23.89	52.01	4,835.07
Disposals	-	(2.87)	(41.15)	(11.17)	(14.24)	(0.02)	(69.45)
Accumulated depreciation as at March 31, 2023	**960.24**	**3,271.99**	**28,316.80**	**649.51**	**239.99**	**349.86**	**33,788.39**
Total accumulated depreciation and impairment as at March 31, 2023	**960.24**	**3,273.20**	**28,316.80**	**649.51**	**239.99**	**349.86**	**33,789.60**
Net carrying value as at April 1, 2022	14,043.40	13,721.06	58,925.89	131.06	181.60	943.21	87,946.22
Net carrying value as at March 31, 2023	**13,979.83**	**13,504.19**	**56,259.05**	**150.25**	**158.72**	**890.27**	**84,942.31**

(₹ crore)

	Land including roads	Buildings	Plant and machinery	Furniture, fixtures and office equipments	Vehicles	Railway sidings	Total
Cost/deemed cost as at April 1, 2021	14,687.71	16,063.35	81,612.25	698.89	433.57	1,192.95	1,14,688.72
Additions	59.37	600.28	1,709.89	53.47	4.92	17.83	2,445.76
Disposals	(19.16)	(20.74)	(93.07)	(33.94)	(31.19)	-	(198.10)
Other re-classifications	222.38	(197.31)	(25.84)	(0.35)	4.64	30.30	33.82
Cost/deemed cost as at March 31, 2022	**14,950.30**	**16,445.58**	**83,203.23**	**718.07**	**411.94**	**1,241.08**	**1,16,970.20**
Accumulated impairment as at April 1, 2021	0.15	1.32	27.97	19.68	-	-	49.12
Disposals	(0.15)	(0.11)	(6.16)	-	-	-	(6.42)
Other re-classifications	-	-	(21.81)	(19.68)	-	-	(41.49)
Accumulated impairment as at March 31, 2022	**-**	**1.21**	**-**	**-**	**-**	**-**	**1.21**
Accumulated depreciation as at April 1, 2021	826.99	2,211.03	20,223.14	513.81	225.14	234.90	24,235.01
Charge for the year	50.87	550.02	4,098.49	85.04	28.55	50.29	4,863.26
Disposals	-	(8.71)	(59.46)	(29.67)	(27.99)	-	(125.83)
Other re-classifications	29.04	(29.03)	15.17	17.83	4.64	12.68	50.33
Accumulated depreciation as at March 31, 2022	**906.90**	**2,723.31**	**24,277.34**	**587.01**	**230.34**	**297.87**	**29,022.77**
Total accumulated depreciation and impairment as at March 31, 2022	**906.90**	**2,724.52**	**24,277.34**	**587.01**	**230.34**	**297.87**	**29,023.98**
Net carrying value as at April 1, 2021	13,860.57	13,851.00	61,361.14	165.40	208.43	958.05	90,404.59
Net carrying value as at March 31, 2022	**14,043.40**	**13,721.06**	**58,925.89**	**131.06**	**181.60**	**943.21**	**87,946.22**

NOTES
forming part of the Financial Statements

3. Property, plant and equipment (Contd.)
[Item No. I(a) and I(b), Page F22]

(i) Buildings include ₹**94.33** crore (March 31, 2022: ₹51.33 crore) being held through shares in co-operative housing societies and limited companies.

(ii) Net carrying value of furniture, fixtures and office equipment comprises of:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Furniture and fixtures:		
Cost/deemed cost	163.01	151.90
Accumulated depreciation and impairment	145.25	137.59
	17.76	**14.31**
Office equipments:		
Cost/deemed cost	636.75	566.17
Accumulated depreciation and impairment	504.26	449.42
	132.49	**116.75**
	150.25	**131.06**

(iii) ₹**281.95** crore (2021-22: ₹169.98 crore) of borrowing costs has been capitalised during the year against qualifying assets under construction using a capitalisation rate of **2.47%** (2021-22: 2.88%).

(iv) Property, plant and equipment (including capital work-in-progress) were tested for impairment during the year where indicators of impairment existed. During the year ended March 31, 2023, the Company has recognised an impairment reversal of ₹22.77 crore in respect of expenditure incurred at one of its mining sites. The impairment recognised/reversed is included within other expenses in the statement of profit and loss.

(v) Details of property, plant and equipment pledged against borrowings is presented in note 18, page F78.

(vi) Additions to capital work-in-progress during the year is ₹**8,708.97** crore (2021-22: ₹6,497.86 crore).

NOTES
forming part of the Financial Statements

3. Property, plant and equipment (Contd.)

[Item No. I(a) and I(b), Page F22]

(vii) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company, except for the following:

Description of property	Gross carrying value (₹ crore)	Held in the name of	Whether promoter, director or their relative or employee	Period held (i.e. dates of capitalisation provided in range)#	Reason for not being held in the name of the Company
Freehold Land	**279.85** *279.85*	Not Applicable	No	March, 1928 to April, 2020	Title Deeds not available with the Company
Buildings	**55.13**	Not Applicable	No	March, 1974 to January, 1995	
	105.88			January, 1960 to April, 2020	
Freehold Land	**224.66** *262.76*	Erstwhile Tata Steel BSL Limited (TSBSL)	No	April, 2020	For certain properties acquired through amalgamation/merger,the name change in the name of the Company is pending
	147.19 *161.27*	Bhushan Steel Limited	No	April, 2020	
	1.92 *1.92*	Bhushan Steel & Strips Limited	No	April, 2020	
	- *59.90*	Tata SSL Limited	No	July, 1988	
Buildings	**24.70**	Tata SSL Limited	No	January, 1989 to January, 2000	
	46.37			January, 1987 to January, 2007	
	3.08 *-*	Indian Tube Company Limited	No	January, 1960	

Figures in italics represents comparative figures of previous year.

In case of immovable properties acquired from Tata Steel BSL Limited which got merged with the Company in the preceding year pursuant to National Company Law Tribunal Order dated October 29, 2021, dates have been considered with effect from the date of merger.

(viii) With effect from April 1, 2021, the Company has revised the terminal value of certain items of property, plant and equipment acquired consequent to the merger of Tata Steel BSL Limited with and into the Company. Had there been no change in terminal value of the assets acquired, depreciation for the year ended March 31, 2022 would have been lower by ₹**99.37** crore.

NOTES
forming part of the Financial Statements

3. Property, plant and equipment (Contd.)
[Item No. I(a) and I(b), Page F22]

(ix) Ageing of capital work-in-progress is as below:

As at March 31, 2023

(₹ crore)

	Amount in Capital work in progress for period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	10,216.90	4,032.22	2,492.14	4,350.66	21,091.92
	10,216.90	**4,032.22**	**2,492.14**	**4,350.66**	**21,091.92**

As at March 31, 2022

(₹ crore)

	Amount in Capital work in progress for period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	6,225.41	2,518.49	2,655.98	2,759.44	14,159.32
	6,225.41	**2,518.49**	**2,655.98**	**2,759.44**	**14,159.32**

(x) The expected completion of the amounts lying in capital work in progress which are delayed are as below.

As at March 31, 2023

(₹ crore)

	Amount in Capital work in progress to be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project in progress :				
Growth projects	9,527.37	7,024.02	97.75	67.81
Raw material augmentation	489.92	1,153.85	-	-
Environment, safety and compliance	303.00	404.82	-	-
Sustenance projects	1,371.00	63.85	1.66	24.03
	11,691.29	**8,646.54**	**99.41**	**91.84**

As at March 31, 2022

(₹ crore)

	Amount in Capital work in progress to be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project in progress :				
Growth projects	1,635.23	4,765.14	4,365.64	-
Raw material augmentation	817.34	-	87.79	348.80
Environment, safety and compliance	102.55	-	625.64	-
Sustenance projects	626.39	429.36	10.37	42.93
	3,181.51	**5,194.50**	**5,089.44**	**391.73**

NOTES

forming part of the Financial Statements

3. Property, plant and equipment (Contd.)

[Item No. I(a) and I(b), Page F22]

As part of its strategy to continue to grow in the Indian market, the Company acquired Tata Steel BSL Limited (TSBSL) with ~5 MTPA steel making capacity in May 2018, under a bid process triggered by TSBSL's insolvency. Post-acquisition, the Company's net debt at a consolidated level had increased considerably.

Given the Company's strategic priority to deleverage balance sheet consequent to increase in net debt levels ahead of incurring further planned investments in organic growth projects, capital expenditure during last few years have been lower than the original phasing of spend approved by the Board of Directors of the Company. This was further exacerbated by the onset of the COVID19 pandemic towards the close of financial year 2020, wherein business & supply chain disruptions, health and safety concerns across the globe coupled with travel restrictions globally impacted the pace of project execution over the last 2-3 years.

Following the rebalancing of capital structure post significant reduction in the debt levels and the Company attaining an investment grade credit rating, the capital allocation for organic growth projects has been increased and the Company expects to commission these facilities in line with their revised completion schedules.

(xi) Property, plant and equipment include capital cost of in-house research facilities as below:

(₹ crore)

	Land including roads	Buildings	Plant and machinery	Furniture, fixtures and office equipments	Vehicles	Total
Cost/deemed cost as at April 1, 2022	**1.88**	**7.02**	**97.05**	**8.26**	**0.09**	**114.30**
	1.88	*6.35*	*95.82*	*7.64*	*0.09*	*111.78*
Additions	**-**	**0.04**	**3.22**	**0.41**	**-**	**3.67**
	-	*0.67*	*0.34*	*0.54*	-	*1.55*
Other reclassifications	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	*0.89*	*0.17*	-	*1.06*
Deductions	**-**	**-**	**-**	**(0.02)**	**-**	**(0.02)**
	-	-	-	*(0.09)*	-	*(0.09)*
Cost/deemed cost as at March 31, 2023	**1.88**	**7.06**	**100.27**	**8.65**	**0.09**	**117.95**
	1.88	*7.02*	*97.05*	*8.26*	*0.09*	*114.30*
Capital work-in-progress	**-**	**-**	**-**	**-**	**-**	**2.18**
	-	-	-	-	-	*1.60*

Figures in italics represents comparative figures of previous year.

NOTES
forming part of the Financial Statements

4. Right-of-use assets
[Item No. I(c), Page F22]

(₹ crore)

	Right-of-use land	Right-of-use buildings	Right-of-use plant and machinery	Right-of-use vehicles	Right-of-use railway sidings	Total
Cost as at April 1, 2022	1,906.97	124.69	6,703.88	40.50	5.26	8,781.30
Additions	-	52.55	340.53	43.97	-	437.05
Additions relating to acquisitions	17.94	-	-	-	-	17.94
Disposals	-	(19.77)	(74.54)	(2.68)	(5.26)	(102.25)
Cost as at March 31, 2023	**1,924.91**	**157.47**	**6,969.87**	**81.79**	**-**	**9,134.04**
Accumulated impairment as at March 31, 2023	**-**	**-**	**-**	**-**	**-**	**-**
Accumulated depreciation as at April 1, 2022	209.41	61.39	2,958.06	9.17	5.09	3,243.12
Charge for the year	34.03	32.67	431.92	12.29	0.18	511.09
Disposals	-	(19.54)	(74.54)	(0.93)	(5.27)	(100.28)
Accumulated depreciation as at March 31, 2023	**243.44**	**74.52**	**3,315.44**	**20.53**	**-**	**3,653.93**
Total accumulated depreciation and impairment as at March 31, 2023	**243.44**	**74.52**	**3,315.44**	**20.53**	**-**	**3,653.93**
Net carrying value as at April 1, 2022	1,697.56	63.30	3,745.82	31.33	0.17	5,538.18
Net carrying value as at March 31, 2023	**1,681.47**	**82.95**	**3,654.43**	**61.26**	**-**	**5,480.11**

(₹ crore)

	Right-of-use land	Right-of-use buildings	Right-of-use plant and machinery	Right-of-use vehicles	Right-of-use railway sidings	Total
Cost as at April 1, 2021	1,920.46	98.31	6,643.26	20.24	17.39	8,699.66
Additions	4.70	66.16	100.11	21.54	-	192.51
Disposals	(1.08)	(40.63)	(39.49)	(1.28)	(12.13)	(94.61)
Other re-classifications	(17.11)	0.85	-	-	-	(16.26)
Cost as at March 31, 2022	**1,906.97**	**124.69**	**6,703.88**	**40.50**	**5.26**	**8,781.30**
Accumulated impairment as at March 31, 2022	**-**	**-**	**-**	**-**	**-**	**-**
Accumulated depreciation as at April 1, 2021	167.78	56.95	2,574.18	3.24	14.55	2,816.70
Charge for the year	33.75	40.66	423.37	6.16	2.66	506.60
Disposals	(0.93)	(36.22)	(39.49)	(0.23)	(12.12)	(88.99)
Other re-classifications	8.81	-	-	-	-	8.81
Accumulated depreciation as at March 31, 2022	**209.41**	**61.39**	**2,958.06**	**9.17**	**5.09**	**3,243.12**
Total accumulated depreciation and impairment as at March 31, 2022	**209.41**	**61.39**	**2,958.06**	**9.17**	**5.09**	**3,243.12**
Net carrying value as at April 1, 2021	1,752.68	41.36	4,069.08	17.00	2.84	5,882.96
Net carrying value as at March 31, 2022	**1,697.56**	**63.30**	**3,745.82**	**31.33**	**0.17**	**5,538.18**

(i) Vehicle cost used for in-house research and development included within right-of-use vehicles is ₹**2.36** crore (March 31, 2022: ₹0.71 crore).

(ii) The Company's significant leasing arrangements include assets dedicated for use under long-term arrangements, lease of land, office space, equipment, vehicles and some IT equipment.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Extension and termination options are included in some property and equipment leases.

NOTES
forming part of the Financial Statements

4. Right-of-use assets (Contd.)
[Item No. I(c), Page F22]

These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. Majority of the extension and termination options held are exercisable based on mutual agreement of the Company and the lessors.

With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right of- use asset and a lease liability. Payments made for short-term leases and leases of low value are expensed on a straight-line basis over the lease term.

Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of sales) are excluded from the initial measurement of the lease liability and asset.

For leases recognised under long-term arrangements involving use of a dedicated asset, non-lease components are excluded based on the underlying contractual terms and conditions. A change in the allocation assumptions may have an impact on the measurement of lease liabilities and the related right-of-use assets.

During the year ended March 31, 2023, the Company has recognised the following in the statement of profit and loss:

a) expense in respect of short-term leases and leases of low-value assets ₹**20.16** crore (2021-22: ₹4.18 crore) and **Nil** (2021-22: Nil) respectively.

b) expense in respect of variable lease payments not included in the measurement of lease liabilities ₹**19.18** crore (2021-22: ₹6.89 crore).

c) income in respect of sub-leases of right-of-use assets ₹**0.31** crore (2021-22: ₹0.35 crore).

During the year ended March 31, 2023, total cash outflow in respect of leases amounted to ₹**1,004.19** crore (March 31, 2022: ₹1,008.91 crore).

As at March 31, 2023, commitments for leases not yet commenced was **Nil** (March 31, 2022: Nil).

(iii) Lease deeds of all right-of-use assets are held in the name of the Company, except for the following:

Description of property	Gross carrying value (₹ crore)	Held in the name of	Whether promoter, director or their relative or employee	Period held (i.e. dates of capitalisation provided in range)#	Reason for not being held in the name of the Company
Right-of-use Land	**523.65** *523.65*	Erstwhile Tata Steel BSL Limited (TSBSL)	No	April, 2020	For certain properties acquired through amalgamation/ merger,the name change in the name of the Company is pending
	179.40 *179.40*	Bhushan Steel Limited	No		
	139.93 *139.93*	Bhushan Steel & Strips Limited	No		
	3.28 *3.28*	Jawahar Metal Industries Private Limited	No		
Right-of-use Buildings	**13.34** *11.73*	Erstwhile Tata Steel BSL Limited (TSBSL)	No	April, 2020 to October, 2021	
Right-of-use Land	**0.15** *0.15*	Not Applicable	No	Not Available	Lease Deed not available with the Company

Figures in italics represents comparative figures of previous year.

In case of immovable properties acquired from Tata Steel BSL Limited which got merged with the Company in the preceding year pursuant to National Company Law Tribunal Order dated October 29, 2021, dates have been considered with effect from the date of merger.

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forming part of the Financial Statements

5. Other intangible assets
[Item No. I(e) and I(f), Page F22]

(₹ crore)

	Software costs	Mining assets	Total
Cost/deemed cost as at April 1, 2022	309.96	2,016.61	2,326.57
Additions	14.66	28.41	43.07
Cost/deemed cost as at March 31, 2023	**324.62**	**2,045.02**	**2,369.64**
Accumulated impairment as at March 31, 2023	**-**	**-**	**-**
Accumulated amortisation as at April 1, 2022	274.81	1,245.73	1,520.54
Charge for the year	20.28	68.17	88.45
Accumulated amortisation as at March 31, 2023	**295.09**	**1,313.90**	**1,608.99**
Total accumulated amortisation and impairment as at March 31, 2023	**295.09**	**1,313.90**	**1,608.99**
Net carrying value as at April 1, 2022	35.15	770.88	806.03
Net carrying value as at March 31, 2023	**29.53**	**731.12**	**760.65**

(₹ crore)

	Software costs	Mining assets	Total
Cost/deemed cost as at April 1, 2021	298.81	2,070.10	2,368.91
Additions	10.43	33.61	44.04
Disposals	-	(87.10)	(87.10)
Other re-classifications	0.72	-	0.72
Cost/deemed cost as at March 31, 2022	**309.96**	**2,016.61**	**2,326.57**
Accumulated impairment as at April 1, 2021	-	36.49	36.49
Disposals	-	(36.49)	(36.49)
Accumulated impairment as at March 31, 2022	**-**	**-**	**-**
Accumulated amortisation as at April 1, 2021	250.72	1,225.97	1,476.69
Charge for the year	23.46	70.37	93.83
Disposals	-	(50.61)	(50.61)
Other re-classifications	0.63	-	0.63
Accumulated amortisation as at March 31, 2022	**274.81**	**1,245.73**	**1,520.54**
Total accumulated amortisation and impairment as at March 31, 2022	**274.81**	**1,245.73**	**1,520.54**
Net carrying value as at April 1, 2021	48.09	807.64	855.73
Net carrying value as at March 31, 2022	**35.15**	**770.88**	**806.03**

(i) Mining assets represent expenditure incurred in relation to acquisition of mines, mine development expenditure post establishment of technical and commercial feasibility and restoration obligations as per applicable regulations.

(ii) Software costs related to in-house research and development included within software costs is ₹**0.15** crore (2021-22: ₹0.13 crore).

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forming part of the Financial Statements

5. Other intangible assets (Contd.)
[Item No. I(e) and I(f), Page F22]

(iii) Ageing of intangible assets under development is as below:

As at March 31, 2023

(₹ crore)

	Amount in intangible assets under development for period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	132.66	239.22	19.20	123.88	514.96
	132.66	**239.22**	**19.20**	**123.88**	**514.96**

As at March 31, 2022

(₹ crore)

	Amount in intangible assets under development for period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	4.24	249.99	43.39	85.02	382.64
	4.24	**249.99**	**43.39**	**85.02**	**382.64**

(iv) The expected completion of the amounts lying in intangible assets under development which are delayed are as below:

As at March 31, 2023

(₹ crore)

	Amount in intangible assets under development to be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project in progress :				
Sustenance projects	103.51	33.07	7.32	3.34
	103.51	**33.07**	**7.32**	**3.34**

As at March 31, 2022

(₹ crore)

	Amount in intangible assets under development to be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project in progress :				
Sustenance projects	96.14	5.31	34.92	2.06
	96.14	**5.31**	**34.92**	**2.06**

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6. Investments
[Item No. I(g)(i) and II(b)(i), Page F22]

A. Non-Current

(₹ crore)

	No. of shares as at March 31, 2023 (face value of ₹ 10 each fully paid-up unless otherwise specified)	As at March 31, 2023	As at March 31, 2022
A. Investments carried at cost/deemed cost			
(a) Equity investments in subsidiary companies			
(i) Quoted			
(1) Tata Metaliks Ltd.	1,89,57,090	430.09	430.09
(2) Tata Steel Long Products Limited	3,37,86,521	1,360.58	1,360.58
(3) Tayo Rolls Limited (iii)	55,87,372	-	-
(4) The Tinplate Company of India Limited	7,84,57,640	395.02	395.02
		2,185.69	**2,185.69**
(ii) Unquoted			
(1) ABJA Investment Co. Pte. Ltd. (Face value of USD 1 each)	2,00,000	1.08	1.08
(2) Angul Energy Limited (formerly Bhushan Energy Limited)	99,99,904	10.00	10.00
(3) Bhubaneshwar Power Private Limited	23,69,86,703	321.73	321.73
(4) Bhushan Steel (Australia) Pty Limited (Face value of AUD 1 each)	4,73,69,796	244.45	244.45
(5) Bhushan Steel (South) Limited	13,00,000	1.30	1.30
(6) Creative Port Development Private Limited	1,27,500	91.88	91.88
(7) Jamshedpur Football and Sporting Private Limited	4,08,00,000	40.80	40.80
(8) Medica TS Hospital Private Limited	7,70,200	0.77	0.77
(9) Mohar Export Services Pvt Ltd *	3,352	-	-
(10) NatSteel Asia Pte. Ltd. (Face value of SGD 1 each) (28,14,37,128 shares sold during the year)(ii)	-	-	773.86
(11) Neelachal Ispat Nigam Limited (5,80,48,492 shares acquired during the year)	5,80,48,492	348.87	-
(12) Neelachal Ispat Nigam Limited (1,38,52,000 partly paid shares of ₹5 each acquired during the year)	1,38,52,000	47.82	-
(13) Rujuvalika Investments Limited	13,28,800	60.40	60.40
(14) S & T Mining Company Limited (1,85,26,900 shares acquired during the year and subsequently classified from investment in joint venture to subsidiary)	3,70,53,800	18.53	-
(15) Subarnarekha Port Private Limited	4,24,183	17.01	17.01
(16) T Steel Holdings Pte. Ltd. (Face value of GBP 1 each)	7,31,21,21,292	12,724.26	12,724.26
(17) T Steel Holdings Pte. Ltd. (Face value of GBP 0.78 each)	1,25,80,00,000	8,990.63	8,990.63
(18) Tata Korf Engineering Services Ltd * #	3,99,986	-	-
(19) Tata Steel Advanced Materials Limited (formerly Tata Steel Odisha Limited) (5,62,23,166 shares acquired during the year)	5,62,23,166	72.02	-
(20) Tata Steel Downstream Products Limited (7,11,743 shares acquired during the year)	24,30,39,683	2,530.06	2,520.06

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6. Investments (Contd.)
[Item No. I(g)(i) and II(b)(i), Page F22]

(₹ crore)

	No. of shares as at March 31, 2023 (face value of ₹ 10 each fully paid-up unless otherwise specified)	As at March 31, 2023	As at March 31, 2022
(21) Tata Steel Foundation	10,00,000	1.00	1.00
(22) Tata Steel Mining Limited (36,50,44,386 shares acquired during the year)	85,01,15,454	1,604.69	905.62
(23) Tata Steel Support Services Limited (formerly Bhushan Steel (Orissa) Limited)	49,990	0.05	0.05
(24) Tata Steel Technical Services Limited (formerly Bhushan Steel Madhya Bharat Limited)	49,990	0.05	0.05
(25) Tata Steel Utilities and Infrastructure Services Limited (31,62,790 shares acquired during the year)	6,32,16,337	853.10	785.10
(26) The Indian Steel & Wire Products Ltd	56,92,651	3.08	3.08
		27,983.58	**27,493.13**
Aggregate provision for impairment in value of investments		(2,333.79)	(1,271.26)
		25,649.79	**26,221.87**
		27,835.48	**28,407.56**
(b) Investment in preference shares of subsidiary companies			
(i) Unquoted			
(1) Creative Port Development Private Limited 0.01% non-cumulative optionally convertible redeemable preference shares (Face value of ₹100 each) (48,00,000 shares allotted during the year)	2,22,10,830	222.11	174.11
(2) Medica TS Hospital Private Limited 0.01% non-cumulative optionally convertible redeemable preference shares	4,92,29,800	49.23	49.23
		271.34	**223.34**
(c) Equity investments in associate companies			
(i) Quoted			
(1) TRF Limited. @	37,53,275	204.02	5.79
Aggregate provision for impairment in value of investments		(118.18)	(5.79)
		85.84	**-**
(ii) Unquoted			
(1) Bhushan Capital & Credit Services Private Limited	86,43,742	9.40	9.40
(2) Jawahar Credit & Holdings Private Limited	86,43,742	9.40	9.40
(3) Kalinga Aquatic Ltd *	10,49,920	-	-
(4) Kumardhubi Fireclay and Silica Works Ltd.*#	1,50,001	-	-
(5) Kumardhubi Metal Casting and Engineering Ltd. *#	10,70,000	-	-
(6) Malusha Travels Pvt Ltd, ₹33,520 (March 31, 2022 : ₹33,520)	3,352	-	-
(7) Strategic Energy Technology Systems Private Limited	2,56,14,500	0.91	0.91
(8) Tata Construction and Projects Limited *#	11,97,699	-	-
		19.71	**19.71**
Aggregate provision for impairment in value of investments		(19.71)	(19.71)
		-	**-**

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6. Investments (Contd.)

[Item No. I(g)(i) and II(b)(i), Page F22]

(₹ crore)

	No. of shares as at March 31, 2023 (face value of ₹ 10 each fully paid-up unless otherwise specified)	As at March 31, 2023	As at March 31, 2022
(d) Investment in preference shares of associate companies			
(i) Unquoted			
(1) TRF Limited.	2,50,00,000	25.00	-
11.25% Non-cumulative optionally convertible redeemable preference shares (2,50,00,000 shares purchased during the year)			
		25.00	**-**
(e) Equity investments in joint ventures			
(i) Unquoted			
(1) Andal East Coal Company Private Limited#	3,30,000	1.46	1.46
(2) Industrial Energy Limited	17,31,60,000	173.16	173.16
(3) mjunction services limited	40,00,000	4.00	4.00
(4) S & T Mining Company Limited (1,85,26,900 shares classified as investment in subsidiaries)	-	-	18.53
(5) Tata NYK Shipping Pte Ltd. (Face value of USD 1 each)	6,51,67,500	350.14	350.14
(6) TM International Logistics Limited	91,80,000	9.18	9.18
		537.94	**556.47**
Aggregate provision for impairment in value of investments		(1.46)	(19.99)
		536.48	**536.48**
B. Investments carried at fair value through other comprehensive income			
Investments in equity shares			
(i) Quoted			
(1) CARE Ratings Limited	3,54,000	22.76	18.07
(2) Housing Development Finance Corporation Ltd. (Face value of ₹2 each)	7,900	2.07	1.89
(3) Steel Strips Wheels Limited (Face value of ₹1 each) (Shares split in the ratio 5:1 during the year)	1,08,69,720	160.82	176.14
(4) Tata Consultancy Services Limited (Face Value of ₹1 each)	46,798	15.00	17.50
(5) Tata Investment Corporation Limited	2,28,015	39.78	30.93
(6) Tata Motors Ltd. (Face value of ₹2 each)	1,00,000	4.20	4.34
(7) The Tata Power Company Ltd. (Face value of ₹1 each)	3,91,22,725	744.31	933.66
(8) Timken India Ltd. ₹**2,755.45** (March 31, 2022 : ₹2,141.10)	1	-	-
		988.94	**1,182.53**

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6. Investments (Contd.)

[Item No. I(g)(i) and II(b)(i), Page F22]

(₹ crore)

	No. of shares as at March 31, 2023 (face value of ₹ 10 each fully paid-up unless otherwise specified)	As at March 31, 2023	As at March 31, 2022
(ii) Unquoted$			
(1) Bhushan Buildwell Private Limited	4,900	0.25	0.25
(2) Bhushan Steel Bengal Limited	50,000	0.05	0.05
(3) IFCI Venture Capital Funds Ltd.	1,00,000	0.10	0.10
(4) Panatone Finvest Ltd.	45,000	0.05	0.05
(5) Saraswat Co-operative Bank Limited	2,500	0.01	0.01
(6) Steelscape Consultancy Pvt. Ltd.	50,000	-	-
(7) Taj Air Limited	42,00,000	-	-
(8) Tarapur Environment Protection Society	82,776	0.89	0.89
(9) Tata Industries Ltd. (Face value of ₹100 each)	99,80,436	202.19	202.19
(10) Tata International Ltd. (Face value of ₹1,000 each)	42,924	54.80	54.80
(11) Tata Services Ltd. (Face value of ₹1,000 each)	1,621	0.16	0.16
(12) Tata Sons Private Ltd. (Face value of ₹1,000 each)	12,375	68.75	68.75
(13) Others (ix)		0.01	0.01
		327.26	**327.26**
		1,316.20	**1,509.79**
C. Investments carried at amortised cost			
Investments in preference shares			
(a) Subsidiary companies			
(i) Unquoted			
Tata Steel Long Products Limited	1,27,00,00,000	13,983.08	12,710.54
0.01% non-convertible, non-cumulative redeemable preference shares (Face value of ₹100 each)			
		13,983.08	**12,710.54**
D. Investments carried at fair value through profit and loss			
Investments in preference shares			
(a) Subsidiary companies			
(i) Unquoted			
(1) Tayo Rolls Limited 7.00% non-cumulative redeemable preference shares (Face value of ₹100 each)	43,30,000	-	-
(2) Tayo Rolls Limited 7.17% non-cumulative redeemable preference shares (Face value of ₹100 each)	64,00,000	-	-
(3) Tayo Rolls Limited 8% non-cumulative redeemable preference shares (Face value of ₹100 each)	3,00,000	-	-
(4) Tayo Rolls Limited 8.50% non-cumulative redeemable preference shares (Face value of ₹100 each)	2,31,00,000	-	-
		-	**-**

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6. Investments (Contd.)

[Item No. I(g)(i) and II(b)(i), Page F22]

(₹ crore)

	No. of shares as at March 31, 2023 (face value of ₹ 10 each fully paid-up unless otherwise specified)	As at March 31, 2023	As at March 31, 2022
(b) Associate companies			
(i) Unquoted			
(1) TRF Limited. 12.50 % non-cumulative non convertible redeemable preference shares	25,00,00,000	33.09	-
(2) TRF Limited. 12.17% non-cumulative non convertible redeemable preference shares (23,90,00,000 shares purchased during the year)	23,90,00,000	38.51	-
		71.60	**-**
(c) Investments in others			
(i) Unquoted			
(1) Angul Sukinda Railway Limited Non-cumulative redeemable preference shares	5,50,00,000	13.88	13.72
		13.88	**13.72**
		44,138.90	**43,401.43**

* These investments are carried at a book value of ₹1.00

As on March 31, 2023, Kumardhubi Fireclay and Silica Works Ltd., Kumardhubi Metal Casting and Engineering Ltd., Tata Construction and Projects Limited and Andal East Coal Company Private Limited are under liquidation and Tata Korf Engineering Services Ltd is non-operative.

@ Equity investment in TRF Limited includes ₹5.79 crore for 37,53,275 equity shares and deemed equity component of ₹198.23 crore for 23,90,00,000 NCRPS.

$ Cost of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

(i) The Company holds more than 50% of the equity share capital in TM International Logistics Limited. However, decisions in respect of activities which significantly affect the risks and rewards of these businesses, require unanimous consent of all the shareholders. This entity has therefore been considered as joint venture.

(ii) During the year ended March 31, 2023, the Company has transferred its investments held in NatSteel Asia Pte. Ltd. to T Steel Holdings Pte. Ltd., a wholly owned subsidiary of the Company against cash consideration. The gain on transfer of such shares has been recognised within exceptional items.

(iii) The Hon'ble National Company Law Tribunal (NCLT), Kolkata vide order dated April 5, 2019 has admitted the initiation of Corporate Insolvency Resolution Process (CIRP) in respect of Tayo Rolls Limited, a subsidiary of the Company.

(iv) During the year ended March 31, 2023, the Company considered indicators of impairment such as decline in operational performance, changes in outlook of future profitability among other potential indicators for investments held in steel, mining and other business operations either directly or indirectly.

The recoverable value of investments held in T Steel Holdings Pte. Ltd. (TSH), a wholly owned subsidiary of the Company is, inter alia, dependent on the operational and financial performance of Tata Steel Europe (TSE) and net assets of the other underlying businesses. The recoverable amount of TSE is higher of the value in use (VIU) of the underlying businesses and the fair value less cost to sell of those businesses which inter-alia considers impact of switching the heavy end and other relevant assets to a more green steel capex base. The VIU computation uses cash flow forecasts based on most recently approved

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forming part of the Financial Statements

6. Investments (Contd.)
[Item No. I(g)(i) and II(b)(i), Page F22]

financial budgets and strategic forecasts which cover a period of three years and future projections taking the analysis out into perpetuity based on a steady state, sustainable cash flow reflecting average steel industry conditions between successive peaks and troughs of profitability. Key assumptions for the value in use computations are those regarding the discount rates, exchange rates, market demand, sales volume and sales prices, cost to produce etc. The projections are based on both past performance and the expectations of future performance and assumptions therein. The Company estimates discount rates using post-tax rates that reflect the current market rates adjusted to reflect the way the European union steel market would assess the specific risk. The weighted average post-tax discount rates used for discounting the cash flows projections is in range of **7.90% - 8.80%** (March 31, 2022: 6.30% to 7.00%). Beyond the specifically forecasted period, a growth rate of **1.70% - 2.00%** (March 31, 2022: 1.80%) is used to extrapolate the cash flow projections. This rate does not exceed the average long-term growth rate for the relevant markets.

TSE is exposed to certain climate related risks which could affect the estimates of future cash flow projections. The cashflow projections include the impact of decarbonisation given that the Netherlands business in TSE has stated its plan to move away from the current production process and to transition to decarbonised production. Decarbonisation as a whole is likely to provide significant opportunities to TSE as it is likely to increase the demand for steel as it is crucial as an infrastructure enabler for all technological transition within the wider economy (e.g. wind power, hydrogen, electric vehicles, nuclear etc.) and compares favourably to other materials when considering the life cycle emissions of the material. The technology transition and investments will be dependent on national and international policy and will also be driven by government decisions in the country of operation. Management's assessment is that generally, these potential carbon-related costs would be borne by the society, either through higher steel prices or through public spending/subsidies.

The outcome of the impairment assessment as on March 31, 2023 resulted in recognition of an impairment loss of ₹**1,170.00** crore in respect investments in TSH which holds investments in TSE.

The Company has also conducted sensitivity analysis on the impairment tests including sensitivity in respect of discount rates. The management believes that no reasonably possible change in any of the key assumptions used in the assessment would cause the carrying value of investments to exceed its recoverable value after recording the aforesaid impairment loss.

The operational and financial performance of TSE, a wholly owned indirect subsidiary of TSH has assessed the potential impact of the economic downturn in Europe caused by external factors including higher inflation, higher interest rates and supply chain disruptions caused by the war in Ukraine on its future business outlook for UK and Mainland Europe (MLE) value chains.

The Board has considered reasonably possible scenarios to stress test the financial position of both the UK and MLE businesses, including the impact of lower steel margins against the Annual Plan and the mitigating actions the Group could take to limit any adverse consequences to liquidity in the annual impairment assessments.

Based on the assessment, the MLE business is expected to have adequate liquidity under all the reasonably possible scenarios considered. The outlook for Tata Steel UK Limited ("TSUK"), a wholly owned indirect subsidiary of TSE, however, is expected to be adversely impacted towards meeting its liquidity requirements and accordingly with respect to its ability to continue as a going concern. In response to the challenging market and business conditions, TSUK continues to implement various measures aimed at improving its business performance and conserving cash including but not limited to ensuring adequate liquidity, if required, through available financing options, management of working capital, implementation of cost reduction measures and discussions with the UK Government to seek adequate support for transition to Green Steel as part of its decarbonization strategy. The progress of discussions with the UK government is also being monitored closely given that

6. Investments (Contd.)

[Item No. I(g)(i) and II(b)(i), Page F22]

based on the initial and subsequent discussions it remains uncertain whether adequate support for the decarbonization strategy would be agreed. Given the risks and challenges associated with the underlying market and business conditions, the uncommitted nature of available financing options and the uncertainty with respect to whether adequate government support would be agreed, there exists a material uncertainty surrounding the impact of such adversities on the financial situation of TSUK.

The financial statements of TSE have been prepared on a going concern basis recognising the material uncertainty in relation to TSUK.

Whilst the Company's carrying amount of its equity investment in TSH after recognizing aforesaid impairment, which holds TSE, is considered recoverable, the associated uncertainties have been explained above.

(v) During the year ended March 31, 2022, the Company had invested ₹12,700.00 crore in 0.01% non-convertible redeemable preference shares (NCRPS) of Tata Steel Long Products Limited ("TSLP"), a subsidiary. As on March 31, 2023, the investment amount including interest accrued is ₹13,983.08 crore.

The Company through TSLP, has during the year ended March 31, 2023, acquired Neelachal Ispat Nigam Limited ("NINL") at a total consideration of ₹12,100.00 crore. The acquisition was completed on July 4, 2022 and consequently, NINL has become a subsidiary of TSLP and a step-down subsidiary of the Company.

The Company has also directly invested ₹300.00 crore for subscription of equity shares of NINL and also acquired equity shares from erstwhile shareholders for ₹96.69 crore.

Assessment of carrying value of the investment exposure of the Company in TSLP and in NINL are to be looked inter alia from TSLP's exposure in NINL.

The recoverable value of equity investments held in TSLP and NINL has been assessed based on higher of fair value less costs to sell and value in use for the underlying businesses.

The fair value less costs to sell model uses cash flow forecasts based on the most recently approved financial plan for financial year 2023-24. Beyond financial year 2023-24, the cash flow forecasts is based on strategic forecasts which cover a period i.e. estimated time to extract the total usable mineral reserves for mining business and six years for steel business and future projections taking the analysis out to perpetuity which includes capital expenditure for capacity expansion of steel making facilities from the current 1.1 MTPA to 4.56 MTPA by financial year 2028-29 as well as estimated EBITDA changes due to implementation of the expansion strategy and operating the assets.

Key assumptions to the fair value less costs to sell model are changes to selling prices and raw material costs, steel demand, amount of capital expenditure needed for expansion of the existing facilities, EBITDA and post-tax discount rate of 10.10%. The estimates of capital expenditure for capacity expansion of steel making assets is based on management's internal estimates of implementing the expansion strategy.

For the fair value less costs to sell model, a 4.00 % growth rate is used to extrapolate the cash flows beyond the specifically forecasted period of six years in respect of which strategic forecasts have been prepared. The outcome of the impairment assessment as on March 31, 2023 for investments held in TSLP and NINL has not resulted in any impairment of investments.

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6. Investments (Contd.)

[Item No. I(g)(i) and II(b)(i), Page F22]

The management has conducted sensitivity analysis including sensitivity in respect of discount rates, on the impairment assessment of the carrying value of investments held in TSLP and NINL. The management believes that no reasonably possible change in any of the key assumptions used in the model would cause the carrying value of investments to materially exceed its recoverable value.

(vi) During the year ended March 31, 2022, cumulative gain on de-recognition of investments which were carried at fair value through other comprehensive income amounted to ₹9.99 crore. Fair value of such investments as on the date of de-recognition was ₹9.99 crore.

(vii) Tata Steel BSL Limited (TSBSL) (earlier known as Bhushan Steel Limited), an erstwhile subsidiary (acquired through the corporate insolvency resolution process) which amalgamated with the Company during the year ended March, 2022 was being identified as the promoter of Jawahar Credit & Holdings Private Limited (JCHPL) and Bhushan Capital & Credit Services Private Limited (BCCSPL). These entities were connected to the previous management of erstwhile TSBSL, before acquisition of TSBSL by the Company (through Bamnipal Steel Limited) in May 2018.

TSBSL had written to JCHPL, BCCSPL and the Registrar of Companies (National Capital Territory of Delhi & Haryana) intimating that TSBSL should not be identified as promoter of these two companies; accordingly, legally, neither erstwhile TSBSL nor the Company had any visibility or control over the operations of these two companies nor currently exercises any influence on these entities.

(viii) During the year ended March 31, 2022, Noamundi Steel Limited, Straight Mile Steel Limited, Sakchi Steel Limited, Jugsalai Steel Limited, Jamadoba Steel Limited, Dimna Steel Limited, Bistupur Steel Limited and T M Mining Company Limited have been struck off from Registrar of Companies (ROC).

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6. Investments (Contd.)
[Item No. I(g)(i) and II(b)(i), Page F22]

(ix) Details of other unquoted investments carried at fair value through other comprehensive income is as below:

(₹ crore)

	No. of shares as at March 31, 2023 (face value of ₹10 each fully paid -up unless otherwise specified)	As at March 31, 2023	As at March 31, 2022
(a) Barajamda Iron Ore Mine Workers' Central Co-operative Stores Ltd. (Face value of ₹25 each)	200	5,000.00	5,000.00
(b) Bokaro and Ramgarh Ltd.	100	16,225.00	16,225.00
(c) Eastern Synpacks Limited (Face value of ₹25 each)	1,50,000	1.00	1.00
(d) Ferro Manganese Plant Employees' Consumer Co-operative Society Ltd. (Face value of ₹25 each)	100	2,500.00	2,500.00
(e) Investech Advisory Services (India) Limited (Face value of ₹100 each)	1,680	1.00	1.00
(f) Jamshedpur Co-operative House Building Society Ltd. (Face value of ₹100 each)	10	1,000.00	1,000.00
(g) Jamshedpur Co-operative Stores Ltd. (Face value of ₹5 each) 50	50	250.00	250.00
(h) Jamshedpur Educational and Culture Co-operative Society Ltd. (Face value of ₹100 each)	50	5,000.00	5,000.00
(i) Joda East Iron Mine Employees' Consumer Co-operative Society Ltd. (Face value of ₹25 each)	100	2,500.00	2,500.00
(j) Namtech Electronic Devices Limited	48,026	1.00	1.00
(k) Reliance Firebrick and Pottery Company Ltd. (partly paid-up)	16,800	1.00	1.00
(l) Reliance Firebrick and Pottery Company Ltd.	2,400	1.00	1.00
(m) Sanderson Industries Ltd.	3,33,876	2.00	2.00
(n) Standard Chrome Ltd.	11,16,000	2.00	2.00
(o) Sijua (Jherriah) Electric Supply Co. Ltd.	4,144	40,260.00	40,260.00
(p) TBW Publishing and Media Pvt. Limited	100	1.00	1.00
(q) Unit Trust of India - Mastershares	2,229	55,401.00	55,401.00
(r) Wellman Incandescent India Ltd.	15,21,234	2.00	2.00
		1,28,148.00	**1,28,148.00**

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Investments carried at fair value through profit and loss:		
Investments in mutual funds - Quoted		
(1) Nippon India Mutual Fund ETF Liquid Bees	0.09	0.09
	0.09	**0.09**
Investments in mutual funds - Unquoted		
(1) SBI Overnight Fund - Direct - Growth	1,025.16	-
(2) Tata Overnight Fund - Direct - Growth	1,025.15	96.02
	2,050.31	**96.02**
	2,050.40	**96.11**

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6. Investments (Contd.)

[Item No. I(g)(i) and II(b)(i), Page F22]

(x) Carrying value and market value of quoted and unquoted investments are as below:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Investments in subsidiary companies:		
Aggregate carrying value of quoted investments	2,185.69	2,185.69
Aggregate market value of quoted investments	6,025.44	7,106.37
Aggregate carrying value of unquoted investments	39,904.21	39,155.75
(b) Investments in associate companies:		
Aggregate carrying value of quoted investments	85.84	-
Aggregate market value of quoted investments	60.11	50.44
Aggregate carrying value of unquoted investments	96.60	-
(c) Investments in joint ventures:		
Aggregate carrying value of unquoted investments	536.48	536.48
(d) Investments in others:		
Aggregate carrying value of quoted investments	989.03	1,182.62
Aggregate market value of quoted investments	989.03	1,182.62
Aggregate carrying value of unquoted investments	2,391.45	437.00

(xi) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall, whether, directly or indirectly lend or invest in other persons / entities identified in any manner whatsoever by or on behalf of the company ('ultimate beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than investments of ₹**645.06** crore (March 31, 2022: Nil) invested in Tata Steel Mining Limited, ₹**10.00** crore (March 31, 2022: Nil) in Tata Steel Downstream Products Limited, ₹**54.69** crore (March 31, 2022: Nil) in Tata Steel Advanced Materials Limited and ₹**68.00** crore (March 31, 2022: Nil) in Tata Steel Utilities and Infrastructure Services Limited made during the year ended on March 31, 2023 and as set out in note 7(iv), page F60 in the ordinary course of business and in keeping with the applicable regulatory requirements for onward funding to certain subsidiaries of the Company towards meeting their business requirements. Accordingly, no further disclosures, in this regard, are required.

(xii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTES
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7. Loans

[Item No. I(g)(ii) and II(b)(v), Page 22]

A. Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Loans to related parties		
Considered good - Unsecured	32,775.29	30,191.77
Credit impaired	-	558.95
Less: Allowance for credit losses	-	558.95
	32,775.29	**30,191.77**
(b) Other loans		
Considered good - Unsecured	3.79	3.50
Credit impaired	5.75	5.75
Less: Allowance for credit losses	5.75	5.75
	3.79	**3.50**
	32,779.08	**30,195.27**

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Loans to related parties		
Considered good - Unsecured	3,189.87	2,365.37
Credit impaired	67.67	167.67
Less: Allowance for credit losses	67.67	167.67
	3,189.87	**2,365.37**
(b) Other loans		
Considered good - Unsecured	1.34	2.64
Credit impaired	9.60	9.60
Less: Allowance for credit losses	9.60	9.60
	1.34	**2.64**
	3,191.21	**2,368.01**

(i) Non-current loans to related parties represents loan given to subsidiaries ₹**32,775.29** crore (March 31, 2022: ₹30,750.72 crore), out of which **Nil** (March 31, 2022: ₹558.95 crore) is impaired.

(ii) Current loans to related parties represent loans/advances given to subsidiaries ₹**3,257.54** crore (March 31, 2022: ₹2,433.04 crore) and associates **Nil** (March 31, 2022: ₹100.00 crore) out of which ₹**67.67** crore (2021-22: ₹67.67 crore) and **Nil** (March 31, 2022: ₹100.00 crore) is impaired respectively.

(iii) Other loans primarily represent loans given to employees.

(iv) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall, whether, directly or indirectly lend or invest in other persons / entities identified in any manner whatsoever by or on behalf of the company ('ultimate beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than loans aggregating **Nil** (March 31, 2022: ₹23,029.77 crore) and roll over of loan of ₹**1,643.45** crore (March 31, 2022: ₹1,515.60 crore) given during the year to T Steel Holdings Pte Ltd, a subsidiary and an investment company of the Company and as set out in note 6(xi), page F59 in the ordinary course of business and in keeping with the applicable regulatory requirements for onward funding to certain overseas subsidiaries of the Company towards meeting their business requirements and /or loan prepayments. Accordingly, no further disclosures, in this regard, are required.

NOTES
forming part of the Financial Statements

7. Loans (Contd.)

[Item No. I(g)(ii) and II(b)(v), Page 22]

(v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) Disclosure as per Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186(4) of the Companies Act, 2013.

(a) Loans/advances in the nature of loan outstanding from subsidiaries, associates and joint venture as on March 31, 2023:

(₹ crore)

	Debts outstanding as at March 31, 2023	Maximum balance oustanding during the year
Subsidiaries		
(1) Adityapur Toll Bridge Company Limited	**-**	**-**
(interest rate 9.50%)	*-*	*2.95*
(2) Angul Energy Limited	**30.00**	**126.00**
(interest rate 8.00%; Tenure 72 Months)	*126.00*	*248.00*
(3) Bhubaneswar Power Private Limited	**327.87**	**387.63**
(interest rate 7.03% to 7.65%; Tenure 79 Months)	*387.63*	*387.63*
(4) S & T Mining Company Limited	**-**	**-**
(interest rate 9.38%)	*-*	*0.08*
(5) Subarnarekha Port Private Limited	**-**	**-**
(interest rate 9.50 % to 10.51 %)	*-*	*49.00*
(6) T Steel Holdings Pte. Ltd.(ii)	**33,813.98**	**34,057.80**
(interest rate LIBOR + 2.99 to 6.75% and SOFR + 1.65%; Tenure 12 to 96 Months)	*31,183.47*	*31,183.47*
(7) Tata Steel (KZN) (Pty) Ltd.	**-**	**-**
	558.95	*558.95*
(8) Tata Steel Downstream Products Limited	**322.30**	**528.70**
(interest rate 6.75 % to 8.62 %; Tenure 6 to 57 Months)	*-*	*10.00*
(9) Tata Steel Mining Limited	**1,471.00**	**1,471.00**
(interest rate 7.71 % to 12.53 %; Tenure 12 to 60 Months)	*790.00*	*790.00*
(10) Tata Steel Special Economic Zone Limited	**-**	**70.03**
(interest rate 10.58%)	*70.03*	*70.03*
(11) Tayo Rolls Limited(iii)	**67.00**	**67.00**
(interest rate 7.00 % to 13.07 %; Tenure 4 to 15 Months)	*67.00*	*67.00*
Associate		
(1) TRF Limited.	**-**	**100.00**
(interest rate 9.92 %)	*100.00*	*100.00*

Figures in italics represents comparative figures of previous year.
Tenure means original tenure from the date of disbursement of loan.

(i) The above loans have been given for business purpose.

(ii) Includes inter-company loan of ₹22,089.87 crore extended during the year ended on March 31, 2022, for a period of 6 to 8 years including moratorium of interest for two and a half years.

(iii) As at March 31, 2023, loan given to Tayo Rolls Limited has been fully impaired.

(b) Details of investments made and guarantees provided are given in note 6, page F50 and note 35B, page F104.

(vii) There are no outstanding loans/advances in nature of loan from promoters, key management personnel or other officers of the Company.

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forming part of the Financial Statements

8. Other financial assets

[Item No. I(g)(iv) and II(b)(vii), Page F22]

A. Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Security deposits		
Considered good - Unsecured	205.62	250.67
Credit impaired	83.89	83.97
Less: Allowance for credit losses	83.89	83.97
	205.62	**250.67**
(b) Interest accrued on deposits and loans		
Considered good - Unsecured	**1,930.74**	**831.21**
(c) Earmarked balances with banks	**75.19**	**79.60**
(d) Others		
Considered good - Unsecured	**51.81**	**50.33**
	2,263.36	**1,211.81**

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Security deposits		
Considered good - Unsecured	**0.06**	**2.54**
(b) Interest accrued on deposits and loans		
Considered good - Unsecured	72.38	17.70
Credit impaired	14.30	14.30
Less: Allowance for credit losses	14.30	14.30
	72.38	**17.70**
(c) Others		
Considered good - Unsecured	688.52	698.06
Unsecured, considered doubtful	144.25	144.25
Less: Allowance for credit losses	144.25	144.25
	688.52	**698.06**
	760.96	**718.30**

(i) Security deposits are primarily in relation to public utility services and rental agreements. It includes deposit with a subsidiary ₹**14.00** crore (March 31, 2022: ₹14.00 crore) and deposits with Tata Sons Private Limited ₹**11.25** crore (March 31, 2022: ₹1.25 crore).

(ii) Non-current earmarked balances with banks represent deposits and balances in escrow account not due for realisation within 12 months from the balance sheet date. These are primarily placed as security with government bodies, margin money against issue of bank guarantees, etc.

(iii) Current other financial assets include amount receivable from post-employment benefit funds ₹**137.98** crore (March 31, 2022: ₹171.30 crore) on account of retirement benefit obligations paid by the Company directly.

NOTES

forming part of the Financial Statements

9. Income tax

[Item No. IV(e), Page F22]

A. Income tax expense/(benefit)

The Company is subject to income tax in India on the basis of its financial statements. The Company can claim tax exemptions/ deductions under specific sections of the Income Tax Act, 1961 subject to fulfilment of prescribed conditions, as may be applicable. The Company during the year ended March 31, 2020 had opted for the new tax regime under Section 115BAA of the Act, which provides a domestic company with an option to pay tax at a rate of 22% (effective rate of 25.168%). The lower rate shall be applicable subject to certain conditions, including that the total income should be computed without claiming specific deduction or exemptions.

As per the tax laws, business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

The reconciliation of estimated income tax to income tax expense is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Profit/(loss) before tax	21,021.92	44,090.65
Expected income tax expense at statutory income tax rate of **25.168 %** (2021-22 : 25.168 %)	5,290.80	11,096.73
(a) Disallowances in respect of impairment of investments and advances	265.87	-
(b) Other incomes/expense exempt from tax/ Items not deductible	(29.86)	(17.26)
Tax expense as reported	**5,526.81**	**11,079.47**

B. Deferred tax assets/(liabilities)

(i) Components of deferred tax assets and liabilities as at March 31, 2023 is as below:

(₹ crore)

	Balance as at April 1, 2022	Recognised/ (reversed) in profit and loss during the year	Recognised in other comprehensive income during the year	Recognised in equity during the year	Balance as at March 31, 2023
Deferred tax assets:					
Investments	2,986.50	(320.27)	-	-	2,666.23
Retirement benefit obligations	133.96	-	-	-	133.96
Expenses allowable for tax purposes when paid/written off	3,555.60	(89.77)	-	-	3,465.83
	6,676.06	**(410.04)**	**-**	**-**	**6,266.02**
Deferred tax liabilities:					
Property, plant and equipment and intangible assets	14,262.80	(92.68)	-	-	14,170.12
Loans	197.50	276.85	-	-	474.35
Others	303.33	4.55	(2.18)	-	305.70
	14,763.63	**188.72**	**(2.18)**	**-**	**14,950.17**
Net deferred tax assets/(liabilities)	**(8,087.57)**	**(598.76)**	**2.18**	**-**	**(8,684.15)**
Disclosed as:					
Deferred tax liabilities (net)	**(8,087.57)**				**(8,684.15)**

NOTES

forming part of the Financial Statements

9. Income tax (Contd.)

[Item No. IV(e), Page F22]

Components of deferred tax assets and liabilities as at March 31, 2022 is as below:

(₹ crore)

	Balance as at April 1, 2021	Recognised/ (reversed) in profit and loss during the year	Recognised in other comprehensive income during the year	Recognised in equity during the year	Balance as at March 31, 2022
Deferred tax assets:					
Investments	2,986.50	-	-	-	2,986.50
Retirement benefit obligations	133.96	-	-	-	133.96
Expenses allowable for tax purposes when paid/written off	2,828.47	727.13	-	-	3,555.60
	5,948.93	**727.13**	**-**	**-**	**6,676.06**
Deferred tax liabilities:					
Property, plant and equipment and intangible assets	14,119.15	143.65	-	-	14,262.80
Loans	-	197.50	-	-	197.50
Others	347.56	(146.49)	102.26	-	303.33
	14,466.71	**194.66**	**102.26**	**-**	**14,763.63**
Net deferred tax assets/(liabilities)	**(8,517.78)**	**532.47**	**(102.26)**	**-**	**(8,087.57)**
Disclosed as:					
Deferred tax liabilities (net)	**(8,517.78)**				**(8,087.57)**

(ii) Deferred tax assets amounting to ₹**7,967.37** crore as at March 31, 2023 (March 31, 2022: ₹7,967.37 crore) on fair value adjustment recognised in respect of investments held in a subsidiary on transition to Ind AS has not been recognised due to uncertainty surrounding availability of future taxable income against which such loss can be offset.

NOTES
forming part of the Financial Statements

10. Other assets

[Item No. I(i) and II(c), Page F22]

A. Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Capital advances		
Considered good - Unsecured	1,235.15	1,252.96
Considered doubtful - Unsecured	90.78	118.05
Less: Provision for doubtful advances	90.78	118.05
	1,235.15	**1,252.96**
(b) Advance with public bodies		
Considered good - Unsecured	1,896.70	1,916.54
Considered doubtful - Unsecured	297.59	303.05
Less: Provision for doubtful advances	297.59	303.05
	1,896.70	**1,916.54**
(c) Capital advances to related parties		
Considered good - Unsecured	**111.41**	**40.69**
(d) Others		
Considered good - Unsecured	**75.46**	**91.59**
	3,318.72	**3,301.78**

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Advance with public bodies		
Considered good - Unsecured	1,824.51	1,211.91
Considered doubtful - Unsecured	4.07	3.18
Less: Provision for doubtful advances	4.07	3.18
	1,824.51	**1,211.91**
(b) Advances to related parties		
Considered good - Unsecured	**196.91**	**46.66**
(c) Others		
Considered good - Unsecured	618.71	680.51
Considered doubtful - Unsecured	118.35	123.95
Less: Provision for doubtful advances	118.35	123.95
	618.71	**680.51**
	2,640.13	**1,939.08**

(i) Advance with public bodies primarily relate to input credit entitlements and amounts paid under protest in respect of demands and claims from regulatory authorities.

(ii) Others include advances against supply of goods/services and advances paid to employees.

NOTES
forming part of the Financial Statements

11. Inventories

[Item No. II(a), Page F22]

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Raw materials	8,526.90	9,288.49
(b) Finished and semi-finished goods	7,818.92	6,700.41
(c) Stock-in-trade	54.33	30.78
(d) Stores and spares	4,395.41	3,923.26
	20,795.56	**19,942.94**
Included above, goods-in-transit: ^		
(i) Raw materials	2,271.77	3,021.18
(ii) Finished and semi-finished goods	2.90	-
(iii) Stock-in-trade	0.69	1.57
(iv) Stores and spares	115.78	140.58
	2,391.14	**3,163.33**

^ Goods-in-transit represents amount of purchased material which are in transit as on date.

(i) Value of inventories above is stated after provisions (net of reversal) ₹**143.18** crore (March 31, 2022: ₹145.12 crore) for write-downs to net realisable value and provision for slow-moving and obsolete items.

(ii) The cost of inventories recognised as an expense (net of reversal) includes ₹**5.59** crore (March 31, 2022: ₹0.82 crore) in respect of write-down of inventory to net realisable value.

12. Trade receivables

[Item No. II(b)(ii), Page F22]

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Considered good - Unsecured	3,438.98	3,343.35
(b) Credit impaired	116.69	109.54
	3,555.67	**3,452.89**
Less: Allowance for credit losses	203.95	172.59
	3,351.72	**3,280.30**

In determining allowance for credit losses of trade receivables, the Company has used the practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on ageing of receivables and the rates used in provision matrix.

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12. Trade receivables (Contd.)

[Item No. II(b)(ii), Page F22]

(i) Movement in allowance for credit losses of receivables is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	172.59	145.42
Charge/(release) during the year	31.36	27.17
Balance at the end of the year	**203.95**	**172.59**

(ii) Ageing of trade receivables and credit risk arising there from is as below:

As at March 31, 2023

(₹ crore)

	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed – considered good	1,817.77	883.78	289.96	397.73	7.05	42.68	3,438.97
Undisputed – credit impaired	-	-	-	-	-	27.10	27.10
Disputed - considered good	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	89.60	89.60
	1,817.77	**883.78**	**289.96**	**397.73**	**7.05**	**159.38**	**3,555.67**
Expected loss rate	0.49%	5.83%	5.16%	1.11%	14.88%	14.88%	
Less: Allowance for credit losses	8.95	51.50	14.97	4.43	1.05	123.05	203.95
Total trade receivables	**1,808.82**	**832.28**	**274.99**	**393.30**	**6.00**	**36.33**	**3,351.72**

As at March 31, 2022

(₹ crore)

	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed – considered good	2,332.72	855.47	59.00	48.88	20.69	26.59	3,343.35
Undisputed – credit impaired	-	-	-	-	-	18.38	18.38
Disputed - considered good	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	91.16	91.16
	2,332.72	**855.47**	**59.00**	**48.88**	**20.69**	**136.13**	**3,452.89**
Expected loss rate	0.31%	2.36%	22.93%	22.93%	22.91%	22.94%	
Less: Allowance for credit losses	7.31	20.16	13.53	11.21	4.74	115.64	172.59
Total trade receivables	**2,325.41**	**835.31**	**45.47**	**37.67**	**15.95**	**20.49**	**3,280.30**

(iii) The Company considers its maximum exposure to credit risk with respect to customers as at March 31, 2023 to be **₹3,351.72** crore (March 31, 2022: ₹3,280.30 crore), which is the carrying value of trade receivables after allowance for credit losses.

The Company's exposure to customers is diversified and no single customer other than a subsidiary, contributes more than 10% of the outstanding receivables as at March 31, 2023 and March 31, 2022.

(iv) There are no outstanding receivables due from directors or other officers of the Company.

NOTES
forming part of the Financial Statements

13. Cash and cash equivalents
[Item No. II(b)(iii), Page F22]

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Cash on hand	1.64	1.15
(b) Cheques, drafts on hand	-	0.51
(c) Remittances in transit	0.12	0.02
(d) Unrestricted balances with banks	857.22	2,669.91
	858.98	**2,671.59**

(i) Cash and bank balances are denominated and held in Indian Rupees.

14. Other balances with banks
[Item No. II(b)(iv), Page F22]

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Earmarked balances with banks	218.35	183.70
	218.35	**183.70**

(i) Earmarked balances with banks primarily include balances held for unpaid dividends ₹**84.45** crore (March 31, 2022: ₹68.82 crore), bank guarantee and margin money ₹**48.01** crore (March 31, 2022: ₹41.50 crore).

(ii) Earmarked balances with banks are denominated and held in Indian Rupees.

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15. Equity share capital

[Item No. III(a), Page F22]

(₹ crore)

		As at March 31, 2023	As at March 31, 2022
Authorised:			
17,50,00,00,000	Ordinary Shares of ₹1 each	1,750.00	1,750.00
	(March 31, 2022 : 1,75,00,00,000 Ordinary Shares of ₹10 each)		
35,00,00,000	'A' Ordinary Shares of ₹10 each*	350.00	350.00
	(March 31, 2022 : 35,00,00,000 'A' Ordinary Shares of ₹10 each)		
2,50,00,000	Cumulative Redeemable Preference Shares of ₹100 each*	250.00	250.00
	(March 31, 2022 : 2,50,00,000 Shares of ₹100 each)		
60,00,00,000	Cumulative Convertible Preference Shares of ₹100 each*	6,000.00	6,000.00
	(March 31, 2022 : 60,00,00,000 Shares of ₹100 each)		
		8,350.00	**8,350.00**
Issued:			
12,23,44,16,550	Ordinary Shares of ₹1 each	1,223.44	1,223.22
	(March 31, 2022 : 1,22,32,18,367 Ordinary Shares of ₹10 each)		
-	Ordinary Shares of ₹1 each (partly paid-up, ₹0.2504 each paid-up)	-	0.22
	(March 31, 2022 : 2,23,288 Ordinary Shares of ₹10 each, ₹2.504 each paid-up)		
		1,223.44	**1,223.44**
Subscribed and paid-up:			
12,22,15,37,000**	Ordinary Shares of ₹1 each fully paid-up	1,222.15	1,222.12
	(March 31, 2022 : 1,22,21,22,042 Ordinary Shares of ₹10 each)		
-	Ordinary Shares of ₹1 each (partly paid-up, ₹0.2504 each paid-up)	-	0.05
	(March 31, 2022 : 2,23,288 Ordinary Shares of ₹10 each, ₹2.504 each paid-up)		
	Amount paid-up on 58,11,460 Ordinary Shares of ₹1 each forfeited	0.25	0.20
	(March 31, 2022 : 3,89,516 Ordinary Shares of ₹10 each)		
		1,222.40	**1,222.37**

* 'A' Ordinary Shares and Preference Shares included within the authorised share capital are for disclosure purposes and have not yet been issued by the Company as on March 31, 2023.

** Includes 4,370 equity shares of ₹1 each, on which first and final call money has been received and the equity shares have been converted to fully paid-up equity shares but are pending final listing and trading approval under the ISIN INE081A01020 (for fully paid shares), and hence, continue to be listed under the ISIN IN9081A01010 (for partly paid shares) as on March 31, 2023.

(i) Subscribed and paid-up capital includes **1,16,83,930** (March 31, 2022: 11,68,393 Ordinary Shares of face value ₹10 each) Ordinary Shares of ₹1 each fully paid-up, held by Rujuvalika Investments Limited, wholly-owned subsidiary of the Company.

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15. Equity share capital (Contd.)

[Item No. III(a), Page F22]

(ii) Details of movement in subscribed and paid-up share capital is as below:

	Year ended March 31, 2023		Year ended March 31, 2022	
	No. of shares of ₹1 each unless otherwise stated	₹ crore	No. of shares of ₹10 each unless otherwise stated	₹ crore
Ordinary Share				
Balance at the beginning of the year (face value of ₹10 each)	1,22,23,45,330	1,222.17	1,20,41,26,999	1,198.58
Sub-division of 1 share of face value ₹10/- each into 10 share of face value ₹1/- each effective July 29, 2022 (Increase in shares on account of sub-division)[(a)]	11,00,11,07,970	-	Not Applicable	
Fully paid-up shares allotted during the year	-	-	1,82,31,167	18.23
Partly paid-up shares allotted during the year	-	-	664	0.00*
Partly paid-up shares converted to fully paid-up shares during the year[(b)]	-	0.03	-	5.37
Crossholding cancelled and extinguished	-	-	(13,500)	(0.01)
Shares forfeited during the year[(c)]	(19,16,300)	(0.05)	-	-
Balance at the end of the year	**12,22,15,37,000**	**1,222.15**	**1,22,23,45,330**	**1,222.17**

*Represents value less than ₹0.01 crore.

(a) The Shareholders of the Company, at the 115th Annual General Meeting held on June 28, 2022, had approved the sub-division of one equity share of face value ₹10 each (fully paid-up and partly paid-up) into 10 equity share of face value ₹1 each. The record date for the said sub-division was set at July 29, 2022.

(b) During the year ended March 31, 2023, the Company has sent Reminder-cum-Forfeiture Notice to the holders of partly paid-up equity shares on which the first and final call money was unpaid. The Company has converted **3,16,580** partly paid-up shares of face value ₹1 each into fully paid-up shares.

(c) The Board of Directors at its meeting held on March 27, 2023 approved the forfeiture of **19,16,300** partly paid-up shares of face value of ₹1 each on which the call money of ₹0.7496 remains unpaid. (Considering 1,91,630 partly paid-up shares of face value of ₹10 each sub- divided into 19,16,300 partly paid-up shares of ₹1 each).

(iii) As at March 31, 2023, **29,27,850** Ordinary Shares of face value ₹1 each (March 31, 2022: 2,92,785 Ordinary Shares of face value of ₹10 each) are kept in abeyance in respect of Rights issue of 2007.

As at March 31, 2023, **11,99,650** fully paid-up Ordinary Shares of face value ₹1 each (March 31, 2022: 1,19,965 fully paid-up Ordinary Shares of face value of ₹10 each) are kept in abeyance in respect of Rights Issue of 2018.

As at March 31, 2023, **5,98,280** Ordinary Shares of face value ₹1 each (March 31, 2022: 59,828 partly paid-up Ordinary shares of face value of ₹10 each) are kept in abeyance in respect of Rights Issue of 2018.

(iv) Proceeds from subscription to the first and final call on partly paid-up shares for Rights Issue of 2018, made during the year ended March 31, 2023 and March 31, 2022 have been utilised in the following manner:

(₹ crore)

	Utilised in FY 2021-22	Unutilised in FY 2021-22	Utilised in FY 2022-23*
Repayments of loan	53.27	-	4.18
Expenses towards general corporate purpose	807.43	2.72	-
Issue expense	1.12	-	-
	861.82	**2.72**	**4.18**

* includes proceeds of ₹1.46 crore from right issue during the year

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15. Equity share capital (Contd.)

[Item No. III(a), Page F22]

(v) Details of Shareholders holding more than 5% shares in the Company are as below:

	As at March 31, 2023		As at March 31, 2022	
	No. of Ordinary Shares (face value of ₹1 each)	% held	No. of Ordinary Shares (face value of ₹10 each)	% held
Name of shareholders				
(a) Tata Sons Private Limited	3,96,50,81,420	32.44	39,65,08,142	32.46
(b) Life Insurance Corporation of India	73,24,32,080	5.99	7,90,89,965	6.47

(vi) Details of promoters' shareholding in the Company are as below:

	As at March 31, 2023		As at March 31, 2022	
	No. of Ordinary Shares (face value of ₹ 1 each)	% held	No. of Ordinary Shares (face value of ₹ 10 each)	% held
Name of shareholders				
(a) Tata Sons Private Limited#	3,96,50,81,420	32.44	39,65,08,142	32.46
Name of promoter group				
(a) Tata Motors Limited	5,49,62,950	0.45	54,96,295	0.45
(b) Tata Investment Corporation Limited	4,19,84,940	0.34	41,98,494	0.34
(c) Tata Chemicals Ltd	3,09,00,510	0.25	30,90,051	0.25
(d) Ewart Investments Limited	2,22,59,750	0.18	22,25,975	0.18
(e) Rujuvalika Investments Limited*	1,16,83,930	0.10	11,68,393	0.10
(f) Tata Industries Limited	1,04,25,450	0.09	10,42,545	0.09
(g) Tata Motors Finance Limited	60,95,110	0.05	6,09,511	0.05
(h) Tata Capital Ltd	1,67,400	0.00	16,740	0.00
(i) Titan Company Limited	25,110	0.00	2,511	0.00
(j) Tata Capital Financial Services Limited	8,210	0.00	821	0.00
(k) Sir Dorabji Tata Trust^	-	-	-	-
(l) Sir Ratan Tata Trust^	-	-	-	-

Change in percentage shareholding is on account of completion of corporate action and listing of 81,52,840 fully paid-up equity shares which were pending due to legal proceedings / credit rejections from Central Depository Services (India) Limited, to the eligible shareholders of Tata Steel BSL Limited ("TSBSL"). These equity shares were allotted on November 23, 2021, pursuant to the composite scheme of amalgamation of Bamnipal Steel Limited and TSBSL into and with the Company. Further, the Board of Directors at their meeting held on March 27, 2023 approved the forfeiture of 19,16,300 partly paid-up equity shares on which the first and final call money remained outstanding.

* 1,16,83,930 Ordinary Shares held by Rujuvalika Investments Limited (a wholly owned subsidiary of the Company), do not carry any voting rights.

^ During the year ended March 31, 2019, Sir Doarabji Tata Trust and Sir Ratan Tata Trust had sold their entire holdings in the Company.

(vii) **8,79,53,750** shares (March 31, 2022: 96,95,642 shares of face value of ₹10 each) of face value of ₹1 per share represent the shares underlying GDRs which were issued during 1994 and 2009. Each GDR represents one underlying Ordinary Share.

(viii) The rights, powers and preferences relating to each class of share capital and the qualifications, limitations and restrictions thereof are contained in the Memorandum and Articles of Association of the Company. The principal rights are as follows:

15. Equity share capital (Contd.)

[Item No. III(a), Page F22]

A. Ordinary Shares of ₹1 each

(i) In respect of every Ordinary Share (whether fully paid or partly paid), voting right and dividend shall be in the same proportion as the capital paid-up on such Ordinary Share bears to the total paid-up Ordinary Capital of the Company.

(ii) The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

(iii) In the event of liquidation, the Shareholders of Ordinary Shares are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

B. 'A' Ordinary Shares of ₹10 each

(i) (a) The holders of 'A' Ordinary Shares shall be entitled to such rights of voting and/or dividend and such other rights as per the terms of the issue of such shares, provided always that:

- in the case where a resolution is put to vote on a poll, such differential voting entitlement (excluding fractions, if any) will be applicable to holders of 'A' Ordinary Shares.
- in the case where a resolution is put to vote in the meeting and is to be decided on a show of hands, the holders of 'A' Ordinary Shares shall be entitled to the same number of votes as available to holders of Ordinary Shares.

(b) The holders of Ordinary Shares and the holders of 'A' Ordinary Shares shall vote as a single class with respect to all matters submitted for voting by shareholders of the Company and shall exercise such votes in proportion to the voting rights attached to such shares including in relation to any scheme under Sections 391 to 394 of the Companies Act, 1956.

(ii) The holders of 'A' Ordinary Shares shall be entitled to dividend on each 'A' Ordinary Share which may be equal to or higher than the amount per Ordinary Share declared by the Board for each Ordinary Share, and as may be specified at the time of the issue. Different series of 'A' Ordinary Shares may carry different entitlements to dividend to the extent permitted under applicable law and as prescribed under the terms applicable to such issue.

C. Preference Shares

The Company has two classes of preference shares i.e. Cumulative Redeemable Preference Shares (CRPS) of ₹100 per share and Cumulative Convertible Preference Shares (CCPS) of ₹100 per share.

(i) Such shares shall confer on the holders thereof, the right to a fixed preferential dividend from the date of allotment, at a rate as may be determined by the Board at the time of the issue, on the capital for the time being paid-up or credited as paid-up thereon.

(ii) Such shares shall rank for capital and dividend (including all dividend undeclared upto the commencement of winding up) and for repayment of capital in a winding up, pari passu inter se and in priority to the Ordinary Shares of the Company, but shall not confer any further or other right to participate either in profits or assets. However, in case of CCPS, such preferential rights shall automatically cease on conversion of these shares into Ordinary Shares.

(iii) The holders of such shares shall have the right to receive all notices of general meetings of the Company but shall not confer on the holders thereof the right to vote at any meetings of the Company save to the extent and in the manner provided in the Companies Act, 1956, or any re-enactment thereof.

(iv) CCPS shall be converted into Ordinary Shares as per the terms, determined by the Board at the time of issue; as and when converted, such Ordinary Shares shall rank pari passu with the then existing Ordinary Shares of the Company in all respects.

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16. Hybrid perpetual securities

The detail of movement in Hybrid perpetual securities is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	-	775.00
Repayments during the year	-	(775.00)
Balance at the end of the year	**-**	**-**

The Company had issued hybrid perpetual securities of ₹775.00 crore in May 2011. These securities were perpetual in nature with no maturity or redemption and callable only at the option of the Company. The distribution on these securities were 11.50% p.a. with a step up provision if the securities were not called after 10 years. The distribution on the securities may have been deferred at the option of the Company if, in the six months preceding the relevant distribution payment date, the Company had not made payment on, or repurchased or redeemed, any securities ranking pari passu with, or junior to the instrument. As these securities were perpetual in nature and the Company did not have any redemption obligation, these were classified as equity.

During the year ended March 31, 2022, the Company had exercised its call option and redeemed the perpetual securities worth ₹775.00 crore issued during May 2011.

17. Other equity

[Item No. III(b), Page F22]

A. Retained earnings

The details of movement in retained earnings is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	76,498.67	46,480.00
Profit for the year	15,495.11	33,011.18
Remeasurement of post-employment defined benefit plans	281.04	7.57
Tax on remeasurement of post-employment defined benefit plans	(70.73)	(1.90)
Dividend	(6,233.11)	(3,007.08)
Distribution on hybrid perpetual securities(i)	-	(1.46)
Tax on distribution on hybrid perpetual securities	-	0.37
Transfers within equity(ii)	-	9.99
Balance at the end of the year	**85,970.98**	**76,498.67**

(i) During the year ended March 31, 2022, distribution of ₹8.30 crore post exercise of the call option on hybrid perpetual securities had been recognised in the statement of profit & loss.

(ii) Represents gain/(loss) on sale of investments carried at fair value through other comprehensive income reclassified from investment revaluation reserve during the year ended March 31, 2022.

17. Other equity (Contd.)

[Item No. III(b), Page F22]

B. Items of other comprehensive income

(a) Cash flow hedge reserve

The cumulative effective portion of gains or losses arising from changes in fair value of hedging instruments designated as cash flow hedges are recognised in cash flow hedge reserve. Such changes recognised are reclassified to the statement of profit and loss when the hedged item affects the profit or loss or are included as an adjustment to the cost of the related non-financial hedged item.

The Company has designated certain foreign currency forward contracts, interest rate swaps and interest rate caps and collars as cash flow hedges in respect of foreign exchange and interest rate risks.

The details of movement in cash flow hedge reserve is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	61.10	(41.10)
Other comprehensive income recognised during the year	60.97	102.20
Balance at the end of the year	**122.07**	**61.10**

(i) The details of other comprehensive income recognised during the year is as below:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Fair value changes recognised during the year	240.65	123.92
Fair value changes reclassified to profit and loss/cost of hedged items	(159.18)	12.65
Tax impact on above	(20.50)	(34.37)
	60.97	**102.20**

During the year, ineffective portion of cash flow hedges recognised in the statement of profit and loss amounted to **Nil** (2021-22: Nil).

(ii) The amount recognised in cash flow hedge reserve (net of tax) is expected to impact the statement of profit and loss as below:

- within the next one year: gain ₹**37.82** crore (2021-22: ₹4.01 crore).
- later than one year: gain ₹**81.49** crore (2021-22: ₹57.09 crore).

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forming part of the Financial Statements

17. Other equity (Contd.)
[Item No. III(b), Page F22]

(b) Investment revaluation reserve

Cumulative gains and losses arising from fair value changes of equity investments measured at fair value through other comprehensive income are recognised in investment revaluation reserve. The reserve balance represents such changes recognised net of amounts reclassified to retained earnings on disposal of such investments.

The details of movement in investment revaluation reserve is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	853.80	276.76
Other comprehensive income recognised during the year	(193.59)	654.92
Tax impact on above	22.68	(67.89)
Transfers within equity	-	(9.99)
Balance at the end of the year	**682.89**	**853.80**

C. Other reserves

(a) Securities premium

Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

The details of movement in securities premium is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	31,288.89	30,964.76
Received/transfer on issue of Ordinary Shares during the year	1.44	325.25
Equity issue expenses written (off)/back during the year	(0.09)	(1.12)
Balance at the end of the year	**31,290.24**	**31,288.89**

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17. Other equity (Contd.)
[Item No. III(b), Page F22]

(b) Debenture redemption reserve

The provisions of the Companies Act, 2013 read with the related rules required a company issuing debentures to create a Debenture Redemption Reserve (DRR) of 25% of the value of debentures issued, either through a public issue or on a private placement basis, out of the profits of the Company available for payment of dividend. The amounts credited to the DRR can be utilised by the company only to redeem debentures.

As per the recent amendment in the Companies (Share Capital and Debentures) Rules, 2014, a listed company issuing privately placed debentures on or after August 16, 2019, is not required to maintain additional amount in the DRR. Accordingly, the existing balance in the DRR shall be maintained to be utilised only for the redemption of existing debentures issued by the company before August 16, 2019.

The details of movement in debenture redemption reserve during the year is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	2,046.00	2,046.00
Balance at the end of the year	**2,046.00**	**2,046.00**

(c) General reserve

Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

The details of movement in general reserve during the year is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	11,596.35	11,596.35
Balance at the end of the year	**11,596.35**	**11,596.35**

(d) Capital redemption reserve

The Companies Act, 2013 requires that when a Company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve. The reserve is utilised in accordance with the provisions of Section 69 of the Companies Act, 2013.

The details of movement in capital redemption reserve during the year is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	20.78	20.78
Balance at the end of the year	**20.78**	**20.78**

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forming part of the Financial Statements

17. Other equity (Contd.)

[Item No. III(b), Page F22]

(e) Capital reserve

The excess of fair value of net assets acquired over consideration paid in a common control transaction is recognised as capital reserve.

The details of movement in Capital Reserve during the year is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	1,730.25	1,730.25
Balance at the end of the year	**1,730.25**	**1,730.25**

(f) Others

Others primarily represents amount appropriated out of the statement of profit and loss for unforeseen contingencies.

The details of movement in others during the year is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	115.55	115.55
Balance at the end of the year	**115.55**	**115.55**

D. Shares pending issue

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year [(i)]	-	18.21
Less: Allotted during the year	-	(18.21)
Balance at the end of the year	**-**	**-**

(i) During the year ended March 31, 2022, opening balance was net of 13,500 treasury shares amounting to ₹0.01 crore, which had been subsequently cancelled.

E. Share application money pending allotment

The details of movement in share application money pending allotment during the year is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	-	3.78
Received during the year	1.46	326.85
Allotted during the year	(1.46)	(330.63)
Balance at the end of the year	**-**	**-**

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18. Borrowings

[Item No. IV(a)(i) and V(a)(i), Page F22]

A. Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Secured		
(i) Loans from Joint Plant Committee - Steel Development Fund	2,751.17	2,714.29
	2,751.17	**2,714.29**
(b) Unsecured		
(i) Non-convertible debentures	10,125.22	10,899.62
(ii) Term loans from banks/financial institutions	18,004.50	6,676.90
	28,129.72	**17,576.52**
	30,880.89	**20,290.81**

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Secured		
(i) Repayable on demand from banks	**1,003.45**	**0.85**
(b) Unsecured		
(i) Loans from banks	-	4,800.00
(ii) Current maturities of long-term borrowings	6,294.67	2,855.74
(iii) Commercial papers	-	4,328.07
	6,294.67	**11,983.81**
	7,298.12	**11,984.66**

(i) As at March 31, 2023, ₹**3,754.62** crore (March 31, 2022: ₹2,715.14 crore) of the total outstanding borrowings were secured by a charge on property, plant and equipment, inventories, receivables and other current assets.

(ii) The security details of major borrowings as at March 31, 2023 is as below:

Loan from Joint Plant Committee-Steel Development Fund

It is secured by mortgages on all present and future immovable properties wherever situated and hypothecation of movable assets, excluding land and building mortgaged in favour of Government of India under the deed of mortgage dated April 13, 1967 and in favour of Government of Bihar under two deeds of mortgage dated May 11, 1963, immovable properties and movable assets of the Tubes Division, Bearings Division, Ferro Alloys Division and Cold Rolling Complex (West) at Tarapur and all investments and book debts of the Company subject to the prior charges created and/or to be created in favour of the bankers for securing borrowing for the working capital requirement and charges created and/or to be created on specific items of machinery and equipment procured/to be procured under deferred payment schemes/bill re-discounting schemes/asset credit schemes.

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18. Borrowings (Contd.)

[Item No. IV(a)(i) and V(a)(i), Page F22]

The loan is repayable in 16 equal semi-annual instalments after completion of four years from the date of the tranche.

The Company filed a writ petition before the High Court at Calcutta in February 2006 claiming waiver of the outstanding loan and interest and refund of the balance lying with Steel Development Fund (SDF). The Writ Petition was decided by judgment dated August 3, 2022. By the judgment, the High Court declared that the corpus of SDF can only be utilised for the benefit of the main steel producers. However, the waiver of loan as sought by the Company was not allowed. Hence, against the judgment the Company filed an appeal in the High Court.

The appeal has been decided on January 3, 2023. By the final order, High Court has directed the Company to submit a fresh representation to Union of India and fixed a time of three months for Union of India to take a decision on the representation. The Company has submitted the representation on March 28, 2023.

The loan includes funded interest ₹**1,111.84** crore (March 31, 2022: ₹1,074.96 crore).

It includes ₹**1,639.33** crore (March 31, 2022: ₹1,639.33 crore) representing repayments and interest on earlier loans for which applications of funding are awaiting sanction.

(iii) As at March 31, 2023, the register of charges of the Company as available in records of the Ministry of Corporate Affairs (MCA) includes charges that were created/modified since the inception of the Company. There are certain charges which are historic in nature and it involves practical challenges in obtaining no-objection certificates (NOCs) from the charge holders of such charges, despite repayment of the underlying loans. The Company is in the continuous process of filing the charge satisfaction e-form with MCA, within the timelines, as and when it receives NOCs from the respective charge holders.

(iv) The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities, which are in agreement with the books of account other than those as set out below.

(₹ crore)

Name of the Bank	Aggregate working capital limits sanctioned	Amount utilised during the quarter	Quarter ended	Amount disclosed as per quarterly return / statement	Amount as per books of account	Difference	Reason for variance*
State bank of India and consortium of banks#	**2,000.00**	**-**	**December 31, 2022**	**12,594.47**	**12,572.90**	**21.57**	Primarily inclusion of certain liabilities not forming part of creditors for goods.

(₹ crore)

Name of the Bank	Aggregate working capital limits sanctioned	Amount utilised during the quarter	Quarter ended	Amount disclosed as per quarterly return / statement	Amount as per books of account	Difference	Reason for variance*
State bank of India and consortium of banks#	2,000.00	-	June 30, 2021	6,973.00	6,409.24	563.76	Primarily inclusion of certain liabilities not forming part of creditors for goods.
	2,000.00	-	September 30, 2021	6,281.30	5,754.56	526.74	
	2,000.00	-	December 31, 2021	14,533.00	14,007.35	525.65	
	2,000.00	-	March 31, 2022	16,857.04	16,332.53	524.51	

* The above differences represents balance of creditors as at each reporting date.

Pari-passu charge is created on the Company's entire current assets namely stock of raw materials, finished goods, stocks-in-process, consumables stores and spares and book debts at its plant sites or anywhere else, in favour of the bank, by way of hypothecation.

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18. Borrowings (Contd.)

[Item No. IV(a)(i) and V(a)(i), Page F22]

(v) The details of major unsecured borrowings as at March 31, 2023 are as below:

(a) Non-Convertible Debentures

The details of debentures issued/redeemed by the Company are as below:

(i) 7.76% p.a. interest bearing 15,000 debentures of face value ₹10,00,000 each are redeemable at par on September 20, 2032.

(ii) 9.84% p.a. interest bearing 43,150 debentures of face value ₹10,00,000 each are redeemable at par in 4 equal annual instalments commencing from February 28, 2031.

(iii) 8.03% p.a. interest bearing 2,15,000 debentures of face value ₹1,00,000 each are redeemable at par on February 25, 2028.

(iv) 7.50% p.a. interest bearing 5,000 debentures of face value ₹10,00,000 each are redeemable at par on September 20, 2027.

(v) 8.15% p.a. interest bearing 10,000 debentures of face value ₹10,00,000 each are redeemable at par on October 1, 2026.

(vi) 7.70% p.a. interest bearing 6,700 debentures of face value ₹10,00,000 each are redeemable at par on March 13, 2025.

(vii) 7.95% p.a. interest bearing 5,000 debentures of face value ₹10,00,000 each are redeemable at par on October 30, 2023.

(viii) Repo rate plus 4.08% p.a. interest bearing 4,000 debentures of face value ₹10,00,000 each are redeemable at par on June 2, 2023.

(ix) 8.25% p.a. interest bearing 10,000 debentures of face value ₹10,00,000 each are redeemable at par on May 19, 2023.

(x) Repo rate plus 3.45% p.a. interest bearing 5,000 debentures of face value ₹10,00,000 each are redeemable at par on April 28, 2023.

(xi) Repo rate plus 3.30% p.a. interest bearing 10,000 debentures of face value ₹10,00,000 each are redeemable at par on April 27, 2023.

(xii) 7.85% p.a. interest bearing 5,100 debentures of face value ₹10,00,000 each are redeemable at par on April 21, 2023.

(xiii) 7.85% p.a. interest bearing 10,250 debentures of face value ₹10,00,000 each are redeemable at par on April 17, 2023.

(xiv) 2.00% p.a. interest bearing 15,000 debentures of face value ₹10,00,000 each has been redeemed at a premium of 85.03% of the face value during the year.

(b) Term loans from banks/financial institutions

The details of loans from banks and financial institutions availed/repaid by the Company are as below:

(i) Rupee loan amounting ₹**1,320.00** crore (March 31, 2022: ₹1,320.00 crore) is repayable in 3 semi-annual instalments, the next instalment is due on August 31, 2029.

(ii) Rupee loan amounting ₹**1,000.00** crore (March 31, 2022: Nil) is repayable on August 30, 2029.

(iii) Rupee loan amounting ₹**500.00** crore (March 31, 2022: Nil) is repayable on December 11, 2027

(iv) Rupee loan amounting ₹**100.00** crore (March 31, 2022: Nil) is repayable on December 8, 2027.

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18. Borrowings (Contd.)

[Item No. IV(a)(i) and V(a)(i), Page F22]

(v) Rupee loan amounting ₹**400.00** crore (March 31, 2022: Nil) is repayable on September 14, 2027.

(vi) Rupee loan amounting ₹**595.00** crore (March 31, 2022: ₹595.00 crore) is repayable in 4 semi-annual instalments, the next instalment is due on October 16, 2026.

(vii) Rupee loan amounting ₹**700.00** crore (March 31, 2022: Nil) is repayable in 8 annual instalments, the next instalment is due on August 11, 2025.

(viii) Rupee loan amounting ₹**520.00** crore (March 31, 2022: ₹520.00 crore) is repayable in 5 semi-annual instalments, the next instalment is due on June 30, 2025.

(ix) Rupee loan amounting ₹**500.00** crore (March 31, 2022: Nil) is repayable on June 24, 2024.

(x) Rupee loan amounting ₹**500.00** crore (March 31, 2022: Nil) is repayable on June 22, 2024.

(xi) Rupee loan amounting ₹**500.00** crore (March 31, 2022: Nil) is repayable on June 17, 2024.

(xii) Rupee loan amounting ₹**926.24** crore (March 31, 2022: ₹930.42 crore) is repayable in 14 semi-annual instalments, the next instalment is due on November 15, 2023.

(xiii) Rupee loan amounting ₹**300.00** crore (March 31, 2022: Nil) is repayable in 5 annual instalments, the next instalment is due on September 30, 2023.

(xiv) Rupee loan amounting ₹**396.00** crore (March 31, 2022: Nil) is repayable in 19 semi-annual instalments, the next instalment is due on September 30, 2023.

(xv) Rupee loan amounting ₹**700.00** crore (March 31, 2022: Nil) is repayable in 5 annual instalments, the next instalment is due on September 30, 2023.

(xvi) Rupee loan amounting ₹**594.00** crore (March 31, 2022: Nil) is repayable in 19 semi-annual instalments, the next instalment is due on September 30, 2023.

(xvii) Rupee loan amounting ₹**495.00** crore (March 31, 2022: Nil) is repayable in 19 semi-annual instalments, the next instalment is due on September 30, 2023.

(xviii) Rupee loan amounting ₹**990.00** crore (March 31, 2022: Nil) is repayable in 19 semi-annual instalments, the next instalment is due on September 30, 2023

(xix) USD 440 million equivalent to ₹**3,616.03** crore (March 31, 2022: USD 440.00 million equivalent to ₹3,335.09 crore) loan is repayable in 3 equal annual instalments commencing from September 11, 2023.

(xx) Rupee loan amounting ₹**495.00** crore (March 31, 2022: Nil) is repayable in 19 semi-annual instalments, the next instalment is due on September 7, 2023.

(xxi) Rupee loan amounting ₹**198.00** crore (March 31, 2022: Nil) is repayable in 19 semi-annual instalments, the next instalment is due on September 1, 2023.

(xxii) Rupee loan amounting ₹**544.50** crore (March 31, 2022: Nil) is repayable in 19 semi-annual instalments, the next instalment is due on September 1, 2023.

(xxiii) Rupee loan amounting ₹**990.00** crore (March 31, 2022: Nil) is repayable in 19 semi-annual instalments, the next instalment is due on June 30, 2023.

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forming part of the Financial Statements

18. Borrowings (Contd.)

[Item No. IV(a)(i) and V(a)(i), Page F22]

(xxiv) Rupee loan amounting ₹**1,500.00** crore (March 31, 2022: Nil) is repayable in 20 semi-annual instalments, the next instalment is due on June 30, 2023.

(xxv) Rupee loan amounting ₹**500.00** crore (March 31, 2022: Nil) is repayable in 20 semi-annual instalments, the next instalment is due on June 30, 2023.

(xxvi) Rupee loan amounting ₹**500.00** crore (March 31, 2022: Nil) is repayable in 20 semi-annual instalments, the next instalment is due on June 30, 2023

(xxvii) Euro 9.55 million equivalent to ₹80.37 crore as on March 31, 2022 due for repayment on April 30, 2022, had been fully repaid during the year.

(c) Commercial papers raised by the Company are short-term in nature ranging between eleven days to six months.

(vi) Currency and interest exposure of borrowings including current maturities is as below:

(₹ crore)

	As at March 31, 2023			As at March 31, 2022		
	Fixed rate	Floating rate	Total	Fixed rate	Floating rate	Total
INR	14,508.72	20,066.83	34,575.55	16,106.29	12,775.79	28,882.08
EURO	-	-	-	66.56	13.82	80.38
USD	-	3,603.46	3,603.46	-	3,313.01	3,313.01
Total	**14,508.72**	**23,670.29**	**38,179.01**	**16,172.85**	**16,102.62**	**32,275.47**

INR-Indian Rupees, USD-United States Dollars.

(vii) Majority of floating rate borrowings are bank/financial institution borrowings and debentures bearing interest rates based on Marginal Cost of Lending Rate (MCLR), Repo rate and LIBOR. Of the total floating rate borrowings as at March 31, 2023, ₹**3,616.03** crore (March 31, 2022: ₹3,335.09 crore) has been hedged using cross currency swaps and interest rate swaps, with contracts covering period of more than one year.

(viii) Maturity profile of borrowings including current maturities is as below:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Not later than one year or on demand	7,302.54	11,984.74
Later than one year but not two years	3,582.84	6,064.62
Later than two years but not three years	1,614.34	1,844.20
Later than three years but not four years	1,609.00	1,361.70
Later than four years but not five years	5,316.00	1,450.00
More than five years	18,779.68	9,614.29
	38,204.40	**32,319.55**
Less: Capitalisation of transaction costs	25.39	44.08
	38,179.01	**32,275.47**

(ix) Some of the Company's major financing arrangements include financial covenants, which require compliance to certain debt-equity and debt coverage ratios. Additionally, certain negative covenants may limit the Company's ability to borrow additional funds or to incur additional liens, and/or provide for increased costs in case of breach.

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19. Other financial liabilities

[Item No. IV(a)(iv) and V(a)(v), Page F22]]

A. Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Creditors for other liabilities	928.81	883.23
	928.81	**883.23**

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Interest accrued but not due	748.40	568.98
(b) Unclaimed dividends	84.45	68.82
(c) Creditors for other liabilities	4,973.30	4,499.74
	5,806.15	**5,137.54**

(i) Non-current and current creditors for other liabilities include:

(a) creditors for capital supplies and services ₹**2,195.70** crore (March 31, 2022: ₹2,136.65 crore).

(b) liability for employee family benefit scheme ₹**243.37** crore (March 31, 2022: ₹227.43 crore).

(c) liability for family protection scheme ₹**194.83** crore (March 31, 2022: ₹202.46 crore).

(d) rebate liabilities arising from volume and price discounts ₹**1,328.47** crore (March 31, 2022: ₹1,214.76 crore).

20. Provisions

[Item No. IV(b) and V(b), Page F22]

A. Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Employee benefits	2,026.86	2,192.59
(b) Others	528.39	492.41
	2,555.25	**2,685.00**

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Employee benefits	296.04	298.03
(b) Others	784.90	784.39
	1,080.94	**1,082.42**

(i) Non-current and current provision for employee benefits include provision for leave salaries ₹**1,202.70** crore (March 31, 2022: ₹1,228.46 crore) and provision for early separation scheme ₹**1,101.22** crore (March 31, 2022: ₹1,245.08 crore).

NOTES
forming part of the Financial Statements

20. Provisions (Contd.)
[Item No. IV(b) and V(b), Page F22]

(ii) As per the leave policy of the Company, an employee is entitled to be paid the accumulated leave balance on separation. The Company presents provision for leave salaries as current and non-current based on actuarial valuation considering estimates of availment of leave, separation of employee etc.

(iii) Non-current and current other provisions include:

(a) provision for compensatory afforestation, mine closure and rehabilitation obligations ₹**1,265.96** crore (March 31, 2022: ₹1,229.47 crore). These amounts become payable upon closure of the mines and are expected to be incurred over a period of 1 to 44 years.

(b) provision for expected obligations in respect of a loss-making subsidiary ₹**47.33** crore (March 31, 2022: ₹47.33 crore). The same is expected to be settled within one year from the reporting date.

(iv) The details of movement in other provisions is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	1,276.80	1,247.73
Recognised/(released) during the year [(a)]	37.09	33.13
Utilised during the year	(0.60)	(4.06)
Balance at the end of the year	**1,313.29**	**1,276.80**

(a) includes provisions capitalised during the year in respect of restoration obligations.

21. Retirement benefit obligations
[Item No. IV(c) and V(c), Page F22]

A. Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Retiring gratuities	302.98	399.37
(b) Post-retirement medical benefits	1,384.08	1,586.09
(c) Other defined benefits	292.27	330.45
	1,979.33	**2,315.91**

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Post-retirement medical benefits	84.28	94.15
(b) Other defined benefits	25.23	20.84
	109.51	**114.99**

(i) Detailed disclosure in respect of post-retirement defined benefit schemes is provided in note 34, page F92.

(ii) Other defined benefits include post-retirement lumpsum benefits, long service awards, packing and transportation, farewell gifts, etc.

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forming part of the Financial Statements

22. Deferred income

[Item No. IV(d) and V(d), Page F22]

A. Non-Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Other deferred income	0.35	0.74
	0.35	**0.74**

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Other deferred income	9.81	67.84
	9.81	**67.84**

23. Other liabilities

[Item No. IV(f) and V(f), Page F22]

A. Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Advances received from customers	2,146.11	3,562.63
(b) Statutory dues	24.85	22.33
(c) Other credit balances	1,707.54	1,302.33
	3,878.50	**4,887.29**

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Advances received from customers	2,914.90	2,858.42
(b) Employee recoveries and employer contributions	29.34	29.19
(c) Statutory dues	8,781.52	9,615.32
	11,725.76	**12,502.93**

(i) Non-current and current advance from customer includes an interest-bearing advance of ₹**3,811.90** crore (March 31, 2022: ₹4,972.83 crore) which would be adjusted over a period of 3 years against export of steel products. Amount of revenue recognised for the year ended March 31, 2023 in respect of such advances outstanding at the beginning of the year is ₹**1,543.07** crore (2021-22: ₹1,528.92 crore). Out of the amount outstanding, ₹**1,665.79** crore (March 31, 2023: ₹1,410.20 crore) is expected to be adjusted by March 31, 2024 and the balance thereafter.

(ii) Statutory dues primarily relate to payables in respect of GST, excise duty, service tax, sales tax, electricity duty, water tax, VAT, tax deducted at source and royalties.

(iii) Other credit balances includes GST compensation cess and interest thereon amounting to ₹**1,678.33** crore (March 31, 2022: ₹1,274.11 crore).

NOTES

forming part of the Financial Statements

24. Trade payables

[Item No. V(a)(iii), Page F22]

A. Total outstanding dues of micro and small enterprises

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Dues of micro and small enterprises	791.87	678.20
	791.87	**678.20**

B. Total outstanding dues of creditors other than micro and small enterprises

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Creditors for supplies and services	15,630.33	18,803.15
(b) Creditors for accrued wages and salaries	1,660.20	1,609.79
	17,290.53	**20,412.94**

(i) Amount due to micro and small enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to micro and small enterprises is as below:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(i) Principal amount remaining unpaid to supplier at the end of the year *	944.40	955.31
(ii) Interest due thereon remaining unpaid to supplier at the end of the year	6.20	1.31
(iii) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	27.83	22.38
(iv) Amount of interest accrued and remaining unpaid at the end of the year	34.03	23.69

* Includes dues of micro, small and medium enterprises (MSME) included within other financial liabilities.

(ii) Ageing schedule of trade payable is as below:

As at March 31, 2023

(₹ crore)

	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - MSME	727.64	34.99	-	-	-	762.63
Undisputed dues - Others	12,291.47	1,741.38	154.35	32.07	25.72	14,244.99
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	0.14	-	18.03	18.17
	13,019.11	**1,776.37**	**154.49**	**32.07**	**43.75**	**15,025.79**
Add: Unbilled dues*						3,056.61
Total trade payables						**18,082.40**

* Includes dues of micro, small and medium enterprises of ₹29.24 crore.

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forming part of the Financial Statements

24. Trade payables (Contd.)

[Item No. V(a)(iii), Page F22]

As at March 31, 2022

(₹ crore)

	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - MSME	574.22	45.70	-	-	-	619.92
Undisputed dues - Others	15,862.03	2,184.68	37.37	25.54	42.19	18,151.81
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	0.14	-	0.65	17.34	18.13
	16,436.25	**2,230.52**	**37.37**	**26.19**	**59.53**	**18,789.86**
Add: Unbilled dues*						2,301.28
Total trade payables						**21,091.14**

* Includes dues of micro, small and medium enterprises of ₹58.28 crore.

25. Revenue from operations

[Item No. I, Page F23]

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Sale of products	1,25,564.59	1,26,070.07
(b) Sale of power and water	1,901.93	1,611.33
(c) Other operating revenues(ii)	1,540.10	1,339.95
	1,29,006.62	**1,29,021.35**

(i) Revenue from contracts with customers disaggregated on the basis of geographical region and major businesses are as below:

(₹ crore)

	Year ended March 31, 2023		
	India	Outside India	Total
(a) Steel	1,16,072.94	9,013.70	1,25,086.64
(b) Power and water	1,901.93	-	1,901.93
(c) Others	439.43	38.52	477.95
	1,18,414.30	**9,052.22**	**1,27,466.52**

(₹ crore)

	Year ended March 31, 2022		
	India	Outside India	Total
(a) Steel	1,08,086.59	17,085.40	1,25,171.99
(b) Power and water	1,611.33	-	1,611.33
(c) Others	495.46	402.62	898.08
	1,10,193.38	**17,488.02**	**1,27,681.40**

(ii) Other operating revenues include income from export and other incentive schemes.

(iii) There are no significant adjustment between the contracted price and revenue recognised.

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forming part of the Financial Statements

26. Other income
[Item No. II, Page F23]

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Dividend income	285.38	243.92
(b) Interest income	2,720.71	943.00
(c) Net gain/(loss) on sale/fair value changes of mutual funds	132.15	182.57
(d) Gain/(loss) on sale of property, plant and equipment including intangible assets (net of loss on assets scrapped/written off)	(68.00)	17.28
(e) Gain/(loss) on cancellation of forwards, swaps and options	247.03	34.09
(f) Other miscellaneous income	8.21	31.16
	3,325.48	**1,452.02**

(i) Dividend income includes income from investments carried at fair value through other comprehensive income ₹**23.62** crore (2021-22: ₹20.39 crore).

(ii) Interest income represents income on financial assets carried at amortised cost ₹**2,720.71** crore (2021-22: ₹943.00 crore).

27. Changes in inventories of finished and semi-finished goods, stock-in-trade and work-in-progress
[Item No. IV(c), Page F23]

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Inventories at the end of the year		
(a) Finished and semi-finished goods	7,818.92	6,700.41
(b) Stock-in-trade	54.33	30.78
	7,873.25	**6,731.19**
Inventories at the beginning of the year		
(a) Finished and semi-finished goods	6,700.41	4,884.56
(b) Stock-in-trade	30.78	25.76
	6,731.19	**4,910.32**
Increase/(decrease)	**1,142.06**	**1,820.87**

NOTES
forming part of the Financial Statements

28. Employee benefits expense

[Item No. IV(d), Page F23]

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Salaries and wages	5,583.53	5,390.41
(b) Contribution to provident and other funds	568.98	550.29
(c) Staff welfare expenses	463.78	425.10
	6,616.29	**6,365.80**

(i) During the year ended March 31, 2023, the Company has recognised an amount of ₹**37.82** crore (2021-22: ₹40.52 crore) as remuneration to key managerial personnel. The details of such remuneration are as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Short-term employee benefits	32.88	34.67
(b) Post-employment benefits	4.88	5.85
(c) Other long-term employee benefits	0.06	-
	37.82	**40.52**

29. Finance costs

Item No. IV(e), Page F23]

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense on:		
(a) Debentures, bank borrowings and others	3,583.23	2,446.76
(b) Lease Obligation	490.86	515.30
	4,074.09	**2,962.06**
Less: Interest capitalised	281.95	169.98
	3,792.14	**2,792.08**

(i) Interest expense includes interest on income tax ₹**27.57** crore (2021-22: Nil).

30. Depreciation and amortisation expense

[Item No. IV(f), Page F23]

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Depreciation on property, plant and equipment	4,835.07	4,863.26
(b) Depreciation on right-of-use assets	511.09	506.60
(c) Amortisation of intangible assets	88.45	93.83
	5,434.61	**5,463.69**

NOTES
forming part of the Financial Statements

31. Other expenses
[Item No. IV(g), Page F23]

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Consumption of stores and spares	9,658.29	6,960.39
(b) Repairs to buildings	41.62	46.56
(c) Repairs to machinery	4,956.10	3,973.15
(d) Relining expenses	232.30	204.09
(e) Fuel oil consumed	530.15	377.29
(f) Purchase of power	5,345.54	4,286.40
(g) Conversion charges	2,270.35	1,797.50
(h) Freight and handling charges	6,606.15	6,631.96
(i) Rent	88.09	85.51
(j) Royalty	3,783.07	5,506.30
(k) Rates and taxes	1,520.26	2,065.74
(l) Insurance charges	228.27	202.87
(m) Commission, discounts and rebates	290.04	288.33
(n) Allowance for credit losses/provision for advances	(6.16)	63.04
(o) Others	3,326.89	3,969.52
	38,870.96	**36,458.65**

(i) Others include: net foreign exchange gain ₹**1,874.67** crore (2021-22: ₹724.84 crore).

(ii) During the year ended March 31, 2023, the Company has recognised an amount of ₹**9.65** crore (2021-22: ₹9.76 crore) towards payment to non-executive directors. The details are as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Short-term benefits	9.20	9.30
(b) Sitting fees	0.45	0.46
	9.65	**9.76**

(iii) Details of auditors' remuneration and out-of-pocket expenses is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Auditors remuneration and out-of-pocket expenses		
(i) Statutory audit fees	9.05	9.24
(ii) Tax audit fees	0.95	0.60
(iii) For other services	0.77	0.27
(iv) Out-of-pocket expenses	0.20	-
(b) Cost audit fees [including out of pocket expenses ₹**7,600** (2021-22 : ₹12,000)]	0.27	0.20

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31. Other expenses (Contd.)

[Item No. IV(g), Page F23]

(iv) As per the Companies Act, 2013, amount required to be spent by the Company on Corporate Social Responsibility (CSR) activities during the year was ₹**456.92** crore (2021-22: ₹266.57 crore).

During the year ended March 31, 2023 amount approved by the Board to be spent on CSR activities was ₹**481.60** crore (2021-22: ₹526.00 crore).

During the year ended March 31, 2023, in respect of CSR activities revenue expenditure incurred by the Company amounted to ₹**480.62** crore [₹**476.39** crore has been paid in cash and ₹**4.23** crore is yet to be paid]. The amount spent relates to purpose other than construction or acquisition of any asset and out of the above, ₹**316.41** crore was spent on ongoing projects during the year. There was no amount unspent for the year ended March 31, 2023 and the Company does not propose to carry forward any amount spent beyond the statutory requirement.

During the year ended March 31, 2022, revenue expenditure incurred by the Company amounted to ₹405.97 crore [₹398.11 crore has been paid in cash and ₹7.86 crore is yet to be paid], which included ₹167.21 crore spent on ongoing projects. There was no amount unspent for year ended March 31, 2022.

During the year ended March 31, 2023, amount spent on CSR activities through related parties was ₹**435.16** crore (2021-22: ₹309.42 crore).

(v) During the year ended March 31, 2023, revenue expenditure charged to the statement of profit and loss in respect of research and development activities undertaken was ₹**270.65** crore (2021-22: ₹212.44 crore) including depreciation of ₹**8.97** crore (2021-22: ₹9.24 crore). Capital expenditure incurred in respect of research and development activities during the year was ₹**4.27** crore (2021-22: ₹0.74 crore).

32. Exceptional items

[Item No. VI, Page F23]

Exceptional items are those which are considered for separate disclosure in the financial statements considering their size, nature or incidence. Such items included the statement of profit and loss are as below:

(a) Profit/(loss) on sale of non-current investments ₹**338.56** crore (2021-22: ₹343.68 crore) relates to profit recognised on sale of investments in an erstwhile wholly owned subsidiary to a wholly owned subsidiary of the Company.

(b) Provision for impairment of investments/doubtful advances ₹**1,056.39** crore (2021-22: ₹93.22 crore) relates to provision recognised for investment in a wholly owned subsidiary and an associate net of reversal of provision for loan given to an associate and investment in an erstwhile wholly owned subsidiary.

(c) Employee separation compensation ₹**91.94** crore (2021-22: ₹330.81 crore) relates to provisions recognised in respect of employee separation scheme of employees.

(d) During the year ended March 31, 2022, restructuring and other provisions ₹204.84 crore represents provision recognised under family protection scheme for dependents of employees who lost their lives due to COVID-19.

(e) Gain/(loss) on non-current investments classified as fair value through profit and loss ₹**30.99** crore (2021-22: ₹49.74 crore) primarily represents gain on investments in preference shares held in an associate.

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33. Earnings per share

[Item No. XII, Page F23]

The following table reflects the profit and shares data used in the computation of basic and diluted earnings per share (EPS).

(₹ crore)

		Year ended March 31, 2023	Year ended March 31, 2022
(a)	Profit for the year	15,495.11	33,011.18
	Less: Distribution on hybrid perpetual securities (net of tax)	-	1.09
	Profit attributable to Ordinary shareholders- for basic and diluted EPS	**15,495.11**	**33,010.09**
		Nos.	Nos.
(b)	Weighted average number of Ordinary Shares for basic EPS	12,22,17,82,062	12,02,87,52,820
	Add: Adjustment relating to merger(i) (ii)	-	18,21,03,050
	Total weighted average number of Ordinary Shares for basic EPS	**12,22,17,82,062**	**12,21,08,55,870**
	Add: Adjustment for shares held in abeyance and un-called portion on partly paid-up shares	37,16,120	94,30,740
	Weighted average number of Ordinary Shares and potential Ordinary Shares for diluted EPS	**12,22,54,98,182**	**12,22,02,86,610**
(c)	Nominal value of Ordinary Share (₹)	1.00	1.00
(d)	Basic earnings per Ordinary Share (₹)(ii)	12.68	27.03
(e)	Diluted earnings per Ordinary Share (₹)(ii)	12.67	27.01

(i) On November 23, 2021, the Board of Directors of the Company approved allotment of 1,82,23,805 fully paid-up equity shares of the Company, of face value 10/- each, to eligible shareholders of Tata Steel BSL Limited (formerly Bhushan Steel Limited) ("TSBSL") consequent to the approval of the scheme of merger of Bamnipal Steel Limited and TSBSL into the Company by National Company Law Tribunal (NCLT) through its order dated October 29, 2021.

(ii) The basic and diluted EPS for the prior year have been restated considering the face value of ₹1/- each in accordance with Ind AS 33 – "Earnings per Share" on account of sub-division of the Ordinary (equity) Shares of face value ₹10/- each into Ordinary (equity) Shares of face value of ₹1/- each (refer note 15(ii)(a), page F70).

34. Employee benefits

A. Defined contribution plans

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by the Company at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period.

The major defined contribution plans operated by the Company are as below:

(a) Provident fund and pension

The Company provides provident fund benefits for eligible employees as per applicable regulations wherein both employees and the Company make monthly contributions at a specified percentage of the eligible employee's salary. Contributions under such schemes are made either to a provident fund set up as an irrevocable trust by the Company to manage the investments and distribute the amounts entitled to employees or to state managed funds.

Benefits provided under plans wherein contributions are made to state managed funds and the Company does not have a future obligation to make good short fall if any, are treated as a defined contribution plan.

NOTES
forming part of the Financial Statements

34. Employee benefits (Contd.)

(b) Superannuation fund

The Company has a superannuation plan for the benefit of its employees. Employees who are members of the superannuation plan are entitled to benefits depending on the years of service and salary drawn.

Separate irrevocable trusts are maintained for employees covered and entitled to benefits. The Company contributes up to 15% of the eligible employees' salary or ₹1,50,000, whichever is lower, to the trust every year. Such contributions are recognised as an expense as and when incurred. The Company does not have any further obligation beyond this contribution.

The contributions recognised as an expense in the statement of profit and loss during the year on account of the above defined contribution plans amounted to ₹**184.31** crore (2021-22: ₹169.61 crore).

B. Defined benefit plans

The defined benefit plans operated by the Company are as below:

(a) Provident fund and pension

Provident fund benefits provided under plans wherein contributions are made to an irrevocable trust set up by the Company to manage the investments and distribute the amounts entitled to employees are treated as a defined benefit plan as the Company is obligated to provide the members a rate of return which should, at the minimum, meet the interest rate declared by Government administered provident fund. A part of the Company's contribution is transferred to Government administered pension fund. The contributions made by the Company and the shortfall of interest, if any, are recognised as an expense in profit and loss under employee benefits expense.

In accordance with an actuarial valuation of provident fund liabilities based on guidance issued by Actuarial Society of India and based on the assumptions as mentioned below, there is no deficiency in the interest cost as the present value of the expected future earnings of the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest of Government administered provident fund.

Key assumptions used for actuarial valuation are as below:

	Year ended March 31, 2023	Year ended March 31, 2022
Discount rate	7.25%	7.00%
Guaranteed rate of return	8.15%	8.10%
Expected rate of return on investment	8.15%	8.00%

(b) Retiring gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees as per The Payment of Gratuity Act, 1972. The plan provides for a lump- sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity funds established as trusts or insurance companies. The Company accounts for the liability for gratuity benefits payable in the future based on a year-end actuarial valuation.

34. Employee benefits (Contd.)

(c) Post-retirement medical benefits

Under this unfunded scheme, employees of the Company receive medical benefits subject to certain limits on amounts of benefits, periods after retirement and types of benefits, depending on their grade and location at the time of retirement. Employees separated from the Company under an early separation scheme, on medical grounds or due to permanent disablement are also covered under the scheme. The Company accounts for the liability for post-retirement medical scheme based on a year-end actuarial valuation.

(d) Other defined benefits

Other benefits provided under unfunded schemes include post-retirement lumpsum benefits, pension payable to directors of the Company on their retirement, farewell gifts and reimbursement of packing and transportation charges to the employees based on their last drawn salary.

The defined benefit plans expose the Company to a number of actuarial risks as below:

(i) **Investment risk:** The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields. If the return on plan asset is below this rate, it will create a plan deficit.

(ii) **Interest risk:** A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the value of plan's debt investments.

(iii) **Salary risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

(iv) **Longevity risk:** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

C. Details of defined benefit obligations and plan assets:

(a) Retiring gratuity:

(i) The following table sets out the amounts recognised in the financial statements in respect of retiring gratuity plan:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Change in defined benefit obligations:		
Obligation at the beginning of the year	2,894.87	2,940.64
Current service cost	161.21	159.58
Interest costs	187.13	174.52
Remeasurement (gain)/loss	12.41	(41.04)
Benefits paid	(287.39)	(338.83)
Obligation at the end of the year	**2,968.23**	**2,894.87**

NOTES
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34. Employee benefits (Contd.)

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Change in plan assets:		
Fair value of plan assets at the beginning of the year	2,495.50	2,608.99
Interest income	174.69	160.11
Remeasurement gain/(loss) excluding amount included within employee benefit expense	(5.11)	8.51
Employers' contribution	287.56	56.72
Benefits paid	(287.39)	(338.83)
Fair value of plan assets at the end of the year	**2,665.25**	**2,495.50**

Amounts recognised in the balance sheet consist of:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets	2,665.25	2,495.50
Present value of obligation	(2,968.23)	(2,894.87)
	(302.98)	**(399.37)**
Recognised as:		
Retirement benefit obligations - Non-current	(302.98)	(399.37)

Expense/(gain) recognised in the statement of profit and loss consists of:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Employee benefits expense:		
Current service cost	161.21	159.58
Net interest expense	12.44	14.41
	173.65	**173.99**
Other comprehensive income:		
Return on plan assets excluding amount included in employee benefits expense	5.11	(8.51)
Actuarial (gain)/loss arising from changes in demographic assumption	-	1.74
Actuarial (gain)/loss arising from changes in financial assumption	(58.85)	(60.72)
Actuarial (gain)/loss arising from changes in experience adjustments	71.26	17.94
	17.52	**(49.55)**
Expense/(gain) recognised in the statement of profit and loss	**191.17**	**124.44**

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forming part of the Financial Statements

34. Employee benefits (Contd.)

(ii) Fair value of plan assets by category of investment is as below:

	As at March 31, 2023	As at March 31, 2022
Assets category (%)		
Equity instruments (quoted)	2.20%	1.08%
Debt instruments (quoted)	31.07%	24.47%
Insurance products (unquoted)	66.73%	74.45%
	100.00%	**100.00%**

The Company's investment policy is driven by considerations of maximising returns while ensuring credit quality of debt instruments. The asset allocation for plan assets is determined based on prescribed investment criteria and is also subject to other exposure limitations. The Company evaluates the risks, transaction costs and liquidity for potential investments. To measure plan assets performance, the Company compares actual returns for each asset category with published benchmarks.

(iii) Key assumptions used in the measurement of retiring gratuity are as below:

	As at March 31, 2023	As at March 31, 2022
Discount rate	7.25%	7.00%
Rate of escalation in salary	7.00% to 10.50%	7.00% to 10.50%

(iv) Weighted average duration of the retiring gratuity obligation is **8.10** years (March 31, 2022: 8.00 years).

(v) The Company expects to contribute ₹**302.98** crore to the plan during the financial year 2023-24.

(vi) The table below outlines the effect on retiring gratuity obligation in the event of a decrease/increase of 1% in the assumptions used.

As at March 31, 2023

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹**215.04** crore, increase by ₹**249.32** crore
Rate of escalation in salary	Increase by 1%, decrease by 1%	Increase by ₹**244.12** crore, decrease by ₹**214.85** crore

As at March 31, 2022

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹213.73 crore, increase by ₹247.90 crore
Rate of escalation in salary	Increase by 1%, decrease by 1%	Increase by ₹242.26 crore, decrease by ₹213.19 crore

The above sensitivities may not be representative of the actual change as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

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34. Employee benefits (Contd.)

(b) Post-retirement medical benefits and other defined benefits:

(i) The following table sets out the amounts recognised in the financial statements in respect of post-retirement medical benefits and other defined benefit plans.

(₹ crore)

	Year ended March 31, 2023		Year ended March 31, 2022	
	Medical	Others	Medical	Others
Change in defined benefit obligation:				
Obligation at the beginning of the year	1,680.24	351.29	1,630.52	298.38
Current service cost	23.85	12.59	25.53	23.63
Interest cost	115.19	22.76	103.59	18.13
Remeasurement (gain)/loss				
(i) Actuarial (gains)/losses arising from changes in demographic assumptions	-	-	233.65	15.29
(ii) Actuarial (gains)/losses arising from changes in financial assumptions	(56.42)	(5.94)	(137.69)	(14.06)
(iii) Actuarial (gains)/losses arising from changes in experience adjustments	(225.20)	(11.00)	(101.75)	46.54
Benefits paid	(69.30)	(52.20)	(73.61)	(39.48)
Past service cost	-	-	-	2.86
Obligation at the end of the year	**1,468.36**	**317.50**	**1,680.24**	**351.29**

Amounts recognised in the balance sheet consist of:

(₹ crore)

	As at March 31, 2023		As at March 31, 2022	
	Medical	Others	Medical	Others
Present value of obligation	(1,468.36)	(317.50)	(1,680.24)	(351.29)
Recognised as:				
Retirement benefit obligations - Current	(84.28)	(25.23)	(94.15)	(20.84)
Retirement benefit obligations - Non-current	(1,384.08)	(292.27)	(1,586.09)	(330.45)

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forming part of the Financial Statements

34. Employee benefits (Contd.)

Expense/(gain) recognised in the statement of profit and loss consists of:

(₹ crore)

	Year ended March 31, 2023		Year ended March 31, 2022	
	Medical	Others	Medical	Others
Employee benefits expense:				
Current service cost	23.85	12.59	25.53	23.63
Past service cost	-	-	-	2.86
Net interest expense	115.19	22.76	103.59	18.13
	139.04	**35.35**	**129.12**	**44.62**
Other comprehensive income:				
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-	233.65	15.29
Actuarial (gains)/losses arising from changes in financial assumption	(56.42)	(5.94)	(137.69)	(14.06)
Actuarial (gains)/losses arising from changes in experience adjustments	(225.20)	(11.00)	(101.75)	46.54
	(281.62)	**(16.94)**	**(5.79)**	**47.77**
Expense recognised in the statement of profit and loss	**(142.58)**	**18.41**	**123.33**	**92.39**

(ii) Key assumptions used in the measurement of post-retirement medical benefits and other defined benefit plans is as below:

	As at March 31, 2023		As at March 31, 2022	
	Medical	Others	Medical	Others
Discount rate	7.25%	7.25%	7.00%	7.00%
Rate of escalation in salary	N.A	15.00%	N.A	15.00%
Inflation rate	8.00%	5.00%	8.00%	5.00%

(iii) Weighted average duration of post-retirement medical benefit obligation is **9.00** years (March 31, 2022: 9.00 years). Weighted average duration of other defined benefit obligation ranges from **1.9 to 15** years (March 31, 2022: 2.4 to 16 years)

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forming part of the Financial Statements

34. Employee benefits (Contd.)

(iv) The table below outlines the effect on post-retirement medical benefit obligation in the event of a decrease/increase of 1% in the assumptions used:

As at March 31, 2023

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹**194.08** crore, increase by ₹**249.19** crore
Rate of escalation in salary	Increase by 1%, decrease by 1%	Increase by ₹**232.27** crore, decrease by ₹**184.90** crore

As at March 31, 2022

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹228.47 crore, increase by ₹294.78 crore
Rate of escalation in salary	Increase by 1%, decrease by 1%	Increase by ₹274.38 crore, decrease by ₹217.56 crore

(v) The table below outlines the effect on other defined benefit obligation in the event of a decrease/increase of 1 % in the assumptions used.

As at March 31, 2023

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹**21.24** crore, increase by ₹**25.53** crore
Rate of escalation in salary	Increase by 1%, decrease by 1%	Increase by ₹**6.20** crore, decrease by ₹**5.79** crore
Inflation rate	Increase by 1%, decrease by 1%	Increase by ₹**13.39** crore, decrease by ₹**11.59** crore

As at March 31, 2022

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹24.49 crore, increase by ₹29.56 crore
Rate of escalation in salary	Increase by 1%, decrease by 1%	Increase by ₹7.50 crore, decrease by ₹6.95 crore
Inflation rate	Increase by 1%, decrease by 1%	Increase by ₹14.50 crore, decrease by ₹12.53 crore

The above sensitivities may not be representative of the actual change as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

35. Contingencies and commitments

A. Contingencies

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an on-going basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

It is not practicable for the Company to estimate the timings of the cash outflows, if any, pending resolution of the respective proceedings. The Company does not expect any reimbursements in respect of the same.

Litigations

The Company is involved in legal proceedings, both as plaintiff and as defendant. There are claims which the Company does not believe to be of a material nature, other than those described below:

Income tax

The Company has ongoing disputes with income tax authorities relating to tax treatment of certain items. These mainly include disallowance of expenses, tax treatment of certain expenses claimed by the Company as deduction and the computation of or eligibility of the Company's use of certain tax incentives or allowances.

Most of these disputes and/or disallowances, being repetitive in nature, have been raised by the income tax authorities consistently in most of the years.

As at March 31, 2023, there are matters and/or disputes pending in appeal amounting to ₹**3,552.39** crore (March 31, 2022: ₹3,544.68 crore).

The details of significant demands are as below:

(a) Interest expenditure on loans taken by the Company for acquisition of a subsidiary has been disallowed in assessments with tax demand raised for ₹**1,641.64** crore (inclusive of interest) (March 31, 2022: ₹1,641.64 crore).

(b) Interest expenditure on "Hybrid Perpetual Securities" has been disallowed in assessments with tax demand raised for ₹**484.78** crore (inclusive of interest) (March 31, 2022: ₹484.78 crore)

In respect of above demands, the Company has deposited an amount of ₹**1,255.63** crore (March 31, 2022: ₹1,255.63 crore) as a precondition for obtaining stay. The Company expects to sustain its position on ultimate resolution of the said appeals.

Customs, excise duty, service tax and goods and service tax

As at March 31, 2023, there were pending litigations for various matters relating to customs, excise duty, service tax and GST involving demands of ₹**379.61** crore (March 31, 2022: ₹310.63 crore).

Sales tax /VAT

The total sales tax demands that are being contested by the Company amounted to ₹**716.71** crore (March 31, 2022: ₹776.08 crore).

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35. Contingencies and commitments (Contd.)

The detail of significant demand is as below:

(a) The Company stock transfers its goods manufactured at Jamshedpur works plant to its various depots/branches located outside the state of Jharkhand across the country and these goods are then sold to various customers outside the states from depots/branches. As per the erstwhile Central Sales Tax Act, 1956, these transfers of goods to depots/branches were made without payment of Central sales tax and F-Form was submitted in lieu of the stock-transfers made during the period of assessment. The value of these sales was also disclosed in the periodical returns filed as per the Jharkhand Vat Act, 2005. The Commercial Tax Department has raised demand of Central Sales tax by levying tax on the differences between value of sales outside the states and value of F-Form submitted for stock transfers. The tax amount involved for assessment years 2011-12, 2012-13, 2014-15, 2016-17 and 2017-18 as on March 31, 2023 is amounting to ₹**200.00** crore (March 31, 2022: ₹142.00 crore).

Other taxes, dues and claims

Other amounts for which the Company may contingently be liable aggregate to ₹**18,184.13** crore (March 31, 2022: ₹15,790.08 crore).

The details of significant demands are as below:

(a) Claim by a party arising out of conversion arrangement **Nil** (March 31, 2022: ₹195.79 crore). As on March 31, 2022, the Company had not acknowledged this claim and had instead filed a claim of ₹**141.23** crore (March 31, 2022: ₹141.23 crore) on the party. The matter has been settled in accordance with the terms of Settlement Agreement dated 31 October 2022 wherein TSL agreed to pay a sum of ₹42.36 crore to Indian Metal & Ferro Alloys Limited.

(b) The State Government of Odisha introduced "Orissa Rural Infrastructure and Socio Economic Development Act, 2004" with effect from February 2005 levying tax on mineral bearing land computed on the basis of value of minerals produced from the mineral bearing land. The Company had filed a writ petition in the Odisha High Court challenging the validity of the Act. The High Court held in December 2005 that the State does not have authority to levy tax on minerals. The State of Odisha filed an appeal in the Supreme Court against the order of the High Court and the case is pending in Supreme Court. The potential liability, as at March 31, 2023 is ₹**13,084.69** crore (March 31, 2022: ₹11,023.93 crore).

(c) The Company pays royalty on iron ore on the basis of quantity removed from the leased area at the rates based on notification issued by the Ministry of Mines, Government of India and the price published by Indian Bureau of Mines (IBM) on a monthly basis.

Demand of ₹411.08 crore has been raised by Deputy Director of Mines, Joda, claiming royalty at sized ore rates on despatches of ore fines. The Company has filed a revision petition on November 14, 2013 before the Mines Tribunal, Government of India, Ministry of Mines, New Delhi, challenging the legality and validity of the demand raised and also to grant refund of royalty excess paid by the Company. Mines tribunal vide its order dated November 13, 2014 has stayed the demand of royalty on iron ore for Joda east of ₹314.28 crore upto the period ending March 31, 2014. For the demand of ₹96.80 crore for April, 2014 to September, 2014, a separate revision application was filed before Mines Tribunal. The matter was heard by Mines Tribunal on July 14, 2015 and stay was granted on the total demand with directive to Government of Odisha not to take any coercive action for realisation of the demanded amount.

35. Contingencies and commitments (Contd.)

The Hon'ble High Court of Odisha in a similar matter held the circulars based on which demands were raised to be valid. The Company has challenged the judgment of the High Court by a separate petition in the Hon'ble Supreme Court on April 29, 2016.

On July 16, 2019, the Company has filed rejoinders to the reply filed by State of Odisha against the revision petition. The State pressed for rejection of revision applications citing the judgment of the High Court. The Company represented before the authorities and explained that the judgment was passed under a particular set of facts and circumstances which cannot have blanket application on the Company considering the case of the Company is factually different. On August 7, 2019, the Mines Tribunal decided to await the outcome of Special leave petition pending before the Hon'ble Supreme Court and adjourned the matter.

RAs of TSL was listed on June 10, 2020 for virtual hearing. Hearing was adjourned to November 24, 2020. On November 24, 2020 our Counsel submitted that the present issue is pending before the Hon'ble Supreme Court of India in SLP (C) No. 7206 of 2016, M/s Mideast Integrated Steel Pvt. Ltd. Vs. State of Odisha & Ors. and hence, sought adjournment. State Counsel also agreed for the same.

On October 26, 2022, assessment order (for the period April, 2022 to September, 2022) was served, confirming that royalty will be paid for Calibrated Lump Ore and Fines at their respective prices published by IBM w.e.f. April, 2022.

Likely demand of royalty on fines at sized ore rates as on March 31, 2023 is ₹**2,696.58** crore (March 31, 2022: ₹2,859.97 crore).

(d) Demand notices were originally issued by the Deputy Director of Mines, Odisha amounting to ₹3,827.29 crore for excess production over the quantity permitted under the mining plan, environment clearance or consent to operate, pertaining to 2000-01 to 2009-10. The demand notices have been raised under Section 21(5) of the Mines & Minerals (Development and Regulations) Act, 1957 (MMDR). The Company filed revision petitions before the Mines Tribunal against all such demand notices. Initially, a stay of demands was granted, later by order dated October 12, 2017, the issue has been remanded to the state for reconsideration of the demand in the light of Supreme Court judgement passed on August 2, 2017.

The Hon'ble Supreme Court pronounced its judgement in the Common Cause case on August 2, 2017 wherein it directed that compensation equivalent to the price of mineral extracted in excess of environment clearance or without forest clearance from the forest land be paid.

In pursuance to the Judgement of Hon'ble Supreme Court, demand/show cause notices amounting to ₹3,873.35 crore have been issued during 2017-18 by the Deputy Director of Mines, Odisha and the District Mining Office, Jharkhand.

In respect of the above demands:

- as directed by the Hon'ble Supreme Court, the Company has provided and paid for iron ore and manganese ore an amount of ₹614.41 crore during 2017-18 for production in excess of environment clearance to the Deputy Director of Mines, Odisha.
- the Company has provided and paid under protest an amount of ₹56.97 crore during 2017-18 for production in excess of environment clearance to the District Mining Office, Jharkhand.

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35. Contingencies and commitments (Contd.)

- the Company has challenged the demands amounting to ₹132.91 crore in 2017-18 for production in excess of lower of mining plan and consent to operate limits raised by the Deputy Director of Mines, Odisha before the Mines Tribunal and obtained a stay on the matter. Mines Tribunal, Delhi vide order dated November 26, 2018 disposed of all the revision applications with a direction to remand it to the State Government to hear all such cases afresh and pass detailed order. On September 14, 2022, the Dy. Director of Mines, Govt. of Odisha issued a fresh demand against the Company in view of order of the State (Dept. of Steel & Mines) in Proceedings, dated September 8, 2022 directing payment of compensation amount towards unlawful production in the mines in violation of mining plan/ consent to operate limits being a valid demand to be realised from the Revisionist i.e. the Company. Appeal has also been filed against the same on November 3, 2022 with the Ministry of Mines. Demand amount of ₹**132.91** crore (March 31, 2022: ₹132.91 crore) is considered contingent.

- the Company has made a comprehensive submission before the Deputy Director of Mines, Odisha against show cause notices amounting to ₹694.02 crore received during 2017-18 for production in violation of mining plan, Environment Protection Act, 1986 and Water (Prevention & Control of Pollution) Act, 1981. A demand amounting to ₹234.74 crore has been received in April 2018 from the Deputy Director of Mines, Odisha for production in excess of the Environmental Clearance. The Company had filed Revision Application before the Mines Tribunal, challenging the demand. In December 2021, Mines Tribunal upheld the revision petition and the matter was remanded back to the State Government for fresh consideration. The state has so far not initiated any action. Based on the evaluation of the facts and circumstances, the Company has assessed and concluded that the said show cause notice of ₹694.02 crore and demand of ₹234.74 crore has not been considered as contingent liability.

- the Company based on its internal assessment has provided an amount of ₹1,412.89 crore against demand notices amounting to ₹2,140.30 crore received from the District Mining Office, Jharkhand for producing more than environment clearance and the balance amount of ₹**727.41** crore (March 31, 2022: ₹727.41 crore) is considered contingent. The Company has however been granted a stay by the Revisional Authority, Ministry of Coal, Government of India against such demand notices.

(e) An agreement was executed between the Government of Odisha (GoO) and the Company in December, 1992 for drawal of water from Kundra Nalla for industrial consumption. In December 1993, the Tahsildar, Barbil issued a show-cause notice alleging that the Company has lifted more quantity of water than the sanctioned limit under the agreement and has also not installed water meter. While the proceedings in this regard were in progress, the Company had applied for allocation of fresh limits.

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35. Contingencies and commitments (Contd.)

Over the years, there has also been a steep increase in the water charges against which the Company filed writ petitions before Hon'ble High Court of Odisha. In this regard, the Company has received a demand of ₹183.46 crore for the period starting January 1996 to November 2020.

The writ petition filed in August, 1997 was listed for hearing before the Full Bench of the Odisha High Court on May 17, 2019. SAIL, one of the petitioners, sought permission to withdraw its writ petition because the settlement was arrived with the State Government on the matter. The High Court allowed withdrawal of writ petition of SAIL and directed other parties to negotiate with the State Government. The Company has submitted its detailed representation to Principal Secretary, Water Resource Department, GoO on June 21, 2019, which is under consideration.

Later on February 6, 2023, Department of water resources, Odisha Government, issued an order, where the Company can opt for one time settlement scheme of long pending outstanding. Application under the scheme should be submitted to the Government within stipulated time i.e., within one month of issue of the order. Under this scheme, the Company should calculate outstanding demand as on March 2022 with 12% p.a. simple interest to be charged on arrear principal only. The payment made by the Company prior to March 31, 2022 shall be adjusted against the outstanding dues in the following order – interest, penalty and principal. In this regard, the Company has computed and provided amount of ₹37.00 crore as per the scheme in the books.

The potential exposure as on March 31, 2023 is **Nil** (March 31, 2022: ₹262.13 crore) is considered as contingent.

B. Commitments

(a) The Company has entered into various contracts with suppliers and contractors for the acquisition of plant and machinery, equipment and various civil contracts of capital nature amounting to ₹**11,955.56** crore (March 31, 2022: ₹8,699.11 crore).

Other commitments as at March 31, 2023 amount to ₹**0.01** crore (March 31, 2022: ₹0.01 crore).

(b) The Company has given undertakings to:

(i) IDBI not to dispose of its investment in Wellman Incandescent India Ltd.

(ii) IDBI and ICICI Bank Ltd. (formerly ICICI) not to dispose of its investment in Standard Chrome Ltd

(c) The Company and Bluescope Steel Limited had given undertaking to State Bank of India not to reduce collective shareholding in Tata Bluescope Steel Private Limited (TBSPL), below 51% without prior consent of the lender. Further, the Company had given an undertaking to State Bank of India to intimate them before diluting its shareholding in TBSPL below 50%.

During the year ended March 31, 2021, the Company after obtaining a 'no objection certificate' from the lenders of TBSPL, had transferred its stake of 50% in TBSPL to its 100% owned subsidiary Tata Steel Downstream Products Limited.

(d) The Company, as a promoter, has pledged **Nil** (March 31, 2022: 4,41,55,800) equity shares of Industrial Energy Limited ("IEL") with Infrastructure Development Finance Corporation Limited ("IDFC"). IEL has repaid the entire loan taken from IDFC in financial year 2020-21.

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35. Contingencies and commitments (Contd.)

(e) The Company has given guarantees aggregating ₹**10,848.37** crore (March 31, 2022: ₹9,866.85 crore) details of which are as below:

(i) in favour of Commissioner Customs for ₹**1.07** crore (March 31, 2022: ₹1.07 crore) given on behalf of Timken India Limited in respect of goods imported.

(ii) in favour of The President of India for ₹**167.55** crore (March 31, 2022: ₹177.18 crore) against performance of export obligation under the various bonds executed by a joint venture Jamshedpur Continuous Annealing & Processing Company Private Limited.

(iii) in favour of State Bank of India and ICICI Bank for ₹**429.45** crore (March 31, 2022: ₹429.66) guaranteeing the financial liability of a subsidiary Tata Steel Mining Limited, for the purpose of availing banking facility for the business operations including working capital & capital expenditure, performance contract and security for bidding for auctions with respect to mines.

(iv) in favour of the note holders against due and punctual repayment of the 100% amounts outstanding as on March 31, 2023 towards issued Guaranteed Notes by a subsidiary, ABJA Investment Co. Pte Ltd. for ₹**8,218.25** crore (March 31, 2022: ₹7,579.75 crore) and ₹**1,853.74** crore (March 31, 2022: ₹1,679.04 crore). The guarantee is capped at an amount equal to 125% of the outstanding principal amount of the Notes as detailed in "Terms and Conditions" of the Offering Memorandum.

(v) in favour of ICICI Bank for ₹**0.16** crore (March 31, 2022: Nil) guaranteeing the financial liability of a subsidiary BPPL for the purpose of availing banking facility for BPPL's business operations including working capital and performance contract.

(vi) in favour of SBI Bank for ₹**78.60** crore (March 31, 2022: Nil) guaranteeing the financial liability of a subsidiary TSDPL for the purpose of availing banking facility for TSDPL's business operations including working capital and performance contract.

(vii) in favour of ICICI Bank for ₹**99.40** crore (March 31, 2022: Nil) guaranteeing the financial liability of a subsidiary TCIL for the purpose of availing banking facility for TCIL's business operations including working capital and performance contract.

(viii) in favour of President of India for ₹**0.15** crore (March 31, 2022: ₹0.15 crore) against advance license.

36. Other significant litigations

(a) Odisha Legislative Assembly issued an amendment to Indian Stamp Act, 1889, on May 9, 2013 and inserted a new provision (Section 3A) in respect of stamp duty payable on grant/renewal of mining leases. As per the amended provision, stamp duty is levied equal to 15% of the average royalty that would accrue out of the highest annual extraction of minerals under the approved mining plan multiplied by the period of such mining lease. The Company had filed a writ petition challenging the constitutionality of the Act on July 5, 2013. The Hon'ble High Court, Cuttack passed an order on July 9, 2013 granting interim stay on the operation of the Amendment Act, 2013. Because of the stay, as on date, the Act is not enforceable and any demand received by the Company is not liable to be proceeded with. Meanwhile, the Company received demand notices for the various mines at Odisha totalling to ₹**5,579.00** crore (March 31, 2022: ₹5,579.00 crore). The Company has concluded that it is remote that the claim will sustain on ultimate resolution of the legal case by the court.

36. Other significant litigations (Contd.)

In April 2015, the Company has received an intimation from Government of Odisha, granting extension of validity period for leases under the MMDR Amendment Act, 2015 up to March 31,2030 in respect of eight mines and up to March 31, 2020 for two mines subject to execution of supplementary lease deed. Liability has been provided in the books of accounts as on March 31, 2020 as per the existing provisions of the Stamp Act 1899 and the Company had paid the stamp duty and registration charges totalling ₹413.72 crore for supplementary deed execution in respect of eight mines out of the above mines.

(b) Noamundi Iron Ore Mine of the Company was due for its third renewal with effect from January 1, 2012. The application for renewal was submitted by the Company within the stipulated time, but it remained pending consideration with the State and the mining operations were continued in terms of the prevailing law.

By a judgement of April 2014 in the case of Goa mines, the Supreme Court took a view that second and subsequent renewal of mining lease can be effected once the State considers the application and decides to renew the mining lease by issuing an express order. State of Jharkhand issued renewal order to the Company on December 31, 2014. The State, however, took a view on interpretation of Goa Mines judgement that the mining carried out after expiry of the period of second renewal was 'illegal' and hence, issued a demand notice of ₹3,568.31 crore being the price of iron ore extracted. The said demand has been challenged by the Company before the Jharkhand High Court.

The mining operations were suspended from August 1, 2014. Upon issuance of an express order, Company paid ₹152.00 crore under protest, so that mining can be resumed.

The Mines and Minerals Development and Regulation (MMDR) Amendment Ordinance, 2015 promulgated on January 12, 2015 provides for extension of such mining leases whose applications for renewal have remained pending with the State(s). Based on the new Ordinance, Jharkhand Government revised the Express Order on February 12, 2015 for extending the period of lease up to March 31, 2030 with the following terms and conditions:

- value of iron ore produced by alleged unlawful mining during the period January 1, 2012 to April 20, 2014 for ₹2,994.49 crore to be decided on the basis of disposal of our writ petition before Hon'ble High Court of Jharkhand.
- value of iron ore produced from April 21, 2014 to July 17, 2014 amounting to ₹421.83 crore to be paid in maximum 3 instalments.
- value of iron ore produced from July 18, 2014 to August 31, 2014 i.e. ₹152.00 crore to be paid immediately.

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36. Other significant litigations (Contd.)

District Mining Officer Chaibasa on March 16, 2015 issued a demand notice for payment of ₹421.83 crore, in three monthly instalments. The Company on March 20, 2015 replied that since the lease had been extended by application of law till March 31, 2030, the above demand is not tenable. The Company, had paid ₹50.00 crore under protest on July 27, 2015, because the State had stopped issuance of transit permits.

The Company filed another writ petition before the Hon'ble High Court of Jharkhand which was heard on September 9, 2015. An interim order was given by the Hon'ble High Court of Jharkhand on September 17, 2015 wherein the Court had directed the Company to pay the amount of ₹371.83 crore in 3 equal instalments, first instalment by October 15, 2015, second instalment by November 15, 2015 and third instalment by December 15, 2015.

In view of the interim order of the Hon'ble High Court of Jharkhand ₹124.00 crore was paid on September 28, 2015, ₹124.00 crore on November 12, 2015 and ₹123.83 crore on December 14, 2015 under protest.

The case is pending before the Hon'ble High court for disposal. The State issued similar terms and conditions to other mining lessees in the State rendering the mining as illegal. Based on the Company's assessment of the Goa mines judgement read with the Ordinance issued in the year 2015, the Company believes that it is remote that the demand of the State would sustain.

(c) The Supreme Court of India vide its order dated September 24, 2014, cancelled the coal blocks allocated to various entities which includes one coal block allocated to the Tata Steel BSL Limited (entity merged with the Company) which were under development. Subsequently, the Government of India had issued the Coal Mines (Special Provision) Act 2015 , which inter-alia deal with the payment of compensation to the affected parties in regard to investment in coal blocks. The receivable in respect of de-allocated coal block amounts to ₹414.56 crore (net of provision of ₹138.74 crore). The Company had filed its claim for compensation with the Government of India, Ministry of Coal. Pursuant to letter dated November 22, 2019, Ministry of Coal ('MoC') informed that all statutory license, consent approvals, permission required for undertaking of Coal mining operations in New Patrapara Coal Mine now vested to Singareni Collieries Company Ltd. MoC /Union of India, filed supplementary affidavit dated February 11, 2020 before Delhi High Court vide which it had informed that payment of compensation can be paid to prior allottee after the mine is successfully allotted and compensation is deposited by successful allottee, following the sequence mentioned in section 9 of Coal Mine (Special Provisions) Act, 2015. It was informed that New Patrapara Coal Mine had been allocated to Singareni Collieris Company Ltd (SCCL, a state Government Undertaking) and compensation to the prior allottee to be released. MoC vide order dated May 17, 2021 had directed SCCL to pay aforesaid compensation to TSBSL (entity merged with the Company). Union of India filed affidavit dated March 6, 2023 before High Court vide which it had informed that the successful allottee i.e M/s SCCL has surrendered the New Patrapara Coal Block. High Court directed MoC and Odisha Industrial Infrastructure Development Corporation (IDCO) to file updated status report outlining the amount payable to the prior allottee and indicate the date by which amount could be disbursed.

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37. Capital management

The Company's capital management is intended to create value for shareholders by facilitating the achievement of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long-term and short-term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long-term and short-term bank borrowings and issue of non-convertible debt securities.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Net debt includes interest bearing borrowings including lease obligations less cash and cash equivalents, other bank balances (including non-current earmarked balances) and current investments.

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

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Equity share capital	1,222.40	1,222.37
Other equity	1,33,575.11	1,24,211.39
Total equity (A)	**1,34,797.51**	**1,25,433.76**
Non-current borrowings	30,880.89	20,290.81
Non-current lease obligations	3,649.33	3,726.90
Current borrowings	7,298.12	11,984.66
Current lease obligations	544.05	522.14
Gross debt (B)	**42,372.39**	**36,524.51**
Total capital (A+B)	**1,77,169.90**	**1,61,958.27**
Gross debt as above	42,372.39	36,524.51
Less: Current investments	2,050.40	96.11
Less: Cash and cash equivalents	858.98	2,671.59
Less: Other balances with banks (including non-current earmarked balances)	293.54	263.30
Net debt (C)	**39,169.47**	**33,493.51**
Net debt to equity (i)	**0.30**	**0.30**

(i) Net debt to equity ratio as at March 31, 2023 and March 31, 2022 has been computed based on average of opening and closing equity.

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38. Business combinations

(i) On July 26, 2022, the Company completed the acquisition of itemised assets of Stork Ferro Alloys and Mineral Industries Private Limited ("SFML") to produce ferro alloys. The asset acquisition will provide an inorganic growth opportunity for Tata Steel Limited to augment its ferro alloys processing capacities. The asset acquisition was carried out for a purchase consideration of ₹155.00 crore. The acquisition has been accounted for in accordance with Ind AS 103 - "Business Combinations".

Fair value of identifiable assets acquired, and liabilities assumed as on the date of acquisition is as below:

(₹ crore)

	Fair value as on acquisition date
Non-current assets	
Property, plant and equipment	138.55
Right-of-use assets	17.94
Total assets [A]	**156.49**
Non-Current liabilities	
Lease liabilities	4.56
Other liabilities	0.15
Total liabilities [B]	**4.71**
Fair value of identifiable net assets acquired [C=A-B]	**151.78**

(₹ crore)

	Fair value as on acquisition date
Cash consideration paid	130.00
Deferred consideration	25.00
Total consideration paid [D]	**155.00**
Goodwill [D-C]	**3.22**

(ii) Goodwill is attributable to the benefit of expected synergies, revenue growth and future market developments. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

(iii) From the date of acquisition, SFML has contributed ₹**28.42** crore to revenue from operations and a loss of ₹**16.07** crore to profit before tax.

Had the acquisition been effected at April 1, 2022, the revenue of the Company would have been higher by ₹**13.24** crore and profit would have been lower by ₹**6.50** crore.

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39. Disclosures on financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2(n), page F34 to the financial statements.

(a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2023 and March 31, 2022.

As at March 31, 2023

(₹ crore)

	Amortised cost	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Fair value through profit and loss	Total carrying value	Total fair value
Financial assets:							
Cash and bank balances	1,152.52	-	-	-	-	1,152.52	1,152.52
Trade receivables	3,351.72	-	-	-	-	3,351.72	3,351.72
Investments	13,983.08	1,316.20	-	-	2,135.88	17,435.16	15,492.96
Derivatives	-	-	185.81	299.80	-	485.61	485.61
Loans	35,970.29	-	-	-	-	35,970.29	29,063.18
Other financial assets	2,949.13	-	-	-	-	2,949.13	2,949.13
	57,406.74	**1,316.20**	**185.81**	**299.80**	**2,135.88**	**61,344.43**	**52,495.12**
Financial liabilities:							
Trade payables	18,082.40	-	-	-	-	18,082.40	18,082.40
Borrowings other than lease obligations	38,179.01	-	-	-	-	38,179.01	38,161.84
Derivatives	-	-	16.78	48.80	-	65.58	65.58
Other financial liabilities	6,734.96	-	-	-	-	6,734.96	6,734.96
	62,996.37	**-**	**16.78**	**48.80**	**-**	**63,061.95**	**63,044.78**

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39. Disclosures on financial instruments (Contd.)

As at March 31, 2022

(₹ crore)

	Amortised cost	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Fair value through profit and loss	Total carrying value	Total fair value
Financial assets:							
Cash and bank balances	2,934.89	-	-	-	-	2,934.89	2,934.89
Trade receivables	3,280.30	-	-	-	-	3,280.30	3,280.30
Investments	12,710.54	1,509.79	-	-	109.83	14,330.16	14,330.16
Derivatives	-	-	109.56	113.19	-	222.75	222.75
Loans	32,563.28	-	-	-	-	32,563.28	32,563.28
Other financial assets	1,850.51	-	-	-	-	1,850.51	1,850.51
	53,339.52	**1,509.79**	**109.56**	**113.19**	**109.83**	**55,181.89**	**55,181.89**
Financial liabilities:							
Trade payables	21,091.14	-	-	-	-	21,091.14	21,091.14
Borrowings other than lease obligations	32,275.47	-	-	-	-	32,275.47	33,092.94
Derivatives	-	-	28.29	63.37	-	91.66	91.66
Other financial liabilities	6,020.77	-	-	-	-	6,020.77	6,020.77
	59,387.38	**-**	**28.29**	**63.37**	**-**	**59,479.04**	**60,296.51**

(i) Investments in mutual funds and derivative instruments (other than those designated in a hedging relationship) are mandatorily classified as fair value through profit and loss.

(b) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares and mutual funds.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes the Company's over-the-counter (OTC) derivative contracts.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair value is determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This Level includes investment in unquoted equity shares and preference shares.

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39. Disclosures on financial instruments (Contd.)

(₹ crore)

	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Investments in mutual funds	2,050.40	-	-	2,050.40
Investments in equity shares	988.94	-	327.26	1,316.20
Investments in preference shares	-	-	85.48	85.48
Derivative financial assets	-	485.61	-	485.61
	3,039.34	**485.61**	**412.74**	**3,937.69**
Financial liabilities:				
Derivative financial liabilities	-	65.58	-	65.58
	-	**65.58**	**-**	**65.58**

(₹ crore)

	As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Investments in mutual funds	96.11	-	-	96.11
Investments in equity shares	1,182.53	-	327.26	1,509.79
Investments in preference shares	-	-	13.72	13.72
Derivative financial assets	-	222.75	-	222.75
	1,278.64	**222.75**	**340.98**	**1,842.37**
Financial liabilities:				
Derivative financial liabilities	-	91.66	-	91.66
	-	**91.66**	**-**	**91.66**

(i) Current financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(ii) Derivatives are fair valued using market observable rates and published prices together with forecasted cash flow information where applicable.

(iii) Investments carried at fair value are generally based on market price quotations. Investments in equity and preference shares included in Level 3 of the fair value hierarchy have been valued using the cost approach to arrive at their fair value. Cost of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

(iv) Fair value of borrowings which have a quoted market price in an active market is based on its market price which is categorised as Level 1. Fair value of borrowings which do not have an active market or are unquoted is estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return adjusted for credit spread considered by lenders for instruments of similar maturities which is categorised as Level 2 in the fair value hierarchy.

(v) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

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39. Disclosures on financial instruments (Contd.)

(vi) There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2023 and March 31, 2022.

(vii) Reconciliation of Level 3 fair value measurement is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	340.98	352.37
Additions during the year	40.77	13.72
Fair value changes through profit or loss	30.99	-
Reclassification during the year*	-	(25.11)
Balance at the end of the year	**412.74**	**340.98**

* represents investment held in preference shares of a subsidiary, measured at fair value through profit and loss, reclassified as investments in subsidiaries.

(c) Derivative financial instruments

Derivative instruments used by the Company include forward exchange contracts, interest rate swaps, currency swaps, options and interest rate caps and collars. These financial instruments are utilised to hedge future transactions and cash flows and are subject to hedge accounting under Ind AS 109 "Financial Instruments" wherever possible. The Company does not hold or issue derivative financial instruments for trading purposes. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities.

The following table sets out the fair value of derivatives held by the Company as at the end of each reporting period:

(₹ crore)

	As at March 31, 2023		As at March 31, 2022	
	Assets	Liabilities	Assets	Liabilities
(a) Foreign currency forwards, swaps and options	301.44	65.58	115.66	91.66
(b) Interest rate swaps and collars	184.17	-	107.09	-
	485.61	**65.58**	**222.75**	**91.66**
Classified as:				
Non-current	403.40	-	133.21	10.18
Current	82.21	65.58	89.54	81.48

As at the end of the reporting period total notional amount of outstanding foreign currency contracts, interest rate swaps and collars that the Company has committed to is as below:

(US$ million)

	As at March 31, 2023	As at March 31, 2022
(i) Foreign currency forwards, swaps and options	2,004.89	3,170.68
(ii) Interest rate swaps and collars	440.00	440.00
	2,444.89	**3,610.68**

39. Disclosures on financial instruments (Contd.)

(d) Transfer of financial assets

The Company transfers certain trade receivables under discounting arrangements with banks/financial institutions. Some of such arrangements do not qualify for de-recognition due to recourse arrangements being in place. Consequently, the proceeds received from transfer are recorded as short-term borrowings from banks and financial institutions. As at March 31, 2023 and March 31, 2022, there has been no such transfer of trade receivables.

(e) Financial risk management

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

(i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.

(ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

(i) Market risk:

Market risk is the risk of any loss in future earnings, in realising fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(a) Market risk - Foreign currency exchange rate risk:

The fluctuation in foreign currency exchange rates may have a potential impact on the statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company.

The Company, as per its risk management policy, uses foreign exchange forwards and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

A 10% appreciation/depreciation of foreign currencies with respect to functional currency of the Company would result in an increase/decrease in the Company's net profit/equity before considering tax impacts by approximately ₹**3,380.99** crore for the year ended March 31, 2023 (March 31, 2022: ₹3,103.46 crore).

The foreign exchange rate sensitivity is calculated by assuming a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the functional currency of the Company.

The sensitivity analysis has been based on the composition of the Company's financial assets and liabilities as at March 31, 2023 and March 31, 2022 excluding trade payables, trade receivables, other derivative and non-derivative financial instruments not forming part of debt and which do not present a material exposure. The period end balances are not necessarily representative of the average balance outstanding during the period.

(b) Market risk - Interest rate risk:

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations.

Based on the composition of debt as at March 31, 2023 and March 31, 2022, a 100 basis points increase

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39. Disclosures on financial instruments (Contd.)

in interest rates would increase the Company's finance costs (before considering interest eligible for capitalisation) and consequently reduce net profit/equity before considering tax impacts by approximately ₹**200.67** crore for the year ended March 31, 2023 (2021-22: ₹127.94 crore).

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

(c) Market risk - Equity price risk:

Equity price risk is related to change in market reference price of investments in equity securities held by the Company.

The fair value of quoted investments held by the Company exposes the Company to equity price risks. In general, these investments are not held for trading purposes.

The fair value of quoted investments in equity, classified as fair value through other comprehensive income as at March 31, 2023 and March 31, 2022 was ₹**988.94** crore and ₹1,182.53 crore, respectively.

A 10% change in equity prices of such securities held as at March 31, 2023 and March 31, 2022, would result in an impact of ₹**98.89** crore and ₹118.25 crore respectively on equity before considering tax impact.

(ii) Credit risk:

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks.

The Company has a policy of dealing only with credit worthy counter parties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults.

Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments in debt securities and mutual funds, balances with bank, bank deposits, derivatives and financial guarantees provided by the Company. None of the financial instruments of the Company result in material concentration of credit risk except investment in preference shares made by the Company in its subsidiary companies and loans provided to a wholly owned subsidiary.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹**59,976.59** crore and ₹53,622.75 crore, as at March 31, 2023 and March 31, 2022 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments in debt securities, mutual funds, loans, derivative assets and other financial assets.

The risk relating to trade receivables is presented in note 12, page F66.

The Company's exposure to customers is diversified and no single customer, other than a subsidiary contributes to more than 10% of outstanding trade receivables as at March 31, 2023 and March 31, 2022.

In respect of financial guarantees provided by the Company to banks/financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

(iii) Liquidity risk:

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company have access to undrawn lines of committed and uncommitted borrowing/ facilities, funds from debt markets through commercial paper programs, non-

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39. Disclosures on financial instruments (Contd.)

convertible debentures and other debt instruments. The Company invests its surplus funds in bank fixed deposits and in mutual funds, which carry no or low market risk.

The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

The Company's liquidity position remains strong at ₹**19,968.92** crore as at March 31, 2023, comprising ₹**3,202.92** crore in the form of current investments, cash and cash equivalents and other balances with banks (including non-current earmarked balances) and ₹**16,766.00** crore in committed undrawn bank lines.

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Company's derivative and non- derivative financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the end of the reporting period. Cash flows in foreign currencies are translated using the period end spot rates:

(₹ crore)

	As at March 31, 2023				
	Carrying value	Contractual cash flows	Less than one year	Between one to five years	More than five years
Non-derivative financial liabilities:					
Borrowings other than lease obligation including interest obligations	38,887.12	53,526.26	10,105.14	19,853.41	23,567.71
Lease obligations including interest obligations	4,233.67	7,516.98	544.05	3,342.71	3,630.22
Trade payables	18,082.40	18,082.40	18,082.40	-	-
Other financial liabilities	5,986.56	6,304.62	5,057.75	788.02	458.85
	67,189.75	**85,430.26**	**33,789.34**	**23,984.14**	**27,656.78**
Derivative financial liabilities	**65.58**	**65.58**	**65.58**	**-**	**-**

(₹ crore)

	As at March 31, 2022				
	Carrying value	Contractual cash flows	Less than one year	Between one to five years	More than five years
Non-derivative financial liabilities:					
Borrowings other than lease obligation including interest obligations	32,812.21	40,185.40	13,521.23	14,301.23	12,362.94
Lease obligations including interest obligations	4,281.28	7,806.98	990.52	2,711.25	4,105.21
Trade payables	21,091.14	21,091.14	21,091.14	-	-
Other financial liabilities	5,451.79	5,451.79	4,568.56	651.79	231.44
	63,636.42	**74,535.31**	**40,171.45**	**17,664.27**	**16,699.59**
Derivative financial liabilities	**91.66**	**91.66**	**81.48**	**10.18**	**-**

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39. Disclosures on financial instruments (Contd.)

(f) The details of financial assets and liabilities held by the Company as per amendments on account of interest rate benchmark reforms which are indexed to Interbank offered rates (IBOR) as at March 31, 2023 and March 31, 2022 are as below:

As at March 31, 2023

(₹ crore)

	Carrying value as at March 31, 2023		Of which: Have yet to transition to an alternative benchmark interest rate as at March 31, 2023	
	Assets	Liabilities	Assets	Liabilities
Non-derivative instruments:				
Intercorporate deposits to group companies	33,813.98	-	32,170.53	-
Long-term borrowings	-	3,616.03	-	3,616.03
Short-term coal purchase arrangements	-	4,004.72	-	-
	33,813.98	**7.620,75**	**32,170.53**	**3,616.03**
Derivative Instruments:				
MTM of derivative assets/ liabilities exposed to USD LIBOR	184.17	-	184.17	-
	184.17	**-**	**184.17**	**-**

As at March 31, 2023

(₹ crore)

	Carrying value as at March 31, 2022		Of which: Have yet to transition to an alternative benchmark interest rate as at March 31, 2022	
	Assets	Liabilities	Assets	Liabilities
Non-derivative instruments:				
Intercorporate deposits to group companies	31,183.47	-	29,667.87	-
Long-term borrowings	-	3,335.09	-	3,335.09
Short-term coal purchase arrangements	-	1,433.89	-	1,433.89
	31,183.47	**4,768.98**	**29,667.87**	**4,768.98**
Derivative Instruments:				
MTM of derivative assets/ liabilities exposed to USD LIBOR	110.63	8.90	110.63	8.90
	110.63	**8.90**	**110.63**	**8.90**

40. Segment reporting

The Company is primarily engaged in the business of manufacture and distribution of steel products and is operated out of India. In accordance with Ind AS 108 “Operating Segments”, the Company has presented segment information on the basis of its consolidated financial statements which forms a part of this report.

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41. Related party transactions

The Company's related parties primarily consist of its subsidiaries, associates, joint ventures and Tata Sons Private Limited including its subsidiaries and joint ventures. The Company routinely enters into transactions with these related parties in the ordinary course of business at market rates and terms.

The following table summarises related party transactions and balances included in the financial statements of the Company for the year ended as at March 31, 2023 and March 31, 2022:

(₹ crore)

	Subsidiaries	Associates	Joint Ventures	Tata Sons Private Limited, its subsidiaries and joint ventures	Total
Purchase of goods	**39,672.82**	**44.54**	**311.93**	**339.90**	**40,369.19**
	26,063.59	*33.14*	*269.16*	*412.26*	*26,778.15*
Sale of goods#	**11,474.59**	**4.75**	**5,337.08**	**153.96**	**16,970.38**
	11,968.38	*3.88*	*4,555.60*	*351.03*	*16,878.89*
Services received	**3,220.57**	**70.00**	**1,919.40**	**477.61**	**5,687.58**
	2,463.32	*41.12*	*1,525.32*	*493.86*	*4,523.62*
Services rendered	**492.46**	**0.11**	**27.48**	**1.07**	**521.12**
	189.55	*0.04*	*23.88*	*34.21*	*247.68*
Interest income recognised	**2,603.67**	**9.03**	**0.00**	**-**	**2,612.70**
	862.50	-	-	-	*862.50*
Dividend paid(vi)	**5.96**	**-**	**-**	**2,061.39**	**2,067.35**
	2.92	-	-	*1,011.07*	*1,013.99*
Dividend received	**234.93**	**-**	**26.83**	**12.38**	**274.14**
	113.89	-	*109.64*	*12.54*	*236.07*
Provision/(reversal) recognised for receivables during the year	**1.13**	**(99.88)**	**(0.20)**	**0.04**	**(98.91)**
	(4.00)	*99.95*	*(0.71)*	-	*95.24*
Management contracts*	**145.05**	**5.57**	**13.92**	**102.27**	**266.81**
	78.29	*5.43*	*8.18*	*148.42*	*240.32*
Sale of investments	**1,112.41**	**-**	**-**	**-**	**1,112.41**
	760.76	-	-	-	*760.76*
Finance provided during the year (net of repayments)	**2,071.28**	**164.00**	**-**	**-**	**2,235.28**
	35,439.67	*100.00*	*0.46*	-	*35,540.13*

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41. Related party transactions (Contd.)

(₹ crore)

	Subsidiaries	Associates	Joint Ventures	Tata Sons Private Limited, its subsidiaries and joint ventures	Total
Outstanding loans and receivables	**40,460.79**	**2.79**	**130.11**	**50.42**	**40,644.11**
	35,302.03	*119.81*	*131.92*	*27.25*	*35,581.01*
Provision for outstanding loans and receivables	**655.40**	**0.15**	**1.48**	**0.09**	**657.12**
	654.27	*100.03*	*1.65*	*0.05*	*756.00*
Outstanding payables	**8,849.24**	**21.56**	**348.52**	**207.23**	**9,426.55**
	13,267.52	*8.95*	*317.22*	*172.09*	*13,765.78*
Guarantees provided outstanding	**10,679.60**	**-**	**167.55**	**-**	**10,847.15**
	9,738.75	-	*177.18*	-	*9,915.93*
Purchase of Assets	**6.39**	**-**	**-**	**-**	**6.39**
	1.95	-	-	-	*1.95*
Sale of Fixed Assets	**10.27**	**-**	**-**	**-**	**10.27**
	1.05	-	-	-	*1.05*

Figures in italics represents comparative figures of previous year.

#Includes sale of power and water

*Primarily includes recharges on account of deputation of employees and brand equity due to Tata Sons Private Limited.

(i) The details of remuneration paid to key managerial personnel and payment to non-executive directors are provided in note 28, page F89 & note 31, page F90 respectively.

The Company has paid dividend of ₹**1,73,298.00** (2021-22: ₹84,950.00) to key managerial personnel and ₹**33,609.00** (2021-22: ₹16,475.00) to relatives of key managerial personnel during the year ended March 31, 2023.

(ii) During the year ended March 31, 2023, the Company has contributed ₹**548.76** crore (2021-22: ₹308.89 crore) to post employment benefit plans.

As at March 31, 2023, amount receivable from post-employment benefit fund is ₹**137.98** crore (March 31, 2022: ₹171.30 crore) on account of retirement benefit obligations paid by the Company directly.

(iii) Details of investments made by the Company in preference shares of its subsidiaries and associates is disclosed in note 6, page F50.

(iv) Commitments with respect to subsidiaries, associates and joint ventures is disclosed in note 35B, page F104.

(v) Transactions with joint ventures have been disclosed at full value and not at their proportionate share.

(vi) Dividend paid includes ₹**2,022.19** crore (2021-22: ₹991.27 crore) paid to Tata Sons Private Limited.

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42. Financial ratios

The ratios as per the latest amendment to Schedule III are as below:

		Year ended on March 31, 2023	Year ended on March 31, 2022
(1)	**Current ratio^** (Total current assets / Current liabilities) [Current liabilities: Total current liabilities - Current maturities of non-current borrowings and lease obligations]	0.86	0.62
(2)	**Net debt equity ratio** (Net debt / Average equity) [Net debt: Non-current borrowings + Current borrowings + Non-current and current lease liabilities - Current investments - Cash and cash equivalents - Other balances with banks (including non-current earmarked balances)] [Equity: Equity share capital + Other equity + Hybrid perpetual securities]	0.30	0.30
(3)	**Debt service coverage ratio#** (EBIT / (Net finance charges + Interest income from group companies + Scheduled principal repayments of non-current borrowings and lease obligations (excluding prepayments) during the period)) [EBIT : Profit before taxes +/(-) Exceptional items + Net finance charges] [Net finance charges: Finance costs (excluding interest on current borrowings) - Interest income - Dividend income from current investments - Net gain/(loss) on sale of current investments]	3.90	14.36
(4)	**Return on Equity (%)#** (Profit after tax (PAT)/Average Equity) [Equity: Equity share capital + Other equity + Hybrid perpetual securities]	11.91	29.93
(5)	**Inventory turnover ratio (in days)#** (Average inventory / Sale of products in days)	59	47
(6)	**Debtors turnover ratio (in days)** (Average trade receivables / Turnover in days) [Turnover: Revenue from operations]	9	9
(7)	**Trade payables turnover ratio (in days)** (Average Trade Payables / Expenses) [Expenses: Total Expenses - Finance Cost - Depreciation and Amortisation Expense – Employee Benefit Expenses in respect of Retirement Benefits – Other expenses with respect to Royalty, Rates & Taxes, Provision for Doubtful Debts & Advances, Provision for Impairment and Foreign Exchange Gain/Loss]	73	89
(8)	**Net capital turnover ratio (in days)** (Average Working Capital / Turnover) [Working Capital: Current Assets - Current Liabilities] [Current Liabilities: Total Current liabilities - Current maturities of non-current borrowings and lease obligations] [Turnover: Revenue from operations]	*	*
(9)	**Net profit ratio (%)#** (Net profit after tax / Turnover) [Turnover: Revenue from operations]	12.01	25.59
(10)	**Return on Capital Employed (%)#** (EBIT/Average Capital Employed) [Capital Employed: Equity share capital + Other equity + Hybrid perpetual securities + Non current borrowings + Current borrowings + Current maturities of non-current borrowings and lease obligations + Deferred tax liabilities] [EBIT : Profit before taxes +/(-) Exceptional items + Net finance charges] [Net finance charges: Finance costs - Interest income - Dividend income from current investments - Net gain/(loss) on sale of current investments]	12.78	29.59
(11)	**Return on investment (%)@** (Net gain/(loss) on sale/fair value changes of mutual funds/Average investment funds in current investments)	12.31	5.08

* Net working capital is negative

^ The variation in current ratio as at March 31, 2023 as compared to March 31, 2022 is primarily due to temporary decrease in current borrowings and trade payables

Variation in coverage, turnover and other profitability ratios is primarily due to decrease in profitability during the year ended March 31, 2023.

@ Variation in return on investment ratio is primarily due to lower average value of investment.

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

44. The erstwhile Tata Steel BSL Limited was eligible under Package Scheme of Incentives, 1993, and accordingly as per the provisions of the Scheme it had obtained eligibility certificate from Directorate of Industries. As per the Scheme the Tata Steel BSL Limited has an option to defer the payment of sales tax for a period of fourteen years upto a specified limit (twenty-one years in case the specified limit is not availed in fourteen years). The said tax collected shall be paid after fourteen years in five annual equal instalments and has been recognised as deferred sales tax liability, which as at March 31, 2023 amounts to ₹**24.85** crore (March 31, 2022: ₹22.33 crore). Post-introduction of GST, the Maharashtra government modified the scheme, whereby the Company needs to deposit the GST and claim refund of the same. During the year, the Company has recognised ₹**62.75** crore (2021-22: ₹201.21 crore) as an income on account of such scheme.

45. The Board of Directors of the Company had considered and approved amalgamation of Tata Steel Long Products Limited ("TSLP"), Tata Metaliks Limited ("TML"), The Tinplate Company of India Limited ("TCIL"), TRF Limited ("TRF"), The Indian Steel & Wire Products Limited ("ISWP"), Tata Steel Mining Limited ("TSML") and S & T Mining Company Limited ("S & T Mining") into and with the Company by way of separate schemes of amalgamation and had recommended a share exchange ratio /cash consideration. The equity shareholders of the entities will be entitled to fully paid-up equity shares of the Company or cash consideration in the ratio as set out in the scheme. As part of the scheme of amalgamations, equity shares and preference shares, if any, held by the Company in the above entities shall stand cancelled. No shares of the Company shall be issued, nor any cash payment shall be made whatsoever by the Company in lieu of cancellation of shares of TSML and S & T Mining (both being wholly owned subsidiary companies). The proposed amalgamations will enhance management efficiency, drive sharper strategic focus and improve agility across businesses based on the strong parental support from the Company's leadership. The amalgamations will also drive synergies through operational efficiencies, raw material security and better facility utilisation.

As part of defined regulatory process, the schemes of TSLP into and with the Company, TCIL into and with the Company, TML into and with the Company, TRF into and with the Company and ISWP into and with the Company have received approval(s) from stock exchanges and Security Exchange Board of India. Further the schemes, have been filed and are pending with the Hon'ble National Company Law Tribunal.

46. The Board of Directors of the Company had considered and approved the scheme of amalgamation of Angul Energy Limited ("AEL") into and with the Company by way of a scheme of amalgamation and had recommended a cash consideration for every fully paid-up equity share held by the shareholders (except the Company) in AEL as set out in the scheme. Upon the scheme coming into effect, the entire paid-up share capital of AEL shall stand cancelled in its entirety.

The amalgamation will ensure consolidation of all power assets under a single entity, which will increase system agility for power generation and allocation. It will help the Company to improve its plant reliability, ensuring steady source of power supply while optimising cost. Further, such restructuring will lead to simplification of group structure by eliminating multiple companies in similar operation, optimum use of infrastructure, rationalisation of cost in the areas of operations and administrative overheads, thereby maximising shareholder value of the Company post amalgamation.

The scheme is subject to defined regulatory approval process, which would require approval by stock exchanges and the Hon'ble National Company Law Tribunal.

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47. Disclosure for struck off companies

The following table depicts the details of balances outstanding in respect of transactions undertaken with a company struck-off under section 248 of the Companies Act, 2013:

(₹ crore)

Name of struck off Company	Nature of transactions with struck-off Company	Balance as at March 31, 2023	Balance as at March 31, 2022	Relationship with the struck-off Company
Arya Fuels Private Limited	Sale of goods	0.00*	-	Advance from Customer
BBR (India) Pvt Ltd.		0.28	-	
Aquatech Systems (Asia) Private Limited	Purchase of goods and receiving of services	-	11.75	Vendor
Sinha Aviation Service Private Limited	Receiving of services	0.06	0.01	
BRAINWISE INFOTECH		0.00*	-	
LIFTVEL INDUSTRIES		0.01	-	
E & J Golden India Private Limited		-	0.00*	Advance to vendor
Other entities(i)	Subscription to equity shares	-	0.01	Equity shareholder

* Represents value less than ₹0.01 crore

(i) Details of other struck off entities holding equity shares in the Company are as below:

Name of struck off Company	No. of shares held	Paid-up as at March 31, 2023 (₹)	Paid-up as at March 31, 2022 (₹)
(1) Agro Based Industries Ltd	1,450	1,450.00	1,450.00
(2) Anand Growth Fund Pvt. Ltd.	1,330	1,330.00	1,330.00
(3) Anileksha Investments Pvt Ltd	2,250	2,250.00	2,250.00
(4) Bejo Sheetal Seeds (Karnataka) Private Limited	750	750.00	-
(5) Bennett Coleman. & Co. Ltd	7,950	7,950.00	7,950.00
(6) Bhagirathi Protein Ltd	6,500	6,500.00	6,500.00
(7) Bhansali & Co (Exports) Pvt Ltd	60	60.00	60.00
(8) Bharat Solite Limited	10	10.00	10.00
(9) Bindawala Builders Pvt Ltd	-	-	1,790.00
(10) Burdwan Holdings Pvt Ltd	3,150	3,150.00	3,150.00
(11) Chaityadeep Investments Pvt Ltd	2,110	2,110.00	2,110.00
(12) Chanakya Service Station Private Limited	16,500	16,500.00	16,500.00
(13) Dashtina Investments Private Limited	400	400.00	400.00
(14) Deegeeson Impex Pvt Ltd	-	-	300.00
(15) Desai Holdings Limited	750	750.00	750.00
(16) Dhanastra Investments Limited	13,500	13,500.00	13,500.00
(17) Frontline Corporate Finance Ltd.	1,060	1,060.00	1,060.00
(18) Gagan Trading Co Ltd	1,690	1,690.00	1,690.00
(19) Goldcrest Jute and Fibre Ltd	1,800	1,800.00	1,800.00
(20) Impact Growth Fund Private Limited	-	-	1,330.00
(21) Kapursco Cold Storage Pvt. Ltd.	300	300.00	300.00
(22) Kirban Sales Pvt Ltd	150	150.00	150.00
(23) Kothari Intergroup Limited	-	-	200.00
(24) Karimnagar Sai Krishna Hire Purchase Private Limited	-	-	1,000.00

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47. Disclosure for struck off companies (Contd.)

Name of struck off Company	No. of shares held	Paid-up as at March 31, 2023 (₹)	Paid-up as at March 31, 2022 (₹)
(25) Lakshadeep Investments Pvt Ltd	2,110	2,110.00	2,110.00
(26) M H Doshi Investment Agencies Private Limited	500	500.00	500.00
(27) Meghna Finance and Investments Private Limited	4,890	4,890.00	4,890.00
(28) Merchant Management System Private Limited	8,800	8,800.00	8,800.00
(29) Midas Touch Securities Pvt Ltd	150	150.00	-
(30) Modern Holdings Pvt Ltd	18,050	18,050.00	18,050.00
(31) Mokul Finance Private Limited	-	-	510.00
(32) Multiplier Financial Services Private Limited	30	30.00	30.00
(33) N.R.I. Financial Services Limited	-	-	300.00
(34) Overland Investment Co Ltd	-	-	4,500.00
(35) PCS Securities Pvt. Ltd.	500	500.00	500.00
(36) Popular Stock and Share Services Private Limited	320	320.00	320.00
(37) Prahit Investments Pvt Ltd	4,600	4,600.00	4,600.00
(38) Protect Finvest Private Limited	330	330.00	330.00
(39) Raghunath Oils and Fats Limited	500	500.00	500.00
(40) S S Securities Limited	500	500.00	500.00
(41) Safex Financial Services Private Limited	-	-	30.00
(42) Seagull Finance And Investment Private Limited	600	600.00	600.00
(43) Shree Agencies Pvt Ltd	3,180	3,180.00	4,372.52
(44) Shriram Investment Services Private Limited	1,500	1,500.00	-
(45) Shilpa Investments And Financial Services Private Limited	13,440	13,440.00	-
(46) Suhit Investments Pvt Ltd	1,660	1,660.00	1,660.00
(47) Swapnalok Construction Pvt Ltd	500	500.00	500.00
(48) Calcutta Sales Agency Ltd.	6,340	6,340.00	6,340.00
(49) Varun Credit & Real Estate Pvt Ltd	570	570.00	570.00
(50) V. Follow Up And Finance Ltd	360	360.00	-
(51) Vms Consultants Pvt. Ltd.	-	-	500.00
		1,31,140.00	**1,26,592.52**

(ii) Details of investments struck off during the year ended March 31, 2022 has been given in note 6, page F50.

NOTES
forming part of the Financial Statements

48. Details of significant investments in subsidiaries, joint ventures and associates

(% Direct Holding)

	Country of Incorporation	As at March 31, 2023	As at March 31, 2022
(a) Subsidiary companies			
(1) ABJA Investment Co. Pte Ltd.	Singapore	100.00	100.00
(2) Angul Energy Limited	India	99.99	99.99
(3) Bhushan Steel (Australia) Pty Limited	Australia	100.00	100.00
(4) Bhushan Steel (South) Limited	India	100.00	100.00
(5) Bhubaneshwar Power Private Limited	India	93.58	93.58
(6) Creative Port Development Private Limited	India	51.00	51.00
(7) Jamshedpur Football and Sporting Private Limited	India	100.00	100.00
(8) Medica TS Hospital Pvt Ltd.	India	51.00	51.00
(9) Mohar Exports Services Pvt Ltd	India	33.23	33.23
(10) NatSteel Asia Pte. Ltd.	Singapore	-	100.00
(11) Neelachal Ispat Nigam Limited	India	5.24	-
(12) Rujuvalika Investments Limited	India	100.00	100.00
(13) S & T Mining Company Limited	India	100.00	50.00
(14) Subarnarekha Port Private Limited	India	3.88	4.37
(15) T Steel Holdings Pte. Ltd.	Singapore	100.00	100.00
(16) Tata Korf Engineering Services Ltd	India	100.00	100.00
(17) Tata Metaliks Ltd.	India	60.03	60.03
(18) Tata Steel Advanced Materials Limited (formerly Tata Steel Odisha Limited)	India	100.00	-
(19) Tata Steel Downstream Products Limited	India	100.00	100.00
(20) Tata Steel Foundation	India	100.00	100.00
(21) Tata Steel Long Products Limited	India	74.91	74.91
(22) Tata Steel Mining Limited	India	100.00	100.00
(23) Tata Steel Support Services Limited (formerly Bhushan Steel (Orissa) Limited)	India	100.00	100.00
(24) Tata Steel Technical Services Limited (formerly Bhushan Steel Madhya Bharat Limited)	India	100.00	100.00
(25) Tata Steel Utilities and Infrastructure Services Limited	India	100.00	100.00
(26) Tayo Rolls Limited	India	54.91	54.91
(27) The Indian Steel & Wire Products Ltd.	India	95.01	95.01
(28) The Tinplate Company of India Limited	India	74.96	74.96

NOTES

forming part of the Financial Statements

48. Details of significant investments in subsidiaries, joint ventures and associates (Contd.)

(% Direct Holding)

	Country of Incorporation	As at March 31, 2023	As at March 31, 2022
(b) Associate companies			
(1) Bhushan Capital & Credit Services Private Limited	India	42.58	42.58
(2) Jawahar Credit & Holdings Private Limited	India	39.65	39.65
(3) Kalinga Aquatics Ltd.	India	30.00	30.00
(4) Kumardhubi Fireclay and Silica Works Ltd	India	27.78	27.78
(5) Kumardhubi Metal Casting and Engineering Ltd	India	49.31	49.31
(6) Malusha Travels Pvt Ltd	India	33.23	33.23
(7) Strategic Energy Technology Systems Private Limited	India	25.00	25.00
(8) Tata Construction and Projects Ltd.	India	27.19	27.19
(9) TRF Limited.	India	34.11	34.11
(c) Joint ventures			
(1) Andal East Coal Company Private Limited	India	33.89	33.89
(2) Industrial Energy Limited	India	26.00	26.00
(3) mjunction services limited	India	50.00	50.00
(4) S & T Mining Company Limited	India	-	50.00
(5) Tata NYK Shipping Pte Ltd.	Singapore	50.00	50.00
(6) TM International Logistics Limited	India	51.00	51.00

49. Dividend

The dividend declared by the Company is based on profits available for distribution as reported in the standalone financial statements of the Company. On May 2, 2023 the Board of Directors of the Company had proposed a dividend of ₹3.60 per Ordinary share of ₹1 each in respect of the year ended March 31, 2023 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of approximately ₹**4,399.75** crore.

In terms of our report attached

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

sd/-
Subramanian Vivek
Partner
Membership Number 100332

Mumbai, May 2, 2023

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
DIN: 00024713

sd/-
O. P. Bhatt
Independent Director
DIN: 00548091

sd/-
Deepak Kapoor
Independent Director
DIN: 00162957

sd/-
Farida Khambata
Independent Director
DIN: 06954123

sd/-
V. K. Sharma
Independent Director
DIN: 02449088

sd/-
Bharti Gupta Ramola
Independent Director
DIN: 00356188

sd/-
Saurabh Agrawal
Non-Executive Director
DIN: 02144558

sd/-
T. V. Narendran
Chief Executive Officer & Managing Director
DIN: 03083605

sd/-
Koushik Chatterjee
Executive Director & Chief Financial Officer
DIN: 00004989

sd/-
Parvatheesam Kanchinadham
Company Secretary & Chief Legal Officer (Corporate & Compliance)
ACS: 15921

INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Steel Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Tata Steel Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associate companies and jointly controlled entities (refer Note 1 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2023, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate companies and jointly controlled entities as at March 31, 2023, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group, its associate companies and jointly controlled entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 15 of the Other Matters section below, other than the unaudited financial statements/ special purpose financial information as certified by the management and referred to in sub-paragraph 16 of the Other Matters section below and financial information not available as referred to in sub-paragraph 17 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

4. Our opinion is not modified in respect of the following Material Uncertainty Relating to Going Concern that has been communicated to us by the auditors of Tata Steel Europe Limited, a subsidiary of the Holding Company, vide their audit report dated April 30, 2023:

   "Without modifying our opinion on the special purpose financial information, we have considered the adequacy of the disclosure concerning the entity's ability to continue as a going concern. Tata Steel Europe Limited, via its UK business, has received a letter of support from T S Global Holdings Pte. Ltd. to either refinance or repay its Revolving Credit Facility and uncommitted facilities due to expire on or before June 2024. T S Global Procurement Company Pte. Ltd. has also provided a letter of support to the UK business for access to £300m of additional working capital, which is more than estimated to be required under a severe but plausible downside scenario over the next twelve months. The letters state that they represent present policy, are given by way of comfort only and are not to be construed as constituting a promise as to the future conduct of the entities or Tata Steel Limited. Accordingly, there can be no certainty that the funds required by Tata Steel Europe Limited will be made available. These conditions, along with the other matters explained in the special purpose financial information, indicate the existence of a material uncertainty which may cast significant doubt about the entity's ability to continue as a going concern. The special purpose financial information does not include the adjustments that would result if the entity were unable to continue as a going concern."

   Refer Note 52 to the consolidated financial statements in this regard.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Business Combination- Purchase Price Allocation (PPA) on acquisition of Neelachal Ispat Nigam Limited. [Refer to Note 2 to the consolidated financial statements- "Use of estimates and critical accounting judgments- Allocation of consideration over the fair value of assets and liabilities acquired in a business combination", Note 2(e) to the consolidated financial statements- "Business combinations" and Note 41(ii) to the consolidated financial statements- "Business Combinations"]. On July 4, 2022, the Group completed the acquisition of Neelachal Ispat Nigam Limited for a total consideration of ₹12,100.00 crore in accordance with the process run by Department of Disinvestment & Public Asset Management (DIPAM), Government of India. The Group determined the acquisition to be business combination in accordance with Ind AS 103, "Business Combinations" which requires the identified assets and liabilities be recognised at fair value at the date of acquisition with the excess of consideration over fair value of recognised assets and liabilities as goodwill. The Group appointed independent professional valuers ("management's expert") to perform valuation of assets for the purpose of PPA. The PPA exercise was completed resulting in the Group recognising goodwill of ₹1,195.69 crore. Significant assumptions and estimates were used by the management with the assistance of management's expert in the determination of the fair values of the identified assets and liabilities in the transaction and thus we consider this area to be a Key Audit Matter.	Our audit procedures included the following: • We obtained an understanding from the management, assessed and tested the design and operating effectiveness of the Group's key controls over the accounting of business combination. • We evaluated the appropriateness of the Group's accounting policy in respect of business combination. • We evaluated the competence, capabilities and objectivity of the management's expert, obtained an understanding of the work of the expert, and evaluated the appropriateness of the expert's work as audit evidence. • We involved our valuation expert ("auditor's expert") to review the PPA reports including the work done by management's experts to assess reasonableness of the underlying key assumptions used in determining the fair value of assets and liabilities as at the acquisition date. • We evaluated the competence, capabilities and objectivity of the auditor's expert, and the adequacy of the work performed by the auditor's expert. • We also assessed the Group's determination of the fair value of the remaining assets and liabilities having regard to the completeness of assets and liabilities identified and the reasonableness of any underlying assumptions in their respective valuations. • We also verified the management's computation of goodwill. Based on the above work performed, we noted that the PPA have been performed in accordance with Ind AS 103. We also assessed the appropriateness of the disclosures made in the consolidated financial statements and found it reasonable.

Key audit matter	How our audit addressed the key audit matter
Assessment of carrying amount of goodwill related to the acquisition during the year of Neelachal Ispat Nigam Limited, a step down subsidiary company. [Refer to Note 2(f) to the consolidated financial statements- "Goodwill" and Note 5 to the consolidated financial statements- "Goodwill"]. The Group has a goodwill balance of ₹1,195.69 crore as at March 31, 2023 relating to the above-mentioned subsidiary. The Group carries Goodwill at cost less impairment losses, if any, and tests the same for impairment atleast annually or when events occur which indicate that the recoverable amount of the Cash Generating Unit ("CGU") is less than the carrying amount of Goodwill. The Group has identified the subsidiary as a separate CGU for the purpose of impairment assessment and has estimated its recoverable amount based on discounted cash flows forecast for steel business/ incremental cash flows from mining business of the CGU which requires judgement in respect of certain key inputs such as assumptions on discount rates, sales volume and sales prices, cost to produce/ extract, capital expenditure, EBITDA/ton, etc. This has been determined to be a Key Audit Matter as the determination of recoverable amount involves significant management judgement.	Our procedures included the following: • We obtained an understanding from the management, assessed and tested the design and operating effectiveness of the Group's key controls over the impairment assessment of goodwill. • We evaluated the appropriateness of the Group's accounting policy in respect of impairment assessment of Goodwill. • We evaluated the Group's process regarding impairment assessment by involving auditor's valuation experts, to assist in assessing the appropriateness of the impairment assessment model, underlying assumptions relating to discount rate, terminal value, etc. • We evaluated the cash flow forecasts/ incremental cash flows by comparing them to the budgets and our understanding of the internal and external factors. • We checked the mathematical accuracy of the impairment assessment model and agreed the relevant data with the latest budgets, actual results and other supporting documents, as applicable. • We assessed the sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to impairment. • We have discussed the key assumptions and sensitivities with those charged with governance. • We evaluated the appropriateness of the disclosures made in the consolidated financial statements. Based on the above procedures performed, we did not identify any significant exceptions in the management's impairment assessment of the carrying amount of goodwill related to the above mentioned subsidiary.

Key audit matter	How our audit addressed the key audit matter
Assessment of litigations and related disclosure of contingent liabilities [Refer to Note 2(c) to the consolidated financial statements– "Use of estimates and critical accounting judgements – Provisions and contingent liabilities", Note 38(A) to the consolidated Financial Statements "Contingencies" and Note 39 to the consolidated financial statements – "Other significant litigations". As at March 31, 2023, the Holding Company has exposures towards litigations relating to various matters as set out in the aforesaid Notes. Significant management judgement is required to assess such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognised or a disclosure should be made. The management judgement is also supported with legal advice in certain cases as considered appropriate. As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on the application of their best judgement, related legal advice including those relating to interpretation of laws/regulations, it is considered to be a Key Audit Matter.	Our audit procedures included the following: • We understood, assessed and tested the design and operating effectiveness of key controls surrounding assessment of litigations relating to the relevant laws and regulations; • We have reviewed the legal and other professional expenses of the Holding Company and enquired with the management for recent developments and the status of the material litigations which were reviewed; • We performed our assessment on a test basis on the underlying calculations supporting the contingent liabilities/other significant litigations disclosed in the consolidated financial statements; • We used auditor's experts/specialists to gain an understanding and to evaluate the disputed tax matters; • We considered external legal opinions, where relevant, obtained by management; • We evaluated management's assessments by understanding precedents set in similar cases and assessed the reliability of the management's past estimates/judgements; • We evaluated management's assessment around those matters that are not disclosed or not considered as contingent liability, as the probability of material outflow is considered to be remote by the management; and • We assessed the adequacy of the disclosures in the consolidated financial statements. Based on the above work performed, the assessment in respect of litigations and related disclosures relating to contingent liabilities/other significant litigations in the consolidated financial statements is considered to be reasonable.

Other Information

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information in the Integrated Report, Board's Report along with its Annexures and Financial Highlights included in Holding Company's Annual Report (titled as 'Tata Steel Integrated Report & Annual Accounts 2022-23') but does not include the consolidated financial statements and our auditor's report thereon.

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

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (refer paragraph 15 below), we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its associate companies and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate companies and jointly controlled entities 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; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate companies and jointly controlled entities are responsible for assessing the ability of the Group and of its associate companies and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. The respective Board of Directors of the companies included in the Group and of its associate companies and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associate companies and jointly controlled entities.

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

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

11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate companies and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate companies and jointly controlled entities to cease to continue as a going concern.

    - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

    - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate companies and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

15. We did not audit the financial statements/ special purpose financial information of twelve subsidiaries, included in the consolidated financial statements, whose financial statements/ special purpose financial information reflect total assets of ₹98,425.66 crore and net assets of ₹35,811.96 crore as at March 31, 2023, total revenue of ₹1,00,659.13 crore, total net (loss) after tax of ₹(4,037.90) crore, total comprehensive income (comprising of loss and other comprehensive income) of ₹(14,769.69) crore and net cash flows of ₹2,965.12 crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements/ special purpose financial information of these subsidiaries also includes their step-down associate companies and jointly controlled entities constituting ₹8.28 crore and ₹15.95 crore respectively of the Group's share total comprehensive income for the year ended March 31, 2023. The consolidated financial statements also include the Group's share of total comprehensive income (comprising of profit and other comprehensive income) of ₹30.19 crore for the year ended March 31, 2023 as considered in the consolidated financial statements, in respect of one jointly controlled entity, whose financial statements/ special purpose financial information have not been audited by us. These financial statements/ special purpose financial information have been audited by other auditors whose reports have been furnished to us by the other auditors / Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, associate companies and jointly controlled entities and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries, associate companies and jointly controlled entities, is based solely on the reports of the other auditors.

16. We did not audit the financial statements/ special purpose financial information of eighteen subsidiaries, included in the consolidated financial statements, whose financial statements/ special purpose financial information reflect total assets of ₹9,615.76 crore and net assets of ₹5,000.14 crore as at March 31, 2023, total revenue of ₹742.53 crore, total net profit after tax of ₹37.91 crore, total comprehensive income (comprising of profit and other comprehensive income) of ₹360.19 crore and net cash flows of ₹(37.86) crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit after tax and total comprehensive income (comprising of profit and other comprehensive income) of ₹4.59 crore and ₹(2.36) crore respectively for the year ended March 31, 2023 as considered in the consolidated financial statements, in respect of four associate companies and three jointly controlled entities respectively, whose financial statements/ special purpose financial information have not been audited by us. These financial statements/ special purpose financial information are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate companies and jointly controlled entities and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information in so far as it relates to the aforesaid subsidiaries, associate companies and jointly controlled entities is based solely on such unaudited financial statements/ special purpose financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ special purpose financial information are not material to the Group.

17. In the case of one subsidiary, three associate companies and one jointly controlled entity, the financial statements/ special purpose financial information for the year ended March 31, 2023 is not available. In absence of the aforesaid financial statements/ special purpose financial information, the financial statements/ special purpose financial information in respect of aforesaid subsidiaries and the Group's share of total comprehensive income of these associate companies and jointly controlled entities for the year ended March 31, 2023 have not been included in the consolidated financial statements. Accordingly, we do not report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar to the extent these relate to the aforesaid subsidiary, associate companies and jointly controlled entity.

    Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management or not considered for the purpose of preparation of these consolidated financial statements.

Report on Other Legal and Regulatory Requirements

18. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B, a statement on the matter specified in paragraph 3(xxi) of CARO 2020.

19. 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 financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

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

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled entities incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled entities incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

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

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

i. The consolidated financial statements disclose the impact, of pending litigations as on March 31, 2023 on the consolidated financial position of the Group, its associate companies and jointly controlled entities– Refer Notes 38A and 39 to the consolidated financial statements.

ii. The Group was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards as it does not have any material foreseeable loss on long term contracts (including derivative contracts).

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled entities incorporated in India during the year ended March 31, 2023 except for amount aggregating to ₹6.79 crore by the Holding Company and two of its subsidiary companies, which according to the information and explanations provided by the management is held in abeyance due to dispute / pending legal cases.

iv. (a) The respective Managements of the Company and its subsidiaries, associate companies and jointly controlled entities which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate companies and jointly controlled entities respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to consolidated financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries, associate companies and jointly controlled entities to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries, associate companies and jointly controlled entities ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries [Refer Notes 8(B)(iii) and 9(B)(iv) to the consolidated financial statements];

(b) The respective Managements of the Company and its subsidiaries, associate companies and jointly controlled entities which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate companies and jointly controlled entities respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries, associate companies and jointly controlled entities from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries, associate companies and jointly controlled entities shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries [Refer Notes 8(B)(iv) and 9(B)(v) to the consolidated financial statements];

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries, associate companies and jointly controlled entities which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The dividend declared and paid during the year by the Holding Company, its subsidiary companies, associate companies and jointly controlled entities, is in compliance with Section 123 of the Act, except for dividend amount aggregating to ₹104.16 crore by the Holding Company and one of its subsidiary company which has been paid subsequently without depositing the amount to a separate bank account. [Refer Notes C(i) to the consolidated financial statements]

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Group, associate companies and jointly controlled entities incorporated in India is applicable to the Group, associate companies and jointly controlled entities only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

20. The Group, its associate companies and jointly controlled entities have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

Subramanian Vivek
Partner
Membership Number 100332
UDIN: 23100332BGYVTM4257

Place: Mumbai
Date: May 2, 2023

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 19(f) of the Independent Auditor's Report of even date to the members of Tata Steel Limited on the consolidated financial statements for the year ended March 31, 2023.

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

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Tata Steel Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to consolidated financial statements is not applicable to two subsidiary, one associate company and one jointly controlled entities incorporated in India namely Mohar Export Services Private Limited, S & T Mining Company Private Limited, Malusha Travels Private Limited, and Tata NYK Shipping (India) Private Limited respectively, pursuant to MCA notification GSR 583(E) dated 13 June 2017.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to consolidated financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly controlled entities, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls system with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to six subsidiary companies, one jointly controlled entity, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

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

Subramanian Vivek
Partner
Membership Number 100332
UDIN: 23100332BGYVTM4257

Place: Mumbai
Date: May 2, 2023

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 18 of the Independent Auditors' Report of even date to the members of Tata Steel Limited on the Consolidated Financial Statements as of and for the year ended March 31,2023.

As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following companies have given qualification or adverse remarks in their CARO report on the standalone/consolidated financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company:

S. No.	Name of the Company	CIN	Relationship with the Holding Company	Date of the respective auditor's report	Paragraph number in the respective CARO reports
1.	Tata Steel Limited	L27100MH1907PLC000260	Holding Company	May 02, 2023	(i)(c), (ii)(b), (iii)(c), (iii)(d) , (vii)(a)
2.	Tata Steel Long Products Limited (Consolidated)				
	Tata Steel Long Products Limited	L27102OR1982PLC001091	Subsidiary	April 25, 2023	(i)(c), (ix)(e), (xvii)
	Neelachal Ispat Nigam Limited	U27109OR1982PLC001050	Step-down Subsidiary	April 25, 2023	(i)(c), (ii)(a), (ii)(b), (vii)(a), (ix)(a), (ix)(c), (xvii)
3.	Bhubaneshwar Power Private Limited	U40109TG2006PTC050759	Subsidiary	April 10, 2023	(i)(c)
4.	Tata Steel Utilities and Infrastructure Services Limited	U45200JH2003PLC010315	Subsidiary	April 14, 2023	(i)(c), (ix)(e)
5.	Naba Diganta Water Management Limited	U93010WB2008PLC121573	Jointly Controlled Entity of Subsidiary	April 10, 2023	(i)(c)
6.	TM International Logistics Limited (Consolidated)				
	TM International Logistics Limited	U63090WB2002PLC094134	Jointly Controlled Entity	April 17, 2023	(ii)(b)
	TKM Global Logistics Limited	U51109WB1991PLC051941	Subsidiary of Jointly Controlled Entity	April 12, 2023	(vii)(a)
7.	Jamipol Limited	U24111JH1995PLC009020	Jointly Controlled Entity	April 27, 2023	(i)(c), (ii)(b)
8.	Jamshedpur Football and Sporting Private Limited	U92490MH2017PTC297047	Subsidiary	April 26, 2023	(xvi)
9.	Tata Steel Support Services Limited	U93000DL2010PLC202028	Subsidiary	April 12, 2023	(xvii)
10.	Ceramat Private Limited	U26990MH2021PTC370837	Subsidiary	April 12, 2023	(i)(a)(A), (xvii)
11.	Industrial Energy Limited	U74999MH2007PLC167623	Jointly Controlled Entity	April 13, 2023	(i)(c)
12.	Creative Port Development Private Limited	U63032WB2006PTC246176	Subsidiary	April 13, 2023	(xvii)

The statutory audit report on the financial statements for the year ended March 31, 2023 of following related entities of the Holding Company has not been issued until the date of this report.

Subsidiaries

1. Tata Steel Downstream Products Limited
2. Tata Steel Mining Limited
3. Tata Steel Advanced Materials Limited
4. Tata Pigments Limited
5. Haldia Water Management Limited
6. Medica TS Hospital Private Limited
7. Indian Steel & Wire Products Limited
8. Adityapur Toll Bridge Company Limited
9. Mohar Export Services Pvt. Ltd.
10. S & T Mining Company Limited
11. Bhushan Steel (South) Limited
12. Tata Steel Technical Services Limited
13. Tata Steel TABB Limited
14. Rujuvalika Investments Limited

Jointly Controlled Entity

1. Himalaya Steel Mills Services Private Limited

Associate Companies

1. TRF Limited
2. Malusha Travels Pvt Ltd
3. Strategic Energy Technology Systems Private Limited

Accordingly, no comments for the said subsidiaries, associate companies, and jointly controlled entities have been included for the purpose of reporting under this clause.

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

Subramanian Vivek
Partner
Membership Number: 100332
UDIN: 23100332BGYVTM4257

Place: Mumbai
Date: May 2, 2023

CONSOLIDATED BALANCE SHEET

as at March 31, 2023

(₹ crore)

	Note	Page	As at March 31, 2023	As at March 31, 2022
Assets				
I Non-current assets				
(a) Property, plant and equipment	3	F163	1,18,696.74	1,16,166.46
(b) Capital work-in-progress	3	F166	30,307.90	21,227.62
(c) Right-of-use assets	4	F169	9,222.52	8,337.70
(d) Goodwill	5	F172	5,601.65	4,311.20
(e) Other intangible assets	6	F174	13,100.55	4,472.47
(f) Intangible assets under development	6	F176	905.12	817.93
(g) Advance against equity			-	1,210.00
(h) Equity accounted investments	7	F177	3,233.33	2,961.65
(i) Financial assets				
(i) Investments	8	F179	1,546.92	1,653.78
(ii) Loans	9	F181	64.74	72.44
(iii) Derivative assets			403.40	318.15
(iv) Other financial assets	10	F183	510.88	442.64
(j) Retirement benefit assets	11	F185	6,990.83	20,397.96
(k) Non-current tax assets			4,369.03	3,785.01
(l) Deferred tax assets	12	F186	2,625.96	3,023.93
(m) Other assets	13	F189	3,776.63	3,690.05
Total non-current assets			**2,01,356.20**	**1,92,888.99**
II Current assets				
(a) Inventories	14	F190	54,415.33	48,824.39
(b) Financial assets				
(i) Investments	8	F179	3,630.06	8,524.42
(ii) Trade receivables	15	F191	8,257.24	12,246.43
(iii) Cash and cash equivalents	16	F192	12,129.90	15,604.68
(iv) Other balances with banks	17	F193	1,227.36	294.25
(v) Loans	9	F181	1.84	5.84
(vi) Derivative assets			561.46	1,172.74
(vii) Other financial assets	10	F183	1,435.51	2,011.62
(c) Retirement benefit assets	11	F185	-	1.25
(d) Current tax assets			117.69	61.63
(e) Other assets	13	F189	4,829.75	3,508.82
Total current assets			**86,606.14**	**92,256.07**
III Assets held for sale	18	F193	**59.40**	**300.54**
Total assets			**2,88,021.74**	**2,85,445.60**

CONSOLIDATED BALANCE SHEET (CONTD.)

as at March 31, 2023

(₹ crore)

	Note	Page	As at March 31, 2023	As at March 31, 2022
Equity and liabilities				
IV Equity				
(a) Equity share capital	19	F194	1,221.24	1,221.21
(b) Other equity	21	F198	1,01,860.86	1,13,221.83
Equity attributable to owners of the Company			**1,03,082.10**	**1,14,443.04**
Non-controlling interests			2,093.11	2,655.42
Total equity			**1,05,175.21**	**1,17,098.46**
V Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	23	F206	51,446.33	44,764.07
(ii) Lease Liabilities			5,811.08	5,696.46
(iii) Derivative liabilities			-	10.35
(iv) Other financial liabilities	24	F212	1,871.51	989.57
(b) Provisions	25	F213	4,775.84	4,825.98
(c) Retirement benefit obligations	11	F185	2,931.37	3,413.71
(d) Deferred income	26	F215	132.36	137.16
(e) Deferred tax liabilities	12	F186	14,115.64	12,325.78
(f) Other liabilities	27	F216	4,467.27	5,596.06
Total non-current liabilities			**85,551.40**	**77,759.14**
VI Current liabilities				
(a) Financial liabilities				
(i) Borrowings	23	F206	26,571.37	24,064.61
(ii) Lease Liabilities			1,064.27	1,036.21
(iii) Trade payables	28	F217		
(a) Total outstanding dues of micro and small enterprises			1,170.33	897.50
(b) Total outstanding dues of creditors other than micro and small enterprises			36,662.21	35,867.37
(iv) Derivative liabilities			1,630.53	196.91
(v) Other financial liabilities	24	F212	9,590.21	8,381.41
(b) Provisions	25	F213	3,882.73	2,768.49
(c) Retirement benefit obligations	11	F185	162.47	158.22
(d) Deferred income	26	F215	91.93	130.45
(e) Current tax liabilities			1,923.98	1,382.70
(f) Other liabilities	27	F216	14,545.10	15,513.02
Total current liabilities			**97,295.13**	**90,396.89**
VII Liabilities held for sale	18	F193	**-**	**191.11**
Total equity and liabilities			**2,88,021.74**	**2,85,445.60**
Notes forming part of the consolidated financial statements	1-54			

In terms of our report attached

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

sd/-
Subramanian Vivek
Partner
Membership Number 100332

Mumbai, May 2, 2023

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
DIN: 00024713

sd/-
O. P. Bhatt
Independent Director
DIN: 00548091

sd/-
Deepak Kapoor
Independent Director
DIN: 00162957

sd/-
Farida Khambata
Independent Director
DIN: 06954123

sd/-
V. K. Sharma
Independent Director
DIN: 02449088

sd/-
Bharti Gupta Ramola
Independent Director
DIN: 00356188

sd/-
Saurabh Agrawal
Non-Executive Director
DIN: 02144558

sd/-
T. V. Narendran
Chief Executive Officer & Managing Director
DIN: 03083605

sd/-
Koushik Chatterjee
Executive Director & Chief Financial Officer
DIN: 00004989

sd/-
Parvatheesam Kanchinadham
Company Secretary & Chief Legal Officer (Corporate & Compliance)
ACS: 15921

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2023

(₹ crore)

		Note	Page	Year ended March 31, 2023	Year ended March 31, 2022
I	Revenue from operations	29	F218	2,43,352.69	2,43,959.17
II	Other income	30	F219	1,037.48	784.89
III	**Total income**			**2,44,390.17**	**2,44,744.06**
IV	**Expenses:**				
	(a) Cost of materials consumed			1,01,483.08	75,763.70
	(b) Purchases of stock-in-trade			15,114.11	15,312.91
	(c) Changes in inventories of finished and semi-finished goods, stock-in- trade and work-in-progress			(3,358.89)	(7,597.87)
	(d) Employee benefits expense	31	F219	22,419.32	23,264.10
	(e) Finance costs	32	F220	6,298.70	5,462.20
	(f) Depreciation and amortisation expense	33	F220	9,335.20	9,100.87
	(g) Other expenses	34	F220	80,518.87	76,616.28
				2,31,810.39	**1,97,922.19**
	Less: Expenditure (other than finance cost) transferred to capital account			5,123.96	2,889.90
	Total expenses			**2,26,686.43**	**1,95,032.29**
V	Share of profit/(loss) of joint ventures and associates			418.12	649.16
VI	**Profit/(loss) before exceptional items and tax (III-IV+V)**			**18,121.86**	**50,360.93**
VII	**Exceptional items:**	35	F221		
	(a) Profit on sale of subsidiaries and non-current investments			66.86	724.84
	(b) Profit on sale of non current assets			-	30.83
	(c) Provision for impairment of investments/ doubtful advances (net)			83.68	(99.74)
	(d) Provision for impairment of non-current assets (net)			25.37	(252.68)
	(e) Employee separation compensation			(91.94)	(330.81)
	(f) Restructuring and other provisions			(1.70)	(256.24)
	(g) Gain/(loss) on non-current investments classified as fair value through profit and loss (net)			30.99	49.74
	Total exceptional items			**113.26**	**(134.06)**
VIII	**Profit/(loss) before tax (VI+VII)**			**18,235.12**	**50,226.87**
IX	**Tax expense:**	12	F186		
	(a) Current tax			5,361.33	7,049.88
	(b) Deferred tax			4,798.44	1,427.67
	Total tax expense			**10,159.77**	**8,477.55**
X	**Profit/(loss) for the year (VIII-IX)**			**8,075.35**	**41,749.32**

CONSOLIDATED STATEMENT OF PROFIT AND LOSS (CONTD.)

for the year ended March 31, 2023

(₹ crore)

	Note	Page	Year ended March 31, 2023	Year ended March 31, 2022
XI Other comprehensive income/(loss)				
A. (i) Items that will not be reclassified subsequently to profit and loss:				
(a) Remeasurement gain/(loss) on post-employment defined benefit plans			(13,310.57)	486.03
(b) Fair value changes of investments in equity shares			(219.55)	684.07
(c) Share of equity accounted investees			0.47	0.85
(ii) Income tax on items that will not be reclassified subsesquently to profit and loss			3,353.56	(203.02)
B. (i) Items that will be reclassified subsequently to profit and loss :				
(a) Foreign currency translation differences			(2,057.74)	(369.99)
(b) Fair value changes of cash flow hedges			(2,129.94)	930.65
(c) Share of equity accounted investees			12.28	(29.36)
(ii) Income tax on items that will be reclassified subsesquently to profit and loss			502.42	(193.81)
Total other comprehensive income/(loss) for the year			**(13,849.07)**	**1,305.42**
XII Total comprehensive income/(loss) for the year (X+XI)			**(5,773.72)**	**43,054.74**
XIII Profit/(loss) for the year attributable to:				
Owners of the Company			8,760.40	40,153.93
Non-controlling interests			(685.05)	1,595.39
			8,075.35	**41,749.32**
XIV Total comprehensive income for the year attributable to:				
Owners of the Company			(5,107.74)	41,468.40
Non-controlling interests			(665.98)	1,586.34
			(5,773.72)	**43,054.74**
XV Earnings per share	36	F222		
Basic (₹)			7.17	33.24
Diluted(₹)			7.17	33.21
Notes forming part of the consolidated financial statements	1-54			

In terms of our report attached

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

sd/-
Subramanian Vivek
Partner
Membership Number 100332

Mumbai, May 2, 2023

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
DIN: 00024713

sd/-
O. P. Bhatt
Independent Director
DIN: 00548091

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Deepak Kapoor
Independent Director
DIN: 00162957

sd/-
Farida Khambata
Independent Director
DIN: 06954123

sd/-
V. K. Sharma
Independent Director
DIN: 02449088

sd/-
Bharti Gupta Ramola
Independent Director
DIN: 00356188

sd/-
Saurabh Agrawal
Non-Executive Director
DIN: 02144558

sd/-
T. V. Narendran
Chief Executive Officer & Managing Director
DIN: 03083605

sd/-
Koushik Chatterjee
Executive Director & Chief Financial Officer
DIN: 00004989

sd/-
Parvatheesam Kanchinadham
Company Secretary & Chief Legal Officer (Corporate & Compliance)
ACS: 15921

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended March 31, 2023

A. Equity share capital

(₹ crore)

Balance as at April 1, 2022	Changes during the year	Balance as at March 31, 2023
1,221.21	0.03	**1,221.24**

(₹ crore)

Balance as at April 1, 2021	Changes during the year	Balance as at March 31, 2022
1,197.61	23.60	**1,221.21**

B. Hybrid perpetual securities

(₹ crore)

Balance as at April 1, 2022	Changes during the year	Balance as at March 31, 2023
-	-	**-**

(₹ crore)

Balance as at April 1, 2021	Changes during the year	Balance as at March 31, 2022
775.00	(775.00)	**-**

C. Other equity

(₹ crore)

	Retained earnings [refer note 21A, page F198]	Items of other comprehensive income [refer note 21B, page F199]	Other consolidated reserves [refer note 21C, F200]	Share application money pending allotment [refer note 21D, F203]	Other equity attributable to the owners of the Company	Non-controlling interests	Total
Balance as at April 1, 2022	**55,647.79**	**9,111.05**	**48,462.99**	**-**	**1,13,221.83**	**2,655.42**	**1,15,877.25**
Profit / (loss) for the year	8,760.40	-	-	-	8,760.40	(685.05)	8,075.35
Other comprehensive income for the year	(9,981.60)	(3,886.54)	-	-	(13,868.14)	19.07	(13,849.07)
Total comprehensive income for the year	**(1,221.20)**	**(3,886.54)**	**-**	**-**	**(5,107.74)**	**(665.98)**	**(5,773.72)**
Received during the year	-	-	-	1.46	1.46	-	1.46
Subscription to final call on equity shares	-	-	1.44	(1.46)	(0.02)	-	(0.02)
Equity issue expenses written (off)/ back	-	-	(0.09)	-	(0.09)	-	(0.09)
Dividend[(i)]	(6,227.15)	-	-	-	(6,227.15)	(65.48)	(6,292.63)
Transfers within equity	(4.42)	-	4.42	-	-	-	-
Adjustment for changes in ownership interests	(28.70)	-	-	-	(28.70)	168.77	140.07
Other movements within equity	-	-	1.27	-	1.27	0.38	1.65
Balance as at March 31, 2023	**48,166.32**	**5,224.51**	**48,470.03**	**-**	**1,01,860.86**	**2,093.11**	**1,03,953.97**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTD.)

for the year ended March 31, 2023

(₹ crore)

	Retained earnings [refer note 21A, page F198]	Items of other comprehensive income [refer note 21B, page F199]	Other consolidated reserves [refer note 21C, F200]	Share application money pending allotment [refer note 21D, F203]	Other equity attributable to the owners of the Company	Non-controlling interests	Total
Balance as at April 1, 2021	**16,476.70**	**8,172.96**	**47,612.72**	**3.78**	**72,266.16**	**3,269.68**	**75,535.84**
Profit / (loss) for the year	40,153.93	-	-	-	40,153.93	1,595.39	41,749.32
Other comprehensive income for the year	366.39	948.08	-	-	1,314.47	(9.05)	1,305.42
Total comprehensive income for the year	**40,520.32**	**948.08**	**-**	**-**	**41,468.40**	**1,586.34**	**43,054.74**
Received during the year	-	-	-	326.85	326.85	-	326.85
Subscription to final call on equity shares	-	-	324.90	(330.27)	(5.37)	-	(5.37)
Issue of Ordinary Shares	-	-	0.35	(0.36)	(0.01)	-	(0.01)
Equity issue expenses written (off)/back	-	-	(1.12)	-	(1.12)	-	(1.12)
Dividend(i)	(3,004.16)	-	-	-	(3,004.16)	(15.95)	(3,020.11)
Distribution on hybrid perpetual securities	(1.46)	-	-	-	(1.46)	-	(1.46)
Tax on distribution on hybrid perpetual securities	0.37	-	-	-	0.37	-	0.37
Transfers within equity	8.97	(9.99)	1.02	-	-	-	-
Additions relating to acquisitions	-	-	-	-	-	10.62	10.62
Adjustment for changes in ownership interests	1,647.05	-	525.12	-	2,172.17	(2,195.54)	(23.37)
Other movements	-	-	-	-	-	0.27	0.27
Balance as at March 31, 2022	**55,647.79**	**9,111.05**	**48,462.99**	**-**	**1,13,221.83**	**2,655.42**	**1,15,877.25**

(i) Dividend paid during the year ended March 31, 2023 is ₹**51.00** per Ordinary share (face value ₹10 each, fully paid-up) and ₹**12.75** per Ordinary Share (face value ₹10 each, partly paid-up ₹2.504 per share) (March 31, 2022: ₹25.00 per Ordinary Share of face value ₹10 each, fully paid-up and ₹6.25 per Ordinary Share of face value ₹10 each, partly paid-up ₹2.504 per share). Further, dividend amounting to ₹4.16 crore pertaining to those shares allotted pursuant to the composite scheme of amalgamation of Bamnipal Steel Limited and Tata Steel BSL Limited into and with the Company but pending legal proceedings or rejected during corporate actions has been paid subsequently without depositing the amount to a separate bank account.

During the year ended March 31, 2023, Tata Steel Downstream Products Limited, a wholly-owned subsidiary of the Company, declared and paid divided in compliance with Section 123 of the Act, except for dividend amounting to ₹100.00 crore, which has been paid subsequently without depositing the amount to a separate bank account. These are eliminated in the consolidated financial statements.

D. Notes forming part of the consolidated financial statements — Note 1-54

In terms of our report attached

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

sd/-
Subramanian Vivek
Partner
Membership Number 100332

Mumbai, May 2, 2023

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
DIN: 00024713

sd/-
O. P. Bhatt
Independent Director
DIN: 00548091

sd/-
Deepak Kapoor
Independent Director
DIN: 00162957

sd/-
Farida Khambata
Independent Director
DIN: 06954123

sd/-
V. K. Sharma
Independent Director
DIN: 02449088

sd/-
Bharti Gupta Ramola
Independent Director
DIN: 00356188

sd/-
Saurabh Agrawal
Non-Executive Director
DIN: 02144558

sd/-
T. V. Narendran
Chief Executive Officer & Managing Director
DIN: 03083605

sd/-
Koushik Chatterjee
Executive Director & Chief Financial Officer
DIN: 00004989

sd/-
Parvatheesam Kanchinadham
Company Secretary & Chief Legal Officer (Corporate & Compliance)
ACS: 15921

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

(₹ crore)

	Year ended March 31, 2023		Year ended March 31, 2022	
A. Cash flows from operating activities:				
Profit/(loss) before tax		**18,235.12**		**50,226.87**
Adjustments for:				
Depreciation and amortisation expense	9,335.20		9,100.87	
Dividend income	(39.66)		(35.30)	
(Gain)/Loss on sale of non-current investments	(0.88)		(0.22)	
(Gain)/loss on sale of property, plant and equipment including intangible assets (net of loss on assets scrapped/written off)	43.57		(95.33)	
Exceptional (income)/expenses	(113.26)		134.06	
(Gain)/loss on cancellation of forwards, swaps and options	0.96		(39.05)	
Interest income and income from current investments	(640.12)		(445.26)	
Finance costs	6,298.70		5,462.20	
Foreign exchange (gain)/loss	(1,793.96)		1,579.15	
Share of profit or loss of joint ventures and associates	(418.12)		(649.16)	
Other non-cash items	0.79		661.56	
		12,673.22		**15,673.52**
Operating profit before changes in non-current/current assets and liabilities		**30,908.34**		**65,900.39**
Adjustments for:				
Non-current/current financial and other assets	3,393.94		(6,220.09)	
Inventories	(4,031.37)		(16,916.83)	
Non-current/current financial and other liabilities/provisions	(3,069.07)		13,519.22	
		(3,706.50)		(9,617.70)
Cash generated from operations		**27,201.84**		**56,282.69**
Income taxes paid (net of refund)		(5,518.76)		(11,901.70)
Net cash from/(used in) operating activities		**21,683.08**		**44,380.99**
B. Cash flows from investing activities:				
Purchase of capital assets	(14,142.49)		(10,522.20)	
Sale of capital assets	327.70		569.48	
Purchase of non-current investments	(326.27)		(48.70)	
Advance against equity paid	-		(1,210.00)	
Sale of non-current investments	1.71		62.56	
(Purchase)/sale of current investments (net)	5,188.84		(1,104.05)	
Loans given	(20.93)		-	
Repayment of loans given	102.48		(80.97)	
Principal receipts under sublease	2.95		17.68	
Fixed/restricted deposits with banks (placed)/realised (net)	23.63		(18.26)	
Interest received	248.08		137.38	
Dividend received from associates and joint ventures	277.30		126.19	
Dividend received from others	39.68		35.31	
Acquisition of subsidiaries/undertakings[(i)]	(10,568.95)		(53.23)	
Sale of subsidiaries/undertakings[(ii)]	166.43		1,207.58	
Net cash from/(used in) investing activities		**(18,679.84)**		**(10,881.23)**

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTD.)

for the year ended March 31, 2023

(₹ crore)

	Year ended March 31, 2023		Year ended March 31, 2022	
C. Cash flows from financing activities:				
Proceeds from issue of equity shares (net of issue expenses)	1.37		325.74	
Proceeds from long-term borrowings (net of issue expenses)	16,768.65		906.66	
Repayment of long-term borrowings	(4,605.68)		(26,359.60)	
Proceeds/(repayments) of short-term borrowings (net)	(5,620.41)		11,532.27	
Payment of lease obligations	(1,114.43)		(1,310.07)	
Amount received/(paid) on utilisation/cancellation of derivatives	2.16		29.90	
Repayment of hybrid perpetual securities	-		(775.00)	
Distribution on hybrid perpetual securities	-		(44.20)	
Interest paid	(6,119.72)		(4,686.67)	
Dividend paid	(6,292.63)		(3,020.12)	
Net cash from/(used in) financing activities		**(6,980.69)**		**(23,401.09)**
Net increase/(decrease) in cash or cash equivalents		**(3,977.45)**		**10,098.67**
Opening cash and cash equivalents (refer note no 16, page F192)(iii)		**15,606.96**		**5,532.08**
Effect of exchange rate on translation of foreign currency cash and cash equivalents		500.39		(23.79)
Closing cash and cash equivalents (refer note no 16, page F192)(iii)		**12,129.90**		**15,606.96**

(i) Includes ₹**12.83 crore** (2021-22: ₹54.18 crore) paid in respect of deferred consideration on acquisition of subsidiary.

(ii) Includes ₹**50.69** crore (2021-22: Nil) received in respect of deferred consideration on disposal of an undertaking.

(iii) Opening cash and cash equivalents includes ₹**2.28** crore (2021-22: Nil) and closing cash and cash equivalents includes **Nil** (2021-22: ₹2.28 crore) in respect of subsidiaries classified as held for sale.

(iv) Significant non-cash movements in borrowing during the year include:

  (a) addition on account of subsidiaries acquired during the year ₹**4.09** crore (2021-22: ₹0.87 crore).

  (b) reduction on account of subsidiaries disposed off and liquidated **Nil** (2021-22: ₹149.60 crore).

  (c) exchange loss (including translation) ₹**2,591.08** crore (2021-22: ₹897.63 crore).

  (d) amortisation/effective interest rate adjustments of upfront fees ₹**168.03** crore (2021-22: ₹1,156.35 crore).

  (e) adjustment to lease obligations, increase ₹**1,148.82** crore (2021-22 : ₹385.42 crore).

D. Notes forming part of the consolidated financial statements — **Note 1-54**

In terms of our report attached

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

sd/-
Subramanian Vivek
Partner
Membership Number 100332

Mumbai, May 2, 2023

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
DIN: 00024713

sd/-
O. P. Bhatt
Independent Director
DIN: 00548091

sd/-
Deepak Kapoor
Independent Director
DIN: 00162957

sd/-
Farida Khambata
Independent Director
DIN: 06954123

sd/-
V. K. Sharma
Independent Director
DIN: 02449088

sd/-
Bharti Gupta Ramola
Independent Director
DIN: 00356188

sd/-
Saurabh Agrawal
Non-Executive Director
DIN: 02144558

sd/-
T. V. Narendran
Chief Executive Officer & Managing Director
DIN: 03083605

sd/-
Koushik Chatterjee
Executive Director & Chief Financial Officer
DIN: 00004989

sd/-
Parvatheesam Kanchinadham
Company Secretary & Chief Legal Officer (Corporate & Compliance)
ACS: 15921

NOTES
forming part of the Financial Statements

1. Company Information

Tata Steel Limited ("the Company") is a public limited Company incorporated in India with its registered office in Bombay House 24, Homi Modi Street Fort, Mumbai-400 001, Maharashtra, India. The Company is listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

The Company and its subsidiaries (collectively referred to as 'the Group') have presence across the entire value chain of steel manufacturing from mining and processing iron ore and coal to producing and distributing finished products. The Group offers a broad range of steel products including a portfolio of high value-added downstream products such as hot rolled, cold rolled, coated steel, rebars, wire rods, tubes and wires.

The consolidated financial statements as at March 31, 2023 present the financial position of the Group as well as its interests in associate companies and joint arrangements. The list of entities consolidated is provided in note 54, page F267.

The functional and presentation currency of the Company and the presentation currency of the Group is Indian Rupee ("₹").

As on March 31, 2023, Tata Sons Private Limited owns 32.44 % of the Ordinary Shares of the Company and has the ability to influence the Group's operations.

The financial statements for the year ended March 31, 2023 were approved by the Board of Directors and authorised for issue on May 2, 2023.

2. Significant accounting policies

The significant accounting policies applied by the Group in the preparation of its consolidated financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these consolidated financial statements, unless otherwise indicated.

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time and other relevant provisions of the Act.

(b) Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair value by Ind AS.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(c) Use of estimates and critical accounting judgements

In the preparation of the consolidated financial statements, the Group makes judgements in the application of accounting policies; and estimates and assumptions which affects carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Key source of estimation of uncertainty at the date of consolidated financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment, useful lives of property, plant and equipment, right-of-use assets and intangible assets, and expected credit loss for financial instruments carried at amortised cost (detailed in note 2(r), page F156), valuation of deferred tax assets, provisions and contingent liabilities, fair value measurements of financial instruments, retirement benefit obligations and non-current assets classified as held for sale as discussed below.

Impairment

The Group estimates the value in use of the cash generating unit (CGU) based on future cash flows after considering current economic conditions and trends, estimated future operating results and growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows

NOTES

forming part of the Financial Statements

2. Significant accounting policies (Contd.)

are discounted using a suitable discount rate in order to calculate the present value. Further details of the Group's impairment review and key assumptions are set out in note 3, page F163, note 4, page F169, note 5, page F172 and note 6, page F174.

Useful lives of property, plant and equipment, right-of-use assets and intangible assets

The Group reviews the useful life of property, plant and equipment, right-of-use assets and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods. The policy has been detailed in note 2(n), page F153.

Valuation of deferred tax assets

The Group reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy has been detailed in note 2(y), page F160 and its further information are set out in note 12, page F186.

Provisions and contingent liabilities

A provision is recognised when the Group has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Further details are set out in note 25, page F213 and note 38(A), page F235.

Fair value measurements of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including Discounted Cash Flow Model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Further details are set out in note 43, page F249.

Retirement benefit obligations and assets

The Group's retirement benefit obligations are subject to a number of assumptions including discount rates, inflation, salary growth and mortality rate. Significant assumptions are required when setting these criteria and a change in these assumptions would have a significant impact on the amount recorded in the Group's balance sheet and the consolidated statement of profit and loss. The Group sets these assumptions based on previous experience and third party actuarial advice. Further details on the Group's retirement benefit obligations, including key assumptions are set out in note 37, page F223.

Non-current assets held for sale

The recognition of non-current assets (or disposal groups) as held for sale is dependent upon whether its carrying amount will be recovered principally through a sale transaction rather than through continuing use. Significant judgement is required to assess whether the sale of the assets (or disposal group) is highly probable.

Allocation of consideration over the fair value of assets and liabilities acquired in a business combination

Assets and liabilities acquired pursuant to business combination are stated at the fair values determined as of the date of acquisition. The carrying values of assets acquired are determined based on estimate of a valuation carried out by independent professional valuers appointed by the Group. The values have been assessed based on the technical estimates of useful lives of tangible assets and benefits expected from the use of intangible assets. Other assets and liabilities were recorded at values that were expected to be realised or settled respectively.

(d) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company i.e. its subsidiaries. It also includes the Group's share of profits, net assets and retained post acquisition reserves of joint arrangements and associates that are consolidated using the equity or proportionate method of consolidation, as applicable. Control is achieved when the Company is exposed to, or has rights to the variable returns of the entity and the

2. Significant accounting policies (Contd.)

ability to affect those returns through its power to direct the relevant activities of the entity.

The results of subsidiaries, joint arrangements and associates acquired or disposed off during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Wherever necessary, adjustments are made to the financial statements of subsidiaries, joint arrangements and associates to bring their accounting policies in line with those used by other members of the Group.

Intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying value of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interests having a deficit balance.

(e) Business combinations

Acquisition of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in each business combination is measured at the aggregate of the acquisition date fair values of assets transferred, liabilities incurred by the Group to the former owners of the acquiree and equity interests issued by the Group in exchange for control of the acquiree.

Acquisition related costs are recognised in the consolidated statement of profit and loss.

Goodwill arising on acquisition is recognised as an asset and measured at cost, being the excess of the consideration transferred in the business combination over the Group's interest in the net fair value of the identifiable assets acquired, liabilities assumed and contingent liabilities recognised, as applicable. Where the fair value of the identifiable assets and liabilities exceed the cost of acquisition, after re-assessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve on consolidation.

Once control has been achieved, any subsequent acquisitions where the Group does not originally hold hundred percent interest in a subsidiary are treated as an acquisition of shares from non-controlling shareholders. The identifiable net assets are not subject to further fair value adjustments and the difference between the cost of acquisition of the non-controlling interest and the net book value of the additional interest acquired is adjusted in equity.

Business combinations arising from transfer of interests in entities that are under common control are accounted for using the pooling of interest method. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in shareholders' equity.

(f) Goodwill

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash- generating units that are expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit's value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying value of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying value of each asset in the unit.

An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

NOTES

forming part of the Financial Statements

2. Significant accounting policies (Contd.)

(g) Investment in associates

Associates are those enterprises over which the Group has significant influence, but does not have control or joint control. Investments in associates are accounted for using the equity method and are initially recognised at cost from the date significant influence commences until the date that significant influence ceases. Subsequent changes in the carrying value reflect the post-acquisition changes in the Group's share of net assets of the associate and impairment charges, if any.

When the Group's share of losses exceeds the carrying value of the associate, the carrying value is reduced to nil and recognition of further losses is discontinued, except to the extent that the Group has incurred obligations in respect of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates, unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred and where material, the results of associates are modified to confirm to the Group's accounting policies.

(h) Interest in joint arrangements

A joint arrangement is a contractual arrangement whereby the Group and other parties undertake an economic activity where the strategic financial and operating policy decisions relating to the activities of the joint arrangement require the unanimous consent of the parties sharing control.

Where Group entity undertakes its activities under joint arrangements as joint operations, the Group's share of jointly controlled assets and any liabilities incurred jointly with other parties are recognised in its financial statements and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in joint operations are accounted for on the accrual basis. Income from the sale or use of the Group's share of the output of joint operations, and its share of joint arrangements expenses, are recognised when it is probable that the economic benefits associated with the transactions will flow to the Group and their amount can be measured reliably.

Joint arrangements that involve the establishment of a separate entity in which each venturer has an interest are referred to as joint ventures. The Group reports its interests in joint ventures using the equity method of accounting whereby an interest in joint venture is initially recorded at cost and adjusted thereafter for post-acquisition changes in the Group's share of net assets of the joint venture. The consolidated statement of profit and loss reflects the Group's share of the results of operations of the joint venture.

When the Group's share of losses exceeds the carrying value of the joint venture, the carrying value is reduced to nil and recognition of further losses is discontinued, except to the extent that the Group has incurred obligations in respect of the joint venture.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint venture, unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred and where material, the results of joint ventures are modified to conform to the Group's accounting policies.

(i) Property, plant and equipment

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. This recognition principle is applied to costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the consolidated statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Property, plant and equipment is stated at cost or deemed cost applied on transition to Ind AS, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses are capitalised. Borrowing costs incurred

NOTES
forming part of the Financial Statements

2. Significant accounting policies (Contd.)

during the period of construction is capitalised as part of cost of qualifying asset.

The gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between sale proceeds and carrying value of such item, and is recognised in the consolidated statement of profit and loss.

(j) Exploration for and evaluation of mineral resources

Expenditures associated with search for specific mineral resources are recognised as exploration and evaluation assets. The following expenditure comprises cost of exploration and evaluation assets:

- obtaining of the rights to explore and evaluate mineral reserves and resources including costs directly related to this acquisition
- researching and analysing existing exploration data
- conducting geological studies, exploratory drilling and sampling
- examining and testing extraction and treatment methods
- compiling pre-feasibility and feasibility studies
- activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource.

Administration and other overhead costs are charged to the cost of exploration and evaluation assets only if directly related to an exploration and evaluation project.

If a project does not prove viable, all irrecoverable exploration and evaluation expenditure associated with the project net of any related impairment allowances is written off to the consolidated statement of profit and loss.

The Group measures its exploration and evaluation assets at cost and classifies as property, plant and equipment or intangible assets according to the nature of the assets acquired and applies the classification consistently. To the extent that a tangible asset is consumed in developing an intangible asset, the amount reflecting that consumption is capitalised as a part of the cost of the intangible asset.

As the asset is not available for use, it is not depreciated. All exploration and evaluation assets are monitored for indications of impairment. An exploration and evaluation asset is no longer classified as such when the technical feasibility and commercial viability of extracting a mineral resource are demonstrable and the development of the deposit is sanctioned by the management. The carrying value of such exploration and evaluation asset is reclassified to mining assets.

(k) Development expenditure for mineral reserves

Development is the establishment of access to mineral reserves and other preparations for commercial production. Development activities often continue during production and include:

- sinking shafts and underground drifts (often called mine development)
- making permanent excavations
- developing passageways and rooms or galleries
- building roads and tunnels and
- advance removal of overburden and waste rock.

Development (or construction) also includes the installation of infrastructure (e.g., roads, utilities and housing), machinery, equipment and facilities.

Development expenditure is capitalised and presented as part of mining assets. No depreciation is charged on the development expenditure before the start of commercial production.

(l) Provision for restoration and environmental costs

The Group has liabilities related to restoration of soil and other related works, which are due upon the closure of certain of its mining sites.

Such liabilities are estimated case-by-case based on available information, taking into account applicable local legal requirements. The estimation is made using existing technology, at current prices, and discounted using an appropriate discount rate where the effect of time value of money is material. Future restoration and environmental costs, discounted to net present value, are capitalised and the corresponding restoration liability is raised as soon as the obligation to incur such costs arises. Future restoration and environmental costs are capitalised in property, plant

NOTES

forming part of the Financial Statements

2. Significant accounting policies (Contd.)

and equipment or mining assets as appropriate and are depreciated over the life of the related asset. The effect of time value of money on the restoration and environmental costs liability is recognised in the consolidated statement of profit and loss.

(m) Intangible assets

Patents, trademarks and software costs are included in the consolidated balance sheet as intangible assets when it is probable that associated future economic benefits would flow to the Group. In this case they are measured initially at purchase cost and then amortised on a straight-line basis over their estimated useful lives. All other costs on patents, trademarks and software are expensed in the consolidated statement of profit and loss as and when incurred.

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Costs incurred on individual development projects are recognised as intangible assets from the date when all of the following conditions are met:

(i) completion of the development is technically feasible.

(ii) it is the intention to complete the intangible asset and use or sell it.

(iii) ability to use or sell the intangible asset.

(iv) it is clear that the intangible asset will generate probable future economic benefits.

(v) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available.

(vi) it is possible to reliably measure the expenditure attributable to the intangible asset during its development.

Recognition of costs as an asset is ceased when the project is complete and available for its intended use, or if these criteria are no longer applicable.

Where development activities do not meet the conditions for recognition as an asset, any associated expenditure is treated as an expense in the period in which it is incurred.

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets with definite useful lives acquired in a business combination are reported at cost or deemed cost applied on transition to Ind AS, less accumulated amortisation and accumulated impairment losses.

(n) Depreciation and amortisation of property, plant and equipment, right-of-use assets and intangible assets

Depreciation or amortisation is provided so as to write off, on a straight-line basis, the cost/deemed cost of property, plant and equipment, right-of-use assets and intangible assets, including right-of-use assets to their residual value. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives or, in the case of right-of-use assets, over the lease period, if shorter. The estimated useful lives of assets, residual values and depreciation method are reviewed regularly and, when necessary, revised.

Depreciation on assets under construction commences only when the assets are ready for their intended use.

The estimated useful lives for the main categories of property, plant and equipment and other intangible assets are:

	Estimated useful life (years)
Freehold and long leasehold buildings	upto 60 years*
Roads	5 to 10 years
Plant and machinery	upto 40 years*
Furniture, fixture and office equipments	3 to 25 years
Vehicles and aircraft	4 to 20 years
Railway sidings	upto 35 years*
Assets covered under the Electricity Act (life as prescribed under the Electricity Act)	3 to 38 years
Patents and trademarks	4 years
Product and process development costs	5 years
Computer software	upto 8 years
Other assets	1 to 15 years

Mining assets are amortised over the useful life of the mine or lease period whichever is lower.

Major furnace relining expenses are depreciated over a period of 10 years (average expected life).

2. Significant accounting policies (Contd.)

Freehold land is not depreciated.

* For these class of assets, based on internal assessment and independent technical evaluation carried out by chartered engineers, the Company and some of its subsidiaries believe that the useful lives as given above best represent the period over which such Company expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

(o) Impairment

At each balance sheet date, the Group reviews the carrying value of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the consolidated statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the consolidated statement of profit and loss immediately.

(p) Leases

The Group determines whether an arrangement contains a lease by assessing whether the fulfilment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to control the use of that asset to the Group in return for payment.

The Group as lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception comprises of the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date.

Certain lease arrangements include options to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that such options would be exercised.

The right-of-use assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any, and adjusted for any re-measurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the consolidated statement of profit and loss.

Lease liability is measured at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. The lease liability is subsequently remeasured by increasing the carrying

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forming part of the Financial Statements

2. Significant accounting policies (Contd.)

amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications. The Group recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in the consolidated statement of profit and loss.

Variable lease payments not included in the measurement of the lease liabilities are expensed to the consolidated statement of profit and loss in the period in which the events or conditions which trigger those payments occur.

Payment made towards leases for which non-cancellable term is 12 months or lesser (short-term leases) and low value leases are recognised in the statement of Profit and Loss as rental expenses over the tenor of such leases.

In a sale and lease back transaction, the Group measures right-of-use asset arising from the leaseback as the proportion of the previous carrying amount of the asset that relates to the right of use retained. The gain or loss that the Group recognises in the statement of profit and loss is limited to the proportion of the total gain or loss that relates to the rights transferred to the buyer.

The Group as lessor

(i) **Operating lease** – Rental income from operating leases is recognised in the consolidated statement of profit and loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognised on a straight-line basis over the lease term.

(ii) **Finance lease** – When assets are leased out under a finance lease, the present value of minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of receivable is recognised as unearned finance income.

Lease income is recognised over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return.

(q) Stripping costs

The Group separates two different types of stripping costs that are incurred in surface mining activity:

- developmental stripping costs and
- production stripping costs

Developmental stripping costs which are incurred in order to obtain access to quantities of mineral reserves that will be mined in future periods are capitalised as part of mining assets.

Capitalisation of developmental stripping costs ends when the commercial production of the mineral reserves begins.

A mine can operate several open pits that are regarded as separate operations for the purpose of mine planning and production. In this case, stripping costs are accounted for separately, by reference to the ore extracted from each separate pit. If, however, the pits are highly integrated for the purpose of mine planning and production, stripping costs are aggregated too.

The determination of whether multiple pit mines are considered separate or integrated operations depends on each mine's specific circumstances. The following factors normally point towards the stripping costs for the individual pits being accounted for separately:

- mining of the second and subsequent pits is conducted consecutively with that of the first pit, rather than concurrently
- separate investment decisions are made to develop each pit, rather than a single investment decision being made at the outset
- the pits are operated as separate units in terms of mine planning and the sequencing of overburden and ore mining, rather than as an integrated unit
- expenditures for additional infrastructure to support the second and subsequent pits are relatively large
- the pits extract ore from separate and distinct ore bodies, rather than from a single ore body.

2. Significant accounting policies (Contd.)

The relative importance of each factor is considered by the management to determine whether, the stripping costs should be attributed to the individual pit or to the combined output from the several pits.

Production stripping costs are incurred to extract the ore in the form of inventories and/or to improve access to an additional component of an ore body or deeper levels of material. Production stripping costs are accounted for as inventories to the extent the benefit from production stripping activity is realised in the form of inventories.

The Group recognises a stripping activity asset in the production phase if, and only if, all of the following are met:

- it is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow to the Group
- the Group can identify the component of the ore body for which access has been improved and
- the costs relating to the improved access to that component can be measured reliably.

Such costs are presented within mining assets. After initial recognition, stripping activity assets are carried at cost/deemed cost, less accumulated amortisation and impairment. The expected useful life of the identified component of the ore body is used to depreciate or amortise the stripping asset.

(r) Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the consolidated statement of profit and loss. Trade Receivables that do not contain a significant financing component are measured at transaction price.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(I) Financial assets

Cash and bank balances

Cash and bank balances consist of:

(i) **Cash and cash equivalents** - which includes cash on hand, deposits held at call with banks and other short-term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have original maturities of less than three months. These balances with banks are unrestricted for withdrawal and usage.

(ii) **Other bank balances** - which include balances and deposits with banks that are restricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if such financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and to sell such financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group in respect of certain equity investments (other than in associates and joint ventures) which are not held for trading has made an irrevocable election

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2. Significant accounting policies (Contd.)

to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Group on an instrument by instrument basis at the time of initial recognition of such equity investments. These investments are held for medium or long-term strategic purpose. The Group has chosen to designate these investments in equity instruments as fair value through other comprehensive income as the management believes this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in the consolidated statement of profit and loss.

Financial assets not measured at amortised cost or at fair value through other comprehensive income are carried at fair value through profit and loss.

Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and effective interest rate applicable.

Dividend income

Dividend income from investments is recognised when the right to receive payment has been established.

Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income.

The Group recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction.

For financial assets (apart from trade receivables that do not constitute of financing transaction) whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk of the financial asset has significantly increased since initial recognition.

De-recognition of financial assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a borrowing for the proceeds received.

(II) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the consolidated statement of profit and loss.

2. Significant accounting policies (Contd.)

De-recognition of financial liabilities

The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Derivative financial instruments and hedge accounting

In the ordinary course of business, the Group uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange, base metal prices and interest rate fluctuations. The instruments are confined principally to forward foreign exchange contracts, forward rate agreements, cross currency swaps, interest rate swaps and collars. The instruments are employed as hedges of transactions included in the financial statements or for highly probable forecast transactions/firm contractual commitments. These derivatives contracts do not generally extend beyond six months, except for certain currency swaps and interest rate derivatives.

Derivatives are initially accounted for and measured at fair value on the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period.

The Group adopts hedge accounting for forward foreign exchange, interest rate and commodity contracts wherever possible. At the inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item and transaction and nature of the risk being hedged. At inception each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognised immediately in the consolidated statement of profit and loss.

When hedge accounting is applied:

- for fair value hedges of recognised assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognised in the consolidated statement of profit and loss and compensate for the effective portion of symmetrical changes in the fair value of the derivatives.
- for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognised directly in other comprehensive income and the ineffective portion is recognised in the consolidated statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the consolidated statement of profit and loss in the same period in which the hedged item affects the consolidated statement of profit and loss.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the consolidated statement of profit and loss as and when they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the consolidated statement of profit and loss for the period.

(s) Employee benefits

Defined contribution plans

Contributions under defined contribution plans are recognised as expense for the period in which the employee has rendered service. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

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2. Significant accounting policies (Contd.)

Defined benefit plans

For defined benefit retirement schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each year-end balance sheet date. Remeasurement gains and losses of the net defined benefit liability/(asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/(asset) are recognised as an expense within employee costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligations recognised in the consolidated balance sheet represents the present value of the defined benefit obligations as reduced by the fair value of plan assets.

Compensated absences

Liabilities recognised in respect of other long-term employee benefits such as annual leave and sick leave are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date using the projected unit credit method with actuarial valuation being carried out at each year-end balance sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the period in which they arise.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised based on actuarial valuation.

(t) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is ascertained on a weighted average basis. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

Provisions are made to cover slow moving and obsolete items based on historical experience of utilisation on a product category basis, which involves individual businesses considering their product lines and market conditions.

(u) Provisions

Provisions are recognised in the consolidated balance sheet when the Group has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where the time value of money is material, provisions are measured on a discounted basis.

Constructive obligation is an obligation that derives from an entity's actions where:

(i) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and

(ii) as a result, the entity has created a valid expectation on the part of those other parties that it will discharge such responsibilities.

(v) Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

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forming part of the Financial Statements

2. Significant accounting policies (Contd.)

(w) Government grants

Government grants are recognised at its fair value, where there is a reasonable assurance that such grants will be received and compliance with the conditions attached therewith have been met.

Government grants related to expenditure on property, plant and equipment are credited to the consolidated statement of profit and loss over the useful lives of qualifying assets or other systematic basis representative of the pattern of fulfilment of obligations associated with the grant received. Grants received less amounts credited to the consolidated statement of profit and loss at the reporting date are included in the consolidated balance sheet as deferred income.

(x) Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. The Group must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the consolidated statement of profit and loss, with all prior periods being presented on this basis.

(y) Income taxes

Tax expense for the year comprises of current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the consolidated statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted in countries where the Company and its subsidiaries operate by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying value of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries, joint ventures and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and they are in the same taxable entity, or a Group of taxable entities where the tax losses of one entity are used to offset the taxable profits of another and there are legally

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2. Significant accounting policies (Contd.)

enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognised as an expense or income in the consolidated statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the consolidated balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

(z) Revenue

The Group manufactures and sells a range of steel and other products.

Sale of products

Revenue from sale of products is recognised when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, the risks of loss has been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied. Sale of products include related ancillary services, if any.

Goods are often sold with volume and price discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume and price discounts. Accumulated experience is used to estimate and provide for the discounts, using the most likely method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are generally made with a credit term of 30-90 days, which is consistent with market practice. Any obligation to provide a refund is recognised as a provision. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

The Group does not adjust the transaction prices for any time value of money in case of contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer does not exceed one year.

Sale of power

Revenue from sale of power is recognised when the services are provided to the customer based on approved tariff rates established by the respective regulatory authorities. The Group doesn't recognise revenue and an asset for cost incurred in the past that will be recovered.

(aa) Foreign currency transactions and translations

The consolidated financial statements of the Group are presented in Indian Rupee ("₹"), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the consolidated financial statements, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the retranslation or settlement of other monetary items are included in the consolidated statement of profit and loss for the period.

For the purpose of presenting the consolidated financial statements, the assets and liabilities of the Company's foreign subsidiaries, associates and joint ventures are expressed in "₹" using exchange rates prevailing at the

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forming part of the Financial Statements

2. Significant accounting policies (Contd.)

end of the reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity. On the disposal of a foreign operation, all of the accumulated exchange differences in respect of that operation attributable to the Company are reclassified to the consolidated statement of profit and loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(ab) Borrowing costs

Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale.

Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is recognised in the consolidated statement of profit and loss.

Discounts or premiums and expenses on the issue of debt securities are amortised over the term of the related securities and included within borrowing costs. Premiums payable on early redemptions of debt securities, in lieu of future finance costs, are recognised as borrowing costs.

All other borrowing costs are recognised as expenses in the period in which it is incurred.

(ac) Earnings per share

Basic earnings per share is computed by dividing the consolidated profit or loss for the year attributable to equity holders by the weighted average number of shares outstanding during the year. Partly paid-up shares are included as fully paid equivalents according to the fraction paid-up.

Diluted earnings per share is computed using the weighted average number of shares and dilutive potential shares except where the result would be anti-dilutive.

(ad) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") has notified the following new amendments to Ind AS which the Group has not applied as they are effective for annual periods beginning on or after April 1, 2023.

Amendment to Ind AS 1 "Presentation of Financial Instruments"

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information is material if, together with other information can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

Amendment to Ind AS 12 "Income Taxes"

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group is evaluating the impact, if any, in its financial statements.

Amendment to Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities use measurement techniques and inputs to develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its financial statements.

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3. Property, plant and equipment

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(₹ crore)

	Land including roads	Buildings	Plant and machinery	Furniture, fixtures and office equipments (FFOE)	Vehicles	Railway sidings	Total
Cost/deemed cost as at April 1, 2022	18,308.82	25,353.77	1,44,092.44	976.93	441.68	1,775.11	1,90,948.75
Addition relating to acquisitions	50.15	319.92	2,499.20	0.71	0.35	30.14	2,900.47
Additions	65.12	511.64	5,787.12	127.85	5.67	0.40	6,497.80
Disposals	(79.15)	(42.70)	(1,697.70)	(20.49)	(17.63)	(0.04)	(1,857.71)
Disposal of group undertakings	-	(20.58)	-	-	-	-	(20.58)
Classified as held for sale	-	-	(13.11)	-	-	-	(13.11)
Other re-classifications	(3.62)	(35.50)	117.17	10.25	1.05	-	89.35
Exchange differences on consolidation	182.66	478.91	2,891.99	0.49	0.57	35.62	3,590.24
Cost/deemed cost as at March 31, 2023	**18,523.98**	**26,565.46**	**1,53,677.11**	**1,095.74**	**431.69**	**1,841.23**	**2,02,135.21**
Accumulated impairment as at April 1, 2022	301.63	335.18	5,884.67	4.37	1.13	18.96	6,545.94
Additions relating to acquisitions	-	-	0.13	0.01	-	-	0.14
Charge for the year	(7.19)	(39.76)	37.69	-	-	-	(9.26)
Disposals	-	(0.25)	(307.30)	(0.01)	-	-	(307.56)
Other re-classifications	(262.28)	(17.46)	0.04	0.03	-	-	(279.67)
Exchange differences on consolidation	(2.32)	11.77	148.72	0.10	-	0.42	158.69
Accumulated impairment as at March 31, 2023	**29.84**	**289.48**	**5,763.95**	**4.50**	**1.13**	**19.38**	**6,108.28**
Accumulated depreciation as at April 1, 2022	965.87	7,600.38	58,135.12	754.95	245.07	534.96	68,236.35
Additions relating to acquisitions	-	-	0.15	0.06	-	-	0.21
Charge for the year	87.63	924.90	6,691.10	100.21	26.90	84.47	7,915.21
Disposals	-	(31.71)	(1,115.17)	(21.22)	(16.10)	(0.02)	(1,184.22)
Classified as held for sale	-	-	(4.88)	-	-	-	(4.88)
Other re-classifications	259.36	5.86	20.84	7.06	(0.13)	-	292.99
Exchange differences on consolidation	14.20	284.49	1,760.27	(1.40)	0.29	16.68	2,074.53
Accumulated depreciation as at March 31, 2023	**1,327.06**	**8,783.92**	**65,487.43**	**839.66**	**256.03**	**636.09**	**77,330.19**
Total accumulated depreciation and impairment as at March 31, 2023	**1,356.90**	**9,073.40**	**71,251.38**	**844.16**	**257.16**	**655.47**	**83,438.47**
Net carrying value as at April 1, 2022	17,041.32	17,418.21	80,072.65	217.61	195.48	1,221.19	1,16,166.46
Net carrying value as at March 31, 2023	**17,167.08**	**17,492.06**	**82,425.73**	**251.58**	**174.53**	**1,185.76**	**1,18,696.74**

NOTES

forming part of the Financial Statements

3. Property, plant and equipment (Contd.)

[Item No. I(a), Page F140]

(₹ crore)

	Land including roads	Buildings	Plant and machinery	Furniture, fixtures and office equipments (FFOE)	Vehicles	Railway sidings	Total
Cost/deemed cost as at April 1, 2021	18,004.07	24,605.59	1,47,042.54	1,032.77	474.26	1,342.14	1,92,501.37
Addition relating to acquisitions	-	36.43	16.97	6.68	0.09	-	60.17
Additions	68.45	1,185.08	5,863.19	90.83	7.45	82.53	7,297.53
Disposals	(122.38)	(159.43)	(1,328.35)	(72.73)	(34.77)	-	(1,717.66)
Disposal of group undertakings	-	(26.81)	(509.25)	(82.68)	(8.37)	-	(627.11)
Classified as held for sale	(2.83)	(57.71)	(307.10)	(3.99)	(1.80)	-	(373.43)
Other re-classifications	399.03	(196.09)	(6,058.16)	(0.05)	4.64	347.27	(5,503.36)
Exchange differences on consolidation	(37.52)	(33.29)	(627.40)	6.10	0.18	3.17	(688.76)
Cost/deemed cost as at March 31, 2022	**18,308.82**	**25,353.77**	**1,44,092.44**	**976.93**	**441.68**	**1,775.11**	**1,90,948.75**
Accumulated impairment as at April 1, 2021	324.36	299.15	9,811.02	19.17	1.19	19.19	10,474.08
Charge for the year	0.85	19.41	52.81	1.14	-	-	74.21
Disposals	(0.15)	(0.11)	(6.16)	-	-	-	(6.42)
Disposal of group undertakings	-	-	(6.10)	-	-	-	(6.10)
Classified as held for sale	(4.14)	(12.37)	(93.32)	(0.05)	(0.06)	-	(109.94)
Other re-classifications	(15.21)	34.32	(3,861.56)	(15.82)	-	-	(3,858.27)
Exchange differences on consolidation	(4.08)	(5.22)	(12.02)	(0.07)	-	(0.23)	(21.62)
Accumulated impairment as at March 31, 2022	**301.63**	**335.18**	**5,884.67**	**4.37**	**1.13**	**18.96**	**6,545.94**
Accumulated depreciation as at April 1, 2021	879.69	6,989.73	53,806.21	768.02	249.25	330.89	63,023.79
Additions relating to acquisitions	-	5.55	4.36	3.25	0.06	-	13.22
Charge for the year	93.13	912.54	6,526.49	112.65	31.71	55.09	7,731.61
Disposals	(71.93)	(138.29)	(1,090.42)	(68.12)	(31.13)	-	(1,399.89)
Disposal of group undertakings	-	(20.58)	(294.35)	(75.50)	(7.96)	-	(398.38)
Classified as held for sale	1.31	(45.34)	(208.14)	(3.95)	(1.74)	-	(257.86)
Other re-classifications	60.38	(61.07)	(140.02)	11.67	4.64	147.76	23.36
Exchange differences on consolidation	3.29	(42.16)	(469.01)	6.93	0.24	1.22	(499.49)
Accumulated depreciation as at March 31, 2022	**965.87**	**7,600.38**	**58,135.12**	**754.95**	**245.07**	**534.96**	**68,236.35**
Total accumulated depreciation and impairment as at March 31, 2022	**1,267.50**	**7,935.56**	**64,019.79**	**759.32**	**246.20**	**553.92**	**74,782.29**
Net carrying value as at April 1, 2021	16,800.02	17,316.71	83,425.31	245.58	223.82	992.06	1,19,003.50
Net carrying value as on March 31, 2022	**17,041.32**	**17,418.21**	**80,072.65**	**217.61**	**195.48**	**1,221.19**	**1,16,166.46**

NOTES

forming part of the Financial Statements

3. Property, plant and equipment (Contd.)

[Item No. I(a), Page F140]

(i) Net carrying value of furniture, fixtures and office equipment comprises of:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Furniture and fixtures		
Cost/deemed cost	259.91	218.83
Accumulated depreciation and impairment	198.83	169.19
	61.08	**49.64**
Office equipments		
Cost/deemed cost	835.83	758.10
Accumulated depreciation and impairment	645.33	590.13
	190.50	**167.97**
	251.58	**217.61**

(ii) ₹**291.06** crore (2021-22: ₹179.24 crore) of borrowing costs has been capitalised during the year on qualifying assets under construction. The capitalisation rate ranges between **2.47**% to **9.46**% (2021-22: 2.88% to 9.71%).

(iii) During the year ended March 31, 2023, the Group considered indicators of impairment for its cash generating units ('CGUs') within the steel, mining and other business operations, such as decline in operational performance, changes in the outlook of future profitability among other potential indicators. In respect of CGUs where indicators of impairment were identified, the Group estimated the recoverable amount based on the value in use.

The outcome of the test as on March 31, 2023 resulted in the Group recognising a net impairment reversal of ₹**34.41** crore (2021-22: net impairment charge ₹137.42 crore) for property, plant and equipment including capital work-in-progress. The impairment reversal (net of charge) for the year is contained within the Indian, European operations and Southeast Asian Operations.

Within the European Operations wherever impairment triggers existed the recoverable amount of all relevant CGUs have been assessed with respect to their value in use or fair value less costs of disposal, whichever is higher. The fair value less costs of disposal methodology included assumptions with respect to capital expenditure regarding the amounts necessary to pursue the decarbonisation as well as an assumption of a government grant in relation to the total capital expenditure required for decarbonisation.

Considering above and consistent with annual test for impairment of goodwill as at March 31, 2023, property, plant and equipment within the Group's European businesses were also tested for impairment at that date where indicators of impairment existed. The outcome of this test indicated that the value in use of the Group's certain CGUs against which property, plant and equipment is included, using a discount rate of **10.60%** p.a. (2021-22: 8.40% p.a.), except in Tata Steel UK Limited ("TSUK")where a discount rate of **9.90%** (2021- 22: 9.30%) was used, was higher than their carrying value. For the value in use model a **Nil** growth rate (March 31, 2022: Nil) is used to extrapolate the cash flow projections beyond the three-year period of the financial budgets up until the fifteenth year, at which point a **2.00%** (except in TSUK where a growth rate of **1.70%** is used) growth rate is used on future cashflows into perpetuity. Within one of the business, value in use was sufficiently greater than it's carrying value due to prior impairment. Accordingly, an impairment reversal of ₹**89.69** crore (2021-22: Nil) has been recognised in relation to such business and the amount is included within exceptional items in the consolidated statement of profit and loss. With respect to one of the businesses within European operations an impairment charge of ₹**77.83** crore (2021-22: ₹137.28 crore) has been recognised. Out of the total impairment charge, ₹**53.17** crore (2021-22: ₹44.03 crore) is included in exceptional items and ₹**24.66** crore (2021-22: ₹93.25 crore) is included within other expenses in the consolidated statement of profit and loss.

NOTES
forming part of the Financial Statements

3. Property, plant and equipment (Contd.)

[Item No. I(b), Page F140]

During the year ended March 31, 2023, the Group has recognised an impairment charge of ₹**0.22** crore (2021-22: ₹0.14 crore) within the South-east Asia operations. The impairment charge was included within other expenses in the consolidated statement of profit and loss.

Within the Indian operations, the Group has recognised an impairment reversal of ₹**22.77** crore (2021-22: Nil) in respect of expenditure incurred at one of its mining sites. The impairment reversed is included within other expenses in the consolidated statement of profit and loss.

The Group has conducted sensitivity analysis on the impairment tests of the carrying value in respect of Group's CGUs and property, plant and equipment including sensitivity in respect of discount rate. The management believes that no reasonably possible change in any of the key assumptions used in the value in use calculations would cause the carrying value of property, plant and equipment in any CGU to materially exceed its value in use, other than in respect of the remaining property, plant and equipment at the Strip Products UK business which had a carrying value as at March 31, 2023 of ₹**6,029.64** crore (March 31, 2022: ₹5,214.15 crore) and overseas Canadian mining business which had a carrying value as at March 31, 2023 of ₹**3,597.15** crore (March 31, 2022: ₹3,537.87 crore). For the mining operations in Canada, the value in use is dependent on improvement in commodity prices and realisation of cost savings in operation. A reasonably possible change in any of these key assumptions would increase the likelihood of impairment losses in the future.

(iv) During the year ended March 31,2022 other re-classifications (net of depreciation and impairment) mainly represents ₹2,035.12 crore from tangible assets to intangible assets pertaining to the Group's overseas mining operations.

(v) The details of property, plant and equipment pledged against borrowings is presented in note 23, page F206.

(vi) Additions to capital work-in-progress during the year is ₹**13,262.03** crore (2021-22 ₹9,660.98 crore).

(vii) Ageing of capital work-in-progress is as below:

As at March 31, 2023

(₹ crore)

	Amount in capital work in progress for period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	12,792.10	6,059.19	4,371.97	6,793.78	30,017.04
Projects temporarily suspended	2.26	0.02	1.63	286.95	290.86
Total	**12,794.36**	**6,059.21**	**4,373.60**	**7,080.73**	**30,307.90**

As at March 31, 2022

(₹ crore)

	Amount in capital work in progress for period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	8,036.69	3,798.50	3,496.80	5,615.90	20,947.89
Projects temporarily suspended	22.53	1.68	13.40	242.12	279.73
Total	**8,059.22**	**3,800.18**	**3,510.20**	**5,858.02**	**21,227.62**

NOTES

forming part of the Financial Statements

3. Property, plant and equipment (Contd.)

[Item No. I(b), Page F140]

(viii) The expected completion of amounts lying in capital work in progress which are delayed are as below:

As at March 31, 2023

(₹ crore)

	Amount in capital work in progress to be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress:				
Tata Steel India:				
Growth projects	9,527.37	7,024.02	97.75	67.81
Raw material augmentation	489.92	1,153.85	-	-
Environment, safety and compliance	303.00	404.82	-	-
Sustenance projects	1,371.00	63.85	1.66	24.03
	11,691.29	**8,646.54**	**99.41**	**91.84**
Tata Steel Europe:				
Environment, safety and compliance	162.42	70.29	-	-
Sustenance projects	2,433.23	-	-	-
	2,595.65	**70.29**	**-**	**-**
Tata Steel Long Products:				
Environment, safety and compliance	5.60	-	-	-
Sustenance projects	17.81	121.57	-	-
	23.41	**121.57**	**-**	**-**
The Tinplate Company of India:				
Environment, safety and compliance	2.76	-	-	-
Sustenance projects	17.36	-	-	-
	20.12	**-**	**-**	**-**
Tata Metaliks:				
Growth projects	41.28	-	-	-
	41.28	**-**	**-**	**-**
	14,371.75	**8,838.40**	**99.41**	**91.84**
Projects temporarily suspended:				
Tata Steel Europe:				
Environment, safety and compliance	41.57	19.39	-	-
Sustenance projects	185.67	0.02	-	5.90
	227.24	**19.41**	**-**	**5.90**

NOTES
forming part of the Financial Statements

3. Property, plant and equipment (Contd.)
[Item No. I(b), Page F140]

As at March 31, 2022

(₹ crore)

	Amount in capital work in progress to be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress:				
Tata Steel India:				
Growth projects	1,635.23	4,765.14	4,365.64	-
Raw material augmentation	817.34	-	87.79	348.80
Environment, safety and compliance	102.55	-	625.64	-
Sustenance projects	626.39	429.36	10.37	42.93
	3,181.51	**5,194.50**	**5,089.44**	**391.73**
Tata Steel Europe:				
Growth projects	1,327.55	9.58	-	-
Environment, safety and compliance	775.54	-	-	-
Sustenance projects	1,895.77	38.83	-	-
	3,998.86	**48.41**	**-**	**-**
Tata Steel Long Products:				
Sustenance projects	0.64	-	-	-
	0.64	**-**	**-**	**-**
The Tinplate Company of India:				
Environment, safety and compliance	1.79	-	-	-
Sustenance projects	24.83	-	-	-
	26.62	**-**	**-**	**-**
Tata Metaliks:				
Growth projects	176.79	-	-	-
	176.79	**-**	**-**	**-**
	7,384.42	**5,242.91**	**5,089.44**	**391.73**
Projects temporarily suspended:				
Tata Steel Europe:				
Environment, safety and compliance	-	-	18.48	-
Sustenance projects	22.22	-	-	4.30
	22.22	**-**	**18.48**	**4.30**

As part of its strategy to continue to grow in the Indian market, the Company acquired Tata Steel BSL Limited (TSBSL) with ~5 MTPA steel making capacity in May 2018, under a bid process triggered by TSBSL's insolvency. Post-acquisition, the Group's net debt at a consolidated level had increased considerably.

Given the Group's strategic priority to deleverage balance sheet consequent to increase in net debt levels ahead of incurring further planned investments in organic growth projects, capital expenditure during last few years have been lower than the original phasing of spend approved by the Board of Directors of the Company. This was further exacerbated by the onset of the COVID19 pandemic towards the close of financial year 2020, wherein business & supply chain disruptions, health and safety concerns across the globe coupled with travel restrictions globally impacted the pace of project execution over the last 2-3 years.

Following the rebalancing of capital structure post significant reduction in the debt levels and the Company attaining an investment grade credit rating, the capital allocation for organic growth projects has been increased and the Group expects to commission these facilities in line with their revised completion schedules.

NOTES

forming part of the Financial Statements

4. Right-of-use assets

[Item No. I(c), Page F140]

(₹ crore)

	Right-of-use land	Right-of-use buildings	Right-of-use plant and machinery	Right-of-use furniture, fixtures and office equipments	Right-of-use vehicles	Right-of-use railway sidings	Total
Cost as at April 1, 2022	2,461.37	2,234.51	8,661.61	13.86	244.42	5.26	13,621.03
Addition relating to acquisitions	688.96	-	-	-	-	-	688.96
Additions	16.48	134.52	906.61	0.89	106.40	-	1,164.90
Disposals	-	(93.00)	(150.83)	(0.39)	(44.86)	(5.26)	(294.34)
Other re-classifications	(0.03)	(0.84)	(88.35)	-	0.71	-	(88.51)
Exchange differences on consolidation	9.88	62.95	127.73	0.62	10.16	-	211.34
Cost as at March 31, 2023	**3,176.66**	**2,338.14**	**9,456.77**	**14.98**	**316.83**	**-**	**15,303.38**
Accumulated impairment as at April 1, 2022	-	60.27	0.06	0.23	6.81	-	67.37
Charge for the year	-	5.51	-	-	-	-	5.51
Other re-classifications	-	-	1.61	-	-	-	1.61
Exchange differences on consolidation	-	2.55	0.17	0.02	0.43	-	3.17
Accumulated impairment as at March 31, 2023	**-**	**68.33**	**1.84**	**0.25**	**7.24**	**-**	**77.66**
Accumulated depreciation as at April 1, 2022	250.76	794.36	4,034.74	3.56	127.46	5.08	5,215.96
Charge for the year	57.48	149.44	731.78	0.45	60.27	0.18	999.60
Disposals	-	(80.01)	(141.96)	(0.39)	(42.22)	(5.26)	(269.84)
Other re-classifications	-	33.14	(79.84)	-	0.71	-	(45.99)
Exchange differences on consolidation	1.21	27.92	68.68	0.01	5.65	-	103.47
Accumulated depreciation as at March 31, 2023	**309.45**	**924.85**	**4,613.40**	**3.63**	**151.87**	**-**	**6,003.20**
Total accumulated depreciation and impairment as at March 31, 2023	**309.45**	**993.18**	**4,615.24**	**3.88**	**159.11**	**-**	**6,080.86**
Net carrying value as at April 1, 2022	2,210.61	1,379.88	4,626.81	10.07	110.15	0.18	8,337.70
Net carrying value as at March 31, 2023	**2,867.21**	**1,344.96**	**4,841.53**	**11.10**	**157.72**	**-**	**9,222.52**

NOTES
forming part of the Financial Statements

4. Right-of-use assets (Contd.)
[Item No. I(c), Page F140]

(₹ crore)

	Right-of-use land	Right-of-use buildings	Right-of-use plant and machinery	Right-of-use furniture, fixtures and office equipments	Right-of-use vehicles	Right-of-use railway sidings	Total
Cost as at April 1, 2021	2,652.24	2,222.73	8,553.14	14.41	206.42	329.28	13,978.22
Addition relating to acquisitions	2.63	0.60	-	-	-	-	3.23
Additions	5.15	78.01	227.81	0.04	70.26	-	381.27
Disposals	(3.61)	(56.14)	(101.01)	(0.33)	(25.56)	(12.13)	(198.78)
Disposal of group undertakings	(177.61)	(17.33)	-	-	(3.75)	-	(198.69)
Other re-classifications	(15.62)	35.15	-	-	-	(316.98)	(297.45)
Exchange differences on consolidation	(1.81)	(28.51)	(18.33)	(0.26)	(2.95)	5.09	(46.77)
Cost as at March 31, 2022	**2,461.37**	**2,234.51**	**8,661.61**	**13.86**	**244.42**	**5.26**	**13,621.03**
Accumulated impairment as at April	-	69.58	-	0.24	4.11	-	73.93
Charge for the year	-	-	(1.72)	-	2.85	-	1.13
Other re-classifications	-	(8.49)	1.81	-	-	-	(6.68)
Exchange differences on consolidation	-	(0.82)	(0.03)	(0.01)	(0.15)	-	(1.01)
Accumulated impairment as at March 31, 2022	**-**	**60.27**	**0.06**	**0.23**	**6.81**	**-**	**67.37**
Accumulated depreciation as at April 1, 2021	226.96	597.30	3,405.37	2.87	93.87	126.97	4,453.34
Addition relating to acquisitions	0.12	-	-	-	-	-	0.12
Charge for the year	57.16	220.39	739.65	1.06	60.88	23.49	1,102.63
Disposals	(1.02)	(37.53)	(100.97)	(0.33)	(23.37)	(12.13)	(175.35)
Disposal of group undertakings	(41.50)	(12.67)	-	-	(1.94)	-	(56.11)
Other re-classifications	8.81	37.83	(1.81)	-	-	(135.08)	(90.25)
Exchange differences on consolidation	0.23	(10.96)	(7.50)	(0.04)	(1.98)	1.83	(18.42)
Accumulated depreciation as at March 31, 2022	**250.76**	**794.36**	**4,034.74**	**3.56**	**127.46**	**5.08**	**5,215.96**
Total accumulated depreciation and impairment as at March 31, 2022	**250.76**	**854.63**	**4,034.80**	**3.79**	**134.27**	**5.08**	**5,283.33**
Net carrying value as at April 1, 2021	2,425.28	1,555.85	5,147.77	11.30	108.44	202.31	9,450.95
Net carrying value as on March 31, 2022	**2,210.61**	**1,379.88**	**4,626.81**	**10.07**	**110.15**	**0.18**	**8,337.70**

NOTES

forming part of the Financial Statements

4. Right-of-use assets (Contd.)

[Item No. I(c), Page F140]

(i) During the year ended March 31, 2023, the Group recognised an impairment of ₹**5.51** crore (2021-22: ₹1.13 crore) against right-of-use assets contained within European operations. The impairment charge is included within other expenses in the consolidated statement of profit and loss.

(ii) The Group's significant leasing arrangements relate to assets specifically set up for dedicated use by the Group under long-term arrangements and time charter of vessels. Other leases include land, office space, equipment, vehicles and some IT equipment.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. Extension and termination options are included in some property and equipment leases. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. Majority of the extension and termination options held are exercisable based on mutual agreement of the Group and the lessors.

With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right- of- use asset and a lease liability. Payments made for short term leases and leases of low value are expensed on a straight-line basis over the lease term.

Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of sales) are excluded from the initial measurement of the lease liability and asset.

For leases recognised under long-term arrangements involving use of a dedicated asset, non-lease components are excluded based on the underlying contractual terms and conditions. A change in the allocation assumptions may have an impact on the measurement of lease liabilities and the related right-of-use assets.

During the year ended March 31, 2023, the Group has recognised the following in the consolidated statement of profit and loss:

(i) expense in respect of short-term leases and leases of low- value assets ₹**32.29** crore (2021-22: ₹25.95 crore) and ₹**30.57** crore (2021-22: ₹11.17 crore) respectively.

(ii) expense in respect of variable lease payments not included in the measurement of lease liabilities ₹**1,062.45** crore (2021-22: ₹804.01 crore).

(iii) income in respect of sub leases of right-of-use assets ₹**48.70** crore (2021-22: ₹20.10 crore).

During the year ended March 31, 2023, total cash outflow in respect of leases amounted to ₹**2,777.04** crore (2021-22: ₹2,751.64 crore).

As at March 31, 2023, commitments for leases not yet commenced was ₹**214.35** crore (March 31, 2022: ₹231.82 crore).

NOTES
forming part of the Financial Statements

5. Goodwill

[Item No. I(d), Page F140]

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Cost as at beginning of the year	5,899.55	5,950.91
Addition relating to acquisitions	1,202.96	14.17
Exchange differences on consolidation	121.31	(65.53)
Cost as at end of the year	**7,223.82**	**5,899.55**
Impairment as at beginning of the year	1,588.35	1,606.22
Charge for the year	0.77	-
Exchange differences on consolidation	33.05	(17.87)
Impairment as at end of the year	**1,622.17**	**1,588.35**
Net book value as at beginning of the year	**4,311.20**	**4,344.69**
Net book value as at end of the year	**5,601.65**	**4,311.20**

(i) The carrying value of goodwill predominantly relates to the goodwill that arose on the acquisition of erstwhile Corus Group Plc. and has been tested in the current year against the recoverable amount of the Business Unit IJmuiden cash generating unit (CGU) and in the prior year against the recoverable amount of Strip Products Mainland Europe cash generating unit (CGU) by the Group. This goodwill relates to expected synergies from combining Corus' activities with those of the Group and to assets, which could not be recognised as separately identifiable intangible assets. The goodwill is tested annually for impairment or more frequently if there are any indications that the goodwill may be impaired.

The recoverable amount of Business Unit IJmuiden CGU has been determined from a value in use calculation. The calculation uses cash flow forecasts based on the most recently approved financial budgets and strategic forecasts which cover a period of three years and future projections taking the analysis out to perpetuity based on a steady state, sustainable cash flow reflecting average steel industry conditions between successive peaks and troughs of profitability. Key assumptions for the value in use calculation are those regarding expected changes to selling prices, raw material costs, steel demand in European Union, energy costs, exchange rates, and a discount rate of **10.60%** p.a. (March 31, 2022: 8.40% p.a.). Changes in selling prices, raw material costs, exchange rates and steel demand in European Union are based on expectations of future changes in the steel market based on external market sources. In preparing the value in use calculation Tata Steel Europe ("TSE") has considered the effect that climate related risks may have on its future cash flow generation. Included within the cash flow forecasts are estimates for costs of compliance under the EU Emissions Trading Scheme based on the TSE's estimated shortfall between free allowances under the scheme and actual emissions. The forecasts also consider the ability of the TSE to fully mitigate these costs, primarily through the successful introduction of a CO_2 surcharge which has reduced uncertainty in regards to fluctuation in CO_2 costs on the profitability of TSE over the 3 year plan period.

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forming part of the Financial Statements

5. Goodwill (Contd.)

[Item No. I(d), Page F140]

The recoverable amount of Business Unit IJmuiden CGU has been determined from fair value less costs of disposal calculation considering the impact of decarbonisation route. The calculation involves estimating future cash flows that TSE expects to derive from the CGU using the three-year Annual Plan for the period financial year 2024-2026 and, for the period financial year 2026-27 onwards, using the full route decarbonisation model. The model included assumptions with respect to capital expenditure regarding the amounts necessary to pursue the decarbonisation as well as an assumption of a government grant in relation to the total capital expenditure required for decarbonisation. The cash flows are adjusted for improvement initiatives and EBITDA improvement on account of the capital expenditure.

For the model, a **Nil** growth rate (March 31, 2022: Nil) is used to extrapolate the cash flow projections beyond the three-year period of the financial budgets up until terminal year at which point a **2.00%** (2021-22: 1.80%) growth rate is used on future cashflows into perpetuity. The pre-tax discount rate is derived from TSE's weighted average cost of capital (WACC) and the WACCs of its main European steel competitors. The outcome of the Group's goodwill impairment as at March 31, 2023 for BU Ijmuiden CGU resulted in no impairment of goodwill (2021-22: Nil).

The management believes that no reasonably possible change in any of the key assumptions used in the value in use calculation would cause the carrying value of the CGU to materially exceed its recoverable value.

(ii) The carrying value of goodwill ₹**1,195.69** crore relate to the goodwill on the acquisition of Neelachal Ispat Nigam Limited ("NINL") through Tata Steel Long Products Limited, a non-wholly subsidiary of the Company. The recoverable value of NINL has been assessed based on higher of fair value less costs to sell and value in use for the underlying businesses.

The fair value less costs to sell model uses cash flow forecasts based on the most recently approved financial plan for financial year 2023-24. Beyond financial year 2023-24, the cash flow forecasts is based on strategic forecasts which cover a period i.e. estimated time to extract the total usable mineral reserves for mining business and six years for steel business and future projections taking the analysis out to perpetuity which includes capital expenditure for capacity expansion of steel making facilities from the current 1.10 MTPA to 4.56 MTPA by financial year 2028-29 as well as estimated EBITDA changes due to implementation of the expansion strategy and operating the assets.

Key assumptions to the fair value less costs to sell model are changes to selling prices and raw material costs, steel demand, amount of capital expenditure needed for expansion of the existing facilities, EBITDA, and a discount rate of **10.10%**. The estimates of capital expenditure for capacity expansion of steel making assets is based on management's internal estimates of implementing the expansion strategy.

For the fair value less costs to sell model, a **4.00%** growth rate is used to extrapolate the cash flows beyond the specifically forecasted period of six years in respect of which strategic forecasts have been prepared. The outcome of the impairment assessment as on March 31, 2023 has not resulted in any impairment of goodwill.

The Group has conducted sensitivity analysis including discount rate on the impairment assessment of goodwill. The Group believes that no reasonably possible change in any of the key assumptions used in the model would cause the carrying value of goodwill to materially exceed its recoverable value. Detailed disclosure in respect of the acquisition is given in note 41, page F243.

NOTES
forming part of the Financial Statements

6. Other intangible assets
[Item No. I(e), Page F140]

(₹ crore)

	Patents and trademarks	Development costs	Software costs	Mining assets	Other intangible assets	Total
Cost/deemed cost as at April 1, 2022	29.49	299.49	1,147.92	9,126.95	678.58	11,282.43
Addition relating to acquisitions	-	-	-	8,612.00	-	8,612.00
Additions	0.03	-	173.03	35.77	16.45	225.28
Disposals	-	-	(19.49)	-	-	(19.49)
Other re-classifications	-	-	16.92	-	(1.90)	15.02
Exchange differences on consolidation	0.47	18.35	53.34	544.61	0.14	616.91
Cost/deemed cost as at March 31, 2023	**29.99**	**317.84**	**1,371.72**	**18,319.33**	**693.27**	**20,732.15**
Accumulated impairment as at April 1, 2022	12.34	8.76	40.97	4,042.60	30.65	4,135.32
Disposals	-	-	(7.95)	-	-	(7.95)
Exchange differences on consolidation	0.27	0.19	(0.77)	332.38	-	332.07
Accumulated impairment as at March 31, 2023	**12.61**	**8.95**	**32.25**	**4,374.98**	**30.65**	**4,459.44**
Accumulated amortisation as at April 1, 2022	9.82	290.69	745.83	1,511.15	117.15	2,674.64
Charge for the year	0.64	0.04	81.02	342.66	3.10	427.46
Disposals	-	-	(11.53)	-	-	(11.53)
Other re-classifications	-	-	12.44	-	2.06	14.50
Exchange differences on consolidation	0.03	18.16	31.43	17.34	0.13	67.09
Accumulated amortisation as at March 31, 2023	**10.49**	**308.89**	**859.19**	**1,871.15**	**122.44**	**3,172.16**
Total accumulated amortisation and impairment as at March 31, 2023	**23.10**	**317.84**	**891.44**	**6,246.13**	**153.09**	**7,631.60**
Net carrying value as at April 1, 2022	7.33	0.04	361.12	3,573.20	530.78	4,472.47
Net carrying value as at March 31, 2023	**6.89**	**-**	**480.28**	**12,073.20**	**540.18**	**13,100.55**

NOTES

forming part of the Financial Statements

6. Other intangible assets (Contd.)

[Item No. I(e), Page F140]

(₹ crore)

	Patents and trademarks	Development costs	Software costs	Mining assets	Other intangible assets	Total
Cost/deemed cost as at April 1, 2021	33.07	305.18	1,042.06	3,209.80	918.65	5,508.76
Additions relating to acquisitions	-	-	0.06	-	-	0.06
Additions	0.01	-	62.56	33.61	-	96.18
Disposals	-	-	(0.93)	(87.10)	(234.96)	(322.99)
Classified as held for sale	(3.29)	-	(5.28)	-	-	(8.57)
Other re-classifications	-	-	61.06	5,833.90	(6.35)	5,888.61
Exchange differences on consolidation	(0.30)	(5.69)	(11.61)	136.74	1.24	120.38
Cost/deemed cost as at March 31, 2022	**29.49**	**299.49**	**1,147.92**	**9,126.95**	**678.58**	**11,282.43**
Accumulated impairment as at April 1, 2021	12.48	8.86	27.58	138.79	30.65	218.36
Charge for the year	-	-	13.71	-	-	13.71
Disposals	-	-	(0.07)	(36.48)	-	(36.55)
Other re-classifications	-	-	-	3,863.14	-	3,863.14
Exchange differences on consolidation	(0.14)	(0.10)	(0.25)	77.15	-	76.66
Accumulated impairment as at March 31, 2022	**12.34**	**8.76**	**40.97**	**4,042.60**	**30.65**	**4,135.32**
Accumulated amortisation as at April 1, 2021	12.51	296.21	616.44	1,271.51	117.69	2,314.36
Additions relating to acquisitions	-	-	0.04	-	-	0.04
Charge for the year	0.66	0.06	85.64	186.93	2.35	275.64
Disposals	-	-	(0.70)	(50.62)	-	(51.32)
Classified as held for sale	(3.29)	-	(5.28)	-	-	(8.57)
Other re-classifications	-	-	55.46	99.88	(2.89)	152.45
Exchange differences on consolidation	(0.06)	(5.58)	(5.77)	3.45	-	(7.96)
Accumulated amortisation as at March 31, 2022	**9.82**	**290.69**	**745.83**	**1,511.15**	**117.15**	**2,674.64**
Total accumulated amortisation and impairment as at March 31, 2022	**22.16**	**299.45**	**786.80**	**5,553.75**	**147.80**	**6,809.96**
Net carrying value as on April 1, 2021	8.08	0.11	398.04	1,799.50	770.31	2,976.04
Net carrying value as on March 31, 2022	**7.33**	**0.04**	**361.12**	**3,573.20**	**530.78**	**4,472.47**

(i) Mining assets represent expenditure incurred in relation to acquisition of mines, mine development expenditure post establishment of technical and commercial feasibility and restoration obligations as per applicable regulations.

(ii) During the year ended March 31, 2023, the Group recognised net impairment charge of **Nil** (2021-22: ₹13.71 crore) in respect of intangible assets in its European operations. The impairment recognised is included within exceptional items in the consolidated statement of profit and loss.

NOTES
forming part of the Financial Statements

6. Other intangible assets (Contd.)
[Item No. I(f), Page F140]

(iii) Ageing of intangible assets under development is as below:

As at March 31, 2023

(₹ crore)

	Amount in intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	226.14	274.38	72.35	332.25	905.12
Total	**226.14**	**274.38**	**72.35**	**332.25**	**905.12**

As at March 31, 2022

(₹ crore)

	Amount in intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	38.26	300.06	134.32	345.29	817.93
Total	**38.26**	**300.06**	**134.32**	**345.29**	**817.93**

(iv) The expected completion of the amounts lying in intangible assets under development which are delayed are as below:

As at March 31, 2023

(₹ crore)

	Amount of intangible assets under development to be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress:				
Tata Steel India:				
Sustenance projects	103.51	33.07	7.32	3.34
	103.51	**33.07**	**7.32**	**3.34**
Tata Steel Europe:				
Growth projects	-	44.70	44.70	48.56
Sustenance projects	26.18	-	-	-
	26.18	**44.70**	**44.70**	**48.56**
	129.69	**77.77**	**52.02**	**51.90**

As at March 31, 2022

(₹ crore)

	Amount of intangible assets under development to be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress:				
Tata Steel India:				
Sustenance projects	96.14	5.31	34.92	2.06
	96.14	**5.31**	**34.92**	**2.06**
Tata Steel Europe:				
Growth projects	-	74.81	86.62	215.69
Sustenance projects	24.65	-	-	-
	24.65	**74.81**	**86.62**	**215.69**
	120.79	**80.12**	**121.54**	**217.75**

NOTES
forming part of the Financial Statements

7. Equity accounted investments

[Item No. I(h), Page F140]

(a) Investment in associates:

(i) The Group has no material associates as at March 31, 2023. The aggregate summarised financial information in respect of the Group's immaterial associates accounted for using the equity method is as below:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Carrying value of Group's interest in associates*	**251.72**	**210.89**

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Group's share in profit/(loss) for the year of associates*	7.65	43.67
Group's share in total comprehensive income for the year of associates	**7.65**	**43.67**

(ii) Fair value of investments in equity accounted associates for which published price quotation is available, which is a Level 1 input as at March 31, 2023 is ₹**60.16** crore (March 31, 2022: ₹50.44 crore). The carrying value of such investments is **Nil** (March 31, 2022: Nil) as the Group's share of losses in such associates exceeds the cost of investments made.

(iii) Share of unrecognised loss in respect of equity accounted associates amounted to **Nil** crore for the year ended March 31, 2023 (2021-22: ₹11.90 crore). Cumulative share of unrecognised losses in respect of equity accounted associates as at March 31, 2023 amounted to ₹**144.24** crore (March 31, 2022: ₹185.13 crore).

(b) Investment in joint ventures:

(i) The Group holds more than 50% of the equity share capital in TM International Logistics Limited and Jamshedpur Continuous Annealing & Processing Company Private Limited. However, decisions in respect of activities which significantly affect the risks and rewards of these businesses, require a unanimous consent of all the shareholders. These entities have therefore been considered as joint ventures.

(ii) The Group has no material joint ventures as at March 31, 2023. The aggregate summarised financial information in respect of the Group's immaterial joint ventures accounted for using the equity method is as below.

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Carrying value of Group's interest in joint ventures*	**2,981.61**	**2,750.76**

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Group's share in profit/(loss) for the year of joint ventures*	410.47	605.49
Group's share in other comprehensive income for the year of joint ventures	12.75	(28.51)
Group's share in total comprehensive income for the year of joint ventures	**423.22**	**576.98**

NOTES
forming part of the Financial Statements

7. Equity accounted investments (Contd.)
[Item No. I(h), Page F140]

(iii) Share of unrecognised losses in respect of equity accounted joint ventures amounted to ₹**96.09** crore for the year ended March 31, 2023 (2021-22: ₹0.14 crore). Cumulative share of unrecognised losses in respect of equity accounted joint ventures as at March 31, 2023 amounted to ₹**1,184.95** crore. (March 31, 2022: ₹1,018.87 crore).

(iv) During the year ended March 31, 2022, the Group has recognised an impairment of ₹0.39 crore in respect of its equity accounted joint ventures.

(c) Summary of carrying value of Group's interest in equity accounted investees:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Carrying value of immaterial associates	251.72	210.89
Carrying value of immaterial joint ventures	2,981.61	2,750.76
	3,233.33	**2,961.65**

(d) Summary of Group's share in profit/(loss) for the year of equity accounted investees:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Share of profit/(loss) of immaterial associates	7.65	43.67
Share of profit/(loss) of immaterial joint ventures	410.47	605.49
	418.12	**649.16**

(e) Summary of Group's share in other comprehensive income for the year of equity accounted investees:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Share of other comprehensive income of immaterial joint ventures	12.75	(28.51)
	12.75	**(28.51)**

*Group's share in net assets and profit/(loss) of equity accounted investees has been determined after giving effect for subsequent amortisation/ depreciation and other adjustments arising on account of fair value adjustments made to the identifiable net assets of the equity accounted investees as at the date of acquisition and other adjustment e.g. unrealised profits on inventories etc., arising under the equity method of accounting.

NOTES
forming part of the Financial Statements

8. Investments

[Item No. I(i)(i) and II(b)(i), Page F140]

A. Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Investments carried at amortised cost:		
Investment in government or trust securities	17.01	15.60
	17.01	**15.60**
(b) Investments carried at fair value through other comprehensive income:		
Investment in equity shares#	1,370.36	1,583.93
	1,370.36	**1,583.93**
(c) Investments carried at fair value through profit and loss:		
Investment in preference shares	85.48	13.72
Investment in equity shares	74.07	40.53
	159.55	**54.25**
	1,546.92	**1,653.78**

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Investments carried at fair value through profit and loss:		
Investment in mutual funds - Quoted	0.09	0.09
Investment in mutual funds - Unquoted	3,629.97	8,524.33
	3,630.06	**8,524.42**

(i) Carrying value and market value of quoted and unquoted investments is as below:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Investments in quoted instruments:		
Aggregate carrying value	995.64	1189.07
Aggregate market value	995.64	1189.07
(b) Investments in unquoted instruments:		
Aggregate carrying value	4,181.34	8,989.13

NOTES
forming part of the Financial Statements

8. Investments (Contd.)

[Item No. I(i)(i) and II(b)(i), Page F140]

(ii) During the year ended March 31,2022 cumulative gain on de-recognition of investments which were carried at fair value through other comprehensive income amounted to ₹9.99 crore. Fair value of such investments as on the date of de-recognition was ₹9.99 crore.

(iii) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall, whether, directly or indirectly lend or invest in other persons / entities identified in any manner whatsoever by or on behalf of the Group ('ultimate beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than investments made by the Company for ₹**645.06** crore (March 31, 2022: Nil) in Tata Steel Mining Limited, ₹**10.00** crore (March 31, 2022: Nil) in Tata Steel Downstream Products Limited, ₹**54.69** crore (March 31, 2022: Nil) in Tata Steel Advanced Materials Limited and ₹**68.00** crore (March 31, 2022: Nil) in Tata Steel Utilities and Infrastructure Services Limited during the year ended on March 31, 2023 and as set out in note 9(iv), page F182, in the ordinary course of business and in keeping with the applicable regulatory requirements for onward funding to certain subsidiaries of the Company towards meeting their business requirements. Accordingly, no further disclosures, in this regard, are required. The aforesaid investments and loans have been eliminated in the consolidated financial statements.

(iv) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than funds received by subsidiary companies as set out in note 8(iii), page F180 and note 9(iv), page F182, and other than investment of ₹**12,700.00** crore (March 31, 2022: Nil) by Tata Steel Long Products Limited ("TSLP") during the year towards acquisition of Neelachal Ispat Nigam Limited ("NINL")/subscription to shares of NINL out of funds received through issuance of non-convertible preference shares by TSLP to the Company, in the ordinary course of business and in keeping with the applicable regulatory requirements for onward funding to certain subsidiaries of the Company towards meeting their business requirements. Accordingly, no further disclosures, in this regard, are required. The aforesaid investments and loans have been eliminated in the consolidated financial statements.

includes unquoted equity instruments for which cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

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forming part of the Financial Statements

9. Loans

[Item No. I(i)(ii) and II(b)(v), Page F140]

A. Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Loans to related parties		
Considered good- Unsecured	8.29	8.12
Credit impaired	210.82	206.31
Less: Allowance for credit losses	210.82	206.31
	8.29	**8.12**
(b) Other loans		
Considered good- Unsecured	56.45	64.32
Credit impaired	1,621.61	1,571.79
Less: Allowance for credit losses	1,621.61	1,571.79
	56.45	**64.32**
	64.74	**72.44**

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Loans to related parties		
Considered good- Unsecured	-	-
Credit impaired	986.95	1,010.60
Less: Allowance for credit losses	986.95	1,010.60
	-	**-**
(b) Other loans		
Considered good- Unsecured	1.84	5.84
Credit impaired	2.01	9.60
Less: Allowance for credit losses	2.01	9.60
	1.84	**5.84**
	1.84	**5.84**

(i) Non-current loans to related parties represents loan given to joint ventures ₹**210.82** crore (March 31, 2022: ₹206.31 crore) and associates ₹**8.29** crore (March 31, 2022: ₹8.12 crore). Out of loans given to joint ventures, ₹**210.82** crore (March 31, 2022: ₹206.31 crore) is impaired.

(ii) Current loans to related parties represent loans/advances given to joint ventures ₹**986.95** crore (March 31, 2022: ₹910.60 crore) and associates **Nil** (March 31, 2022: ₹100.00 crore) out of which ₹**986.95** crore (March 31, 2022: ₹910.60 crore) and **Nil** (March 31, 2022: ₹100.00 crore) is impaired respectively.

NOTES
forming part of the Financial Statements

9. Loans (Contd.)

[Item No. I(i)(ii) and II(b)(v), Page F140]

(iii) Other loans includes loans given to employees.

(iv) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall, whether, directly or indirectly lend or invest in other persons / entities identified in any manner whatsoever by or on behalf of the Group ('ultimate beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than loans advanced by the Company aggregating **Nil** (March 31, 2022: ₹23,029.77 crore) and roll over of loan of ₹**1,643.45** crore (March 31, 2022: ₹1,515.60 crore) given during the year to T Steel Holdings Pte. Ltd., a subsidiary and an investment company of the Company and as set out in note 8(iii), page F180, in the ordinary course of business and in keeping with the applicable regulatory requirements for onward funding to certain overseas subsidiaries of the Company towards meeting their business requirements and /or loan prepayments. Accordingly, no further disclosures, in this regard, are required. The aforesaid investments and loans have been eliminated in the consolidated financial statements.

(v) The Group has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding party") with the understanding (whether recorded in writing or otherwise) that the Group shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party (ultimate beneficiaries); or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than funds received by subsidiary companies as set out on note 8(iii), page F180, and note 9(iv), page F182, in the ordinary course of business and in keeping with the applicable regulatory requirements for onward funding to certain overseas subsidiaries of the Company towards meeting their business requirements and/or loan prepayments. Accordingly, no further disclosures, in this regard, are required. The aforesaid investments and loans have been eliminated in the consolidated financial statements.

NOTES
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10. Other financial assets

[Item No. I(i)(iv) and II(b)(vii), Page F140]

A. Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Security deposits		
Considered good- Unsecured	277.25	263.63
Credit impaired	99.31	88.58
Less: Allowance for credit losses	99.31	88.58
	277.25	**263.63**
(b) Interest accrued on deposits, loans and advances		
Considered good- Unsecured	1.97	1.21
Credit impaired	0.27	0.27
Less: Allowance for credit losses	0.27	0.27
	1.97	**1.21**
(c) Earmarked balances with banks	**84.12**	**89.23**
(d) Other balances with banks	**11.97**	-
(e) Others		
Considered good- Unsecured	135.57	88.57
Credit impaired	15.71	15.71
Less: Allowance for credit losses	15.71	15.71
	135.57	**88.57**
	510.88	**442.64**

NOTES

forming part of the Financial Statements

10. Other financial assets (Contd.)

[Item No. I(i)(iv) and II(b)(vii), Page F140]

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Security deposits		
Considered good- Unsecured	58.03	32.74
Credit impaired	0.23	0.23
Less: Allowance for credit losses	0.23	0.23
	58.03	**32.74**
(b) Interest accrued on deposits and loans		
Considered good- Unsecured	34.91	28.77
Credit impaired	2.24	-
Less: Allowance for credit losses	2.24	-
	34.91	**28.77**
(c) Others		
Considered good- Unsecured	1,342.57	1,950.11
Credit impaired	206.41	144.51
Less: Allowance for credit losses	206.41	144.51
	1,342.57	**1,950.11**
	1,435.51	**2,011.62**

(i) Security deposits are primarily in relation to public utility services and rental agreements. It includes deposit with Tata Sons Private Limited ₹**11.25** crore (March 31, 2022: ₹1.25 crore).

(ii) Non-current earmarked balances with banks represent deposits and balances in escrow account not due for realisation within 12 months from the balance sheet date. These are primarily placed as security with government bodies, margin money against issue of bank guarantees and deposits made against contract performance.

(iii) Other non-current balances with banks represent bank deposits not due for realisation within 12 months from the balance sheet date.

(iv) Current other financial assets include amount receivable from post-employment benefit funds ₹**137.98** crore (March 31, 2022: ₹171.30 crore) on account of retirement benefit obligations paid by the Group directly.

(v) By judgement of September 24, 2014, the Hon'ble Supreme Court cancelled allocation of 214 coal blocks including Radhikapur (East) Coal Block ("RECB") which was allotted on February 7, 2006 to Tata Steel Long Products Limited ("TSLP"), a non-wholly owned subsidiary of the Company. As at March 31, 2023, current other financial assets includes ₹**178.81** crore (March 31, 2022: ₹178.81 crore) pertaining to expense incurred by TSLP on RECB, prior to its de-allocation. Pursuant to the judgement of the Hon'ble Supreme Court, Government of India promulgated Coal Mines (Special Provision) Act, 2015 for fresh allocation of the coal mines through auction. In terms of the Act, the prior allottee would be compensated for expenses incurred towards land and mine infrastructure.

The validity of the Coal Mines (Special Provision) Act, 2015 has been challenged by Federation of Indian Mineral Industries ("FIMI") in 2019 before the Hon'ble Supreme Court to the extent that the Act does not provide grant of just, fair and equitable compensation in a time bound manner to the prior allotees of the coal blocks. After much follow-up with the relevant authorities for recovery of compensation, TSLP has filed an Interlocutory Application on December 15, 2022 before the Hon'ble Supreme Court in the pending writ of FIMI seeking to expedite disbursement of the compensation. Based on assessment of the matter by TSLP including evidence supporting the expenditure and claim and external legal opinion obtained by TSLP, the aforesaid amount is considered good and fully recoverable.

NOTES
forming part of the Financial Statements

11. Retirement benefit assets and obligations

[Item No. I(j) and II(c), V(c) and VI(c), Page F140 and F141]

(I) Retirement benefit assets

A. Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Pension	6,989.59	20,397.42
(b) Retiring gratuities	1.24	0.54
	6,990.83	**20,397.96**

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Retiring gratuities	-	**1.25**

(II) Retirement benefit obligations

A. Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Pension	674.49	839.72
(b) Retiring gratuities	327.08	421.80
(c) Post-retirement medical benefits	1,448.80	1,642.78
(d) Other defined benefits	481.00	509.41
	2,931.37	**3,413.71**

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Pension	11.52	11.09
(b) Retiring gratuities	20.17	13.00
(c) Post-retirement medical benefits	89.02	98.21
(d) Other defined benefits	41.76	35.92
	162.47	**158.22**

(i) Detailed disclosure in respect of post-retirement defined benefit schemes is provided in note 37, page F223.

(ii) Other defined benefits include post-retirement lumpsum benefits, long service awards, packing and transportation, farewell gifts etc.

NOTES
forming part of the Financial Statements

12. Income taxes

[Item No. I(l), V(e) and IX, Page F140, F141 and F142]

A. Income tax expenses/(benefit)

Indian companies are subject to income tax in India on the basis of their standalone financial statements. Indian companies can claim tax exemptions/deductions under specific sections of the Income-tax Act, 1961 subject to fulfilment of prescribed conditions as may be applicable. The Company and some of its Indian subsidiaries during the year ended March 31, 2020 had opted for the new tax regime under Section 115BAA of the Act, which provides a domestic company with an option to pay tax at a rate of 22% (effective rate of 25.168%). The lower rate shall be applicable subject to certain conditions, including that the total income should be computed without claiming specific deduction or exemptions.

As per the tax laws, business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

Apart from India, major tax jurisdictions for the Group include Singapore, United Kingdom and Netherlands. The number of years that are subject to tax assessments varies depending on the tax jurisdiction.

The reconciliation of estimated income tax to income tax expense is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Profit/(loss) before tax	**18,235.12**	**50,226.87**
Income tax expense at tax rates applicable to individual entities	**4,766.68**	**12,764.69**
(a) Additional tax benefit for capital investment including research and development expenditures	-	(0.02)
(b) Income exempt from tax/items not deductible	720.15	575.59
(c) Undistributed earning of subsidiaries, joint ventures and equity accounted investees	42.23	54.95
(d) Deferred tax assets not recognised because realisation is not probable	3,867.24	436.77
(e) Adjustments to taxes in respect of prior periods	11.58	(22.84)
(f) Utilisation/credit of unrecognised tax losses, unabsorbed depreciation and other tax benefits	(133.54)	(5,166.91)
(g) Impact of changes in tax rates(i)	885.43	(164.69)
Tax expense as reported	**10,159.77**	**8,477.55**

(i) Changes in tax rates primarily represented re-measurement of deferred tax balances expected to reverse in future periods based on the revised applicable tax rate by the Company and some of its Indian subsidiaries as per option permitted under the new tax regime.

NOTES
forming part of the Financial Statements

12. Income taxes (Contd.)

[Item No. I(l), V(e) and IX, Page F140, F141 and F142]

B. Deferred tax assets/(liabilities)

(i) Components of deferred tax assets and liabilities as at March 31, 2023 is as below:

(₹ crore)

	Balance as at April 1, 2022	Recognised/ (reversed) in profit and loss during the year	Recognised/ (reversed) in other comprehensive Income during the year	Addition relating to acquisitions during the year	Other movements during the year	Exchange differences on consolidation during the year	Balance as at March 31, 2023
Deferred tax assets:							
Tax-loss carry forwards	4,117.59	(3,363.50)	-	1,385.51	-	(47.59)	2,092.01
Expenses allowable for tax purposes when paid/ written off	4,587.69	(613.22)	-	-	(1.26)	2.18	3,975.39
Others	(516.15)	(428.51)	529.16	(46.89)	(0.23)	45.88	(416.74)
	8,189.13	**(4,405.23)**	**529.16**	**1,338.62**	**(1.49)**	**0.47**	**5,650.66**
Deferred tax liabilities:							
Property, plant and equipment and Intangible assets	12,729.88	176.08	-	2,712.52	-	(18.16)	15,600.32
Retirement benefit assets/ obligations	4,770.08	135.66	(3,389.01)	-	(1.50)	(49.63)	1,465.60
Others	(8.98)	81.47	-	-	-	1.94	74.43
	17,490.98	**393.21**	**(3,389.01)**	**2,712.52**	**(1.50)**	**(65.85)**	**17,140.35**
Net deferred tax assets/(liabilities)	**(9,301.85)**	**(4,798.44)**	**3,918.17**	**(1,373.90)**	**0.01**	**66.32**	**(11,489.69)**
Disclosed as:							
Deferred tax assets	**3,023.93**						**2,625.96**
Deferred tax liabilities	**12,325.78**						**14,115.64**
	(9,301.85)						**(11,489.68)**

12. Income taxes (Contd.)

[Item No. I(l), V(e) and IX, Page F140, F141 and F142]

Components of deferred tax assets and liabilities as at March 31, 2022 is as below:

(₹ crore)

	Balance as at April 1, 2021	Recognised/ (reversed) in profit and loss during the year	Recognised/ (reversed) in other comprehensive Income during the year	Addition relating to acquisitions during the year	Disposal of group undertakings during the year	Other movements during the year	Exchange differences on consolidation during the year	Balance as at March 31, 2022
Deferred tax assets:								
Tax-loss carry forwards	5,620.67	(1,601.38)	-	-	(57.37)	216.02	(60.35)	4,117.59
Expenses allowable for tax purposes when paid/ written off	2,912.83	1,188.15	(1.63)	-	496.55	5.51	(13.72)	4,587.69
Others	73.03	(154.15)	(265.29)	-	(113.53)	(51.03)	(5.18)	(516.15)
	8,606.53	**(567.38)**	**(266.92)**	**-**	**325.65**	**170.50**	**(79.25)**	**8,189.13**
Deferred tax liabilities:								
Property, plant and equipment and Intangible assets	12,713.14	(296.78)	-	0.52	307.88	(23.67)	28.79	12,729.88
Retirement benefit assets/ obligations	3,551.90	1,169.12	127.20	-	(5.85)	(3.31)	(68.98)	4,770.08
Others	4.89	(12.05)	-	-	(0.79)	(0.28)	(0.75)	(8.98)
	16,269.93	**860.29**	**127.20**	**0.52**	**301.24**	**(27.26)**	**(40.94)**	**17,490.98**
Net deferred tax assets/ (liabilities)	**(7,663.40)**	**(1,427.67)**	**(394.12)**	**(0.52)**	**24.41**	**197.76**	**(38.31)**	**(9,301.85)**
Disclosed as:								
Deferred tax assets	**1,578.02**							**3,023.93**
Deferred tax liabilities	**9,241.42**							**12,325.78**
	(7,663.40)							**(9,301.85)**

(ii) Deferred tax assets have been recognised based on an evaluation of whether it is probable that taxable profits will be earned in future accounting periods considering all the available evidences, including approved budgets and forecasts by the Board of the respective entities.

(iii) Deferred tax assets have not been recognised in respect of tax losses of ₹**59,164.54** crore (March 31, 2022: ₹38,028.10 crore) as its recovery is not considered probable in the foreseeable future. Such losses primarily relate to the Group's European operations.

(iv) Tax losses in respect of which deferred tax asset has not been recognised, expire unutilised based on the year of origination as below:

(₹ crore)

	As at March 31, 2023
Within five years	1,828.04
Later than five years but less than ten years	1,412.87
Later than ten years but less than twenty years	3,764.85
No expiry	52,158.78
	59,164.54

NOTES
forming part of the Financial Statements

12. Income taxes (Contd.)

[Item No. I(l), V(e) and IX, Page F140, F141 and F142]

(v) Unused tax credits and other deductible temporary differences in respect of which deferred tax asset has not been recognised, expire unutilised based on the year of origination as below:

(₹ crore)

	As at March 31, 2023
Later than five years but less than ten years	0.59
Later than ten years but less than twenty years	417.04
No expiry	9,248.57
	9,666.20

(vi) As at March 31, 2023, aggregate amount of temporary difference associated with undistributed earnings of subsidiaries for which deferred tax liability has not been recognised is ₹**7,422.64** crore (March 31, 2022: ₹8,142.58 crore). No liability has been recognised in respect of such difference because the Group is in a position to control the timing of reversal of the temporary difference and it is probable that such difference will not reverse in the foreseeable future.

13. Other assets

[Item No. I(m) and II(e), Page F140]

A. Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Capital advances		
Considered good- Unsecured	1,383.24	1,332.98
Considered doubtful- Unsecured	106.23	129.46
Less: Provision for doubtful advances	106.23	129.46
	1,383.24	**1,332.98**
(b) Advance with public bodies		
Considered good - Unsecured	2,053.93	2,070.56
Considered doubtful- Unsecured	328.37	333.67
Less: Provision for doubtful advances	328.37	333.67
	2,053.93	**2,070.56**
(c) Prepaid lease payments for operating leases	**0.28**	**0.32**
(d) Capital advances to related parties		
Considered good - Unsecured	**101.65**	**33.58**
(e) Others		
Considered good - Unsecured	237.53	252.61
Considered doubtful- Unsecured	46.53	46.56
Less: Provision for doubtful advances	46.53	46.56
	237.53	**252.61**
	3,776.63	**3,690.05**

NOTES
forming part of the Financial Statements

13. Other assets (Contd.)

[Item No. I(m) and II(e), Page F140]

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Advance with public bodies		
Considered good - Unsecured	3,473.54	2,221.69
Considered doubtful - Unsecured	23.87	3.63
Less: Provision for doubtful advances	23.87	3.63
	3,473.54	**2,221.69**
(b) Advances to related parties		
Considered good- Unsecured	**195.64**	**46.04**
(c) Others		
Considered good - Unsecured	1,160.57	1,241.09
Considered doubtful - Unsecured	172.52	123.54
Less: Provision for doubtful advances	172.52	123.54
	1,160.57	**1,241.09**
	4,829.75	**3,508.82**

(i) Advances with public bodies primarily relate to input credit entitlements and amounts paid under protest in respect of demands and claims from regulatory authorities.

(ii) Others include advances against supply of goods/services and advances paid to employees.

14. Inventories

[Item No. II(a), Page F140]

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Raw materials	20,794.92	20,440.84
(b) Work-in-progress	9,438.64	6,602.37
(c) Finished and semi-finished goods	17,397.35	16,075.72
(d) Stock-in-trade	91.28	55.47
(e) Stores and spares	6,693.14	5,649.99
	54,415.33	**48,824.39**
Included above, goods-in-transit:		
(i) Raw materials	4,472.92	3,084.51
(ii) Finished and semi-finished goods	432.06	259.10
(iii) Stock-in-trade	0.69	1.57
(iv) Stores and spares	130.13	148.97
	5,035.80	**3,494.15**

(i) Value of inventories above is stated after provisions (net of reversal) for slow-moving and obsolete items and write-downs to net realisable value ₹**1,995.71** crore (March 31, 2022 : ₹1,168.40 crore).

(ii) The cost of inventories recognised as an expense (net of reversal) includes ₹**128.83** crore (March 31, 2022: ₹561.49 crore) in respect of write-down of inventory to net realisable value.

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15. Trade receivables

[Item No. II(b)(ii), Page F140]

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Considered good- Unsecured	8,291.26	12,340.62
Credit impaired	720.90	170.35
	9,012.16	**12,510.97**
Less: Allowance for credit losses	754.92	264.54
	8,257.24	**12,246.43**

In determining allowance for credit losses of trade receivables, the Group has used the practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on ageing of receivables that are due and the rates used in provision matrix.

(i) Movement in allowance for credit losses of receivables is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	264.54	359.50
Charge/(released) during the year	32.43	36.59
Utilised during the year	(5.48)	(182.11)
Addition relating to acquisitions	463.32	0.72
Disposal of group undertakings	-	40.14
Classified as held for sale	-	10.98
Exchange differences on consolidation	0.11	(1.28)
Balance at the end of the year	**754.92**	**264.54**

(ii) Ageing of trade receivable and credit risk arising therefrom is as below :

As at March 31, 2023

(₹ crore)

	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed - considered good	7,181.12	774.29	159.91	41.41	10.25	50.37	8,217.35
Undisputed - credit impaired	-	0.67	2.91	1.60	2.77	496.10#	504.05
Disputed - considered good	-	-	-	-	-	6.58	6.58
Disputed - credit impaired	3.29	1.62	29.11	-	-	129.46	163.48
	7,184.41	**776.58**	**191.93**	**43.01**	**13.02**	**682.51**	**8,891.46**
Less: Allowance for credit losses	12.36	53.90	47.69	9.47	6.37	625.13	754.92
	7,172.05	**722.68**	**144.24**	**33.54**	**6.65**	**57.38**	**8,136.54**
Add: Unbilled trade receivables							120.70
Total trade receivables							**8,257.24**

includes ₹463.32 crore with respect to receivables in a subsidiary acquired during the year. The same is fully provided for.

NOTES
forming part of the Financial Statements

15. Trade receivables (Contd.)
[Item No. II(b)(ii), Page F140]

As at March 31, 2022

(₹ crore)

	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed - considered good	10,243.54	1,573.46	233.47	68.31	23.90	36.82	12,179.50
Undisputed - credit impaired	-	3.00	0.57	2.24	1.60	34.92	42.33
Disputed - considered good	-	24.84	7.95	1.93	0.29	22.80	57.81
Disputed - credit impaired	-	-	-	-	0.13	127.89	128.02
	10,243.54	**1,601.30**	**241.99**	**72.48**	**25.92**	**222.43**	**12,407.66**
Less: Allowance for credit losses	11.67	23.76	26.67	15.49	7.37	179.58	264.54
	10,231.87	**1,577.54**	**215.32**	**56.99**	**18.55**	**42.85**	**12,143.12**
Add: Unbilled trade receivables							103.31
Total trade receivables							**12,246.43**

(iii) The Group considers its maximum exposure to credit risk with respect to customers as at March 31, 2023 to be ₹**4,694.54** crore (March 31, 2022 : ₹5,441.98 crore), which is the carrying value of trade receivables after allowance for credit losses and considering insurance cover. The Group had insurance cover as at March 31,2023 ₹**3,562.70** crore (March 31, 2022: ₹6,804.45 crore).

The Group's exposure to customers is diversified and there is no concentration of credit risk with respect to any particular customer.

(iv) There are no outstanding receivables due from directors or other officers of the Company.

16. Cash and cash equivalents
[Item No. II(b)(iii), Page F140]

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Cash on hand	1.93	1.39
(b) Cheques, drafts on hand	0.50	0.75
(c) Remittances-in-transit	36.05	47.10
(d) Unrestricted balances with banks	12,091.42	15,555.44
	12,129.90	**15,604.68**

(i) Currency profile of cash and cash equivalents is as below:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
INR	2,025.74	8,505.32
GBP	391.93	948.96
EURO	6,929.92	4,209.66
USD	915.16	1,269.61
Others	1,867.15	671.13
	12,129.90	**15,604.68**

INR-Indian Rupees, GBP- Great Britain Pound, USD-United States Dollars. Others primarily include SGD-Singapore Dollars, CAD-Canadian Dollars and THB- Thai Baht.

NOTES

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17. Other balances with banks

[Item No. II(b)(iv), Page F140]

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Earmarked balances with banks	1,227.36	294.25
	1,227.36	**294.25**

(i) Currency profile of earmarked balances with banks is as below:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
INR	1,226.50	294.25
Others	0.86	-
	1,227.36	**294.25**

INR-Indian rupees.

(ii) Earmarked balances with banks primarily include:

(a) balances of the Company held for unpaid dividends ₹**84.45** crore (March 31, 2022: ₹68.82 crore), bank guarantee and margin money ₹**48.01** crore (March 31, 2022: ₹41.50 crore).

(b) fixed deposits of ₹**911.17** crore (March 31, 2022: Nil) represents the earmarked balance for the amount held back against the consideration payable for acquisition of Neelachal Ispat Nigam Limited.

18. Assets and liabilities held for sale

[Item No. III and VII, Page F140 and F141]

(i) Within Thailand businesses, certain property, plant and equipment has been classified as held for sale as the Group no longer expect to recover the carrying value of such assets through continuing use. As at March 31, 2023, the carrying value of such assets is ₹**51.17** crore (March 31, 2022: ₹59.74 crore). The Group has also recognised an impairment charge of ₹**11.15** crore (March 31, 2022: ₹18.46 crore) in respect of these assets which is included within exceptional items in the consolidated statement of profit and loss. The Group expects to dispose such property, plant and equipment within 12 months.

(ii) Within the Indian operations, certain property, plant and equipment has been classified as held for sale as the Group no longer expects to recover the carrying value of such assets through continuing use. As at March 31, 2023, the carrying value of such assets is ₹**8.23** crore (March 31, 2022: ₹0.03 crore) which the Group expects to dispose within the next 12 months.

(iii) On April 1, 2022, the Group completed the sale of its wholly-owned indirect subsidiary Tata Steel France Bâtiments et Systèmes SAS. As on March 31, 2022, the Group classified the assets and liabilities within such business as held for sale. Following this classification, a write down of ₹95.10 crore was recognised to reduce the carrying amount of the assets in the disposal group to their fair value less costs to sell. The impairment has been included within exceptional items in the consolidated statement of profit and loss. As on March 31, 2022 the carrying value of assets held for sale was ₹240.77 crore and liabilities held for sale was ₹191.11 crore.

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19. Equity share capital

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(₹ crore)

		As at March 31, 2023	As at March 31, 2022
Authorised:			
17,50,00,00,000	Ordinary Shares of ₹1 each	1,750.00	1,750.00
	(March 31, 2022 : 1,75,00,00,000 Ordinary Shares of ₹10 each)		
35,00,00,000	'A' Ordinary Shares of ₹10 each*	350.00	350.00
	(March 31, 2022 : 35,00,00,000 'A' Ordinary Shares of ₹10 each)		
2,50,00,000	Cumulative Redeemable Preference Shares of ₹100 each*	250.00	250.00
	(March 31, 2022: 2,50,00,000 Shares of ₹100 each)		
60,00,00,000	Cumulative Convertible Preference Shares of ₹100 each*	6,000.00	6,000.00
	(March 31, 2022: 60,00,00,000 Shares of ₹100 each)		
		8,350.00	**8,350.00**
Issued:			
12,23,44,16,550	Ordinary Shares of ₹1 each	1,223.44	1,223.22
	(March 31, 2022: 1,22,32,18,367 Ordinary Shares of ₹10 each)		
-	Ordinary Shares of ₹1 each (partly paid-up, ₹0.2504 each paid-up)	-	0.22
	(March 31, 2022: 2,23,288 Ordinary Shares of ₹10 each, ₹2.504 each paid-up)		
		1,223.44	**1,223.44**
Subscribed and paid-up:			
12,20,98,53,070**	Ordinary Shares of ₹1 each fully paid-up	1,220.99	1,220.96
	(March 31, 2022: 1,22,09,53,649 Ordinary Shares of ₹10 each)		
-	Ordinary Shares of ₹1 each (partly paid-up, ₹0.2504 each paid-up)	-	0.05
	(March 31, 2022: 2,23,288 Ordinary Shares of ₹10 each, ₹2.504 each paid-up)		
	Amount paid-up on 58,11,460 Ordinary Shares of ₹1 each forfeited	0.25	0.20
	(March 31, 2022: 3,89,516 Ordinary Shares of ₹10 each)		
		1,221.24	**1,221.21**

* 'A' Ordinary Shares and Preference Shares included within the authorised share capital are for disclosure purposes and have not yet been issued by the Company as on March 31, 2023.

** Includes 4,370 equity shares of ₹1 each, on which first and final call money has been received and the equity shares have been converted to fully paid-up equity shares but are pending final listing and trading approval under the ISIN INE081A01020 (for fully paid shares), and hence, continue to be listed under the ISIN IN9081A01010 (for partly paid shares) as on March 31, 2023.

(i) Subscribed and paid-up capital excludes **1,16,83,930** (March 31, 2022: 11,68,393 Ordinary Shares of face value ₹10 each) Ordinary Shares of face value ₹1 each fully paid-up, held by Rujuvalika Investments Limited, wholly-owned subsidiary of the Company.

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19. Equity share capital (Contd.)

[Item No. IV(a), Page F141]

(ii) Details of movement in subscribed and paid-up share capital is as below:

	Year ended March 31, 2023		Year ended March 31, 2022	
	No. of shares of ₹1 each unless otherwise stated	₹ crore	No. of shares of ₹10 each unless otherwise stated	₹ crore
Ordinary Shares				
Balance at the beginning of the year (face value of ₹10 each)	1,22,11,76,937	1,221.01	1,20,29,45,106	1,197.41
Sub-division of 1 share of face value ₹10/- each into 10 share of face value ₹1/- each effective July 29, 2022 (Increase in shares on account of sub-division)[(a)]	10,99,05,92,433	-	Not Applicable	
Fully paid-up shares allotted during the year	-	-	1,82,31,167	18.23
Partly paid-up shares allotted during the year	-	-	664	0.00*
Partly paid-up shares converted to fully paid-up shares during the year[(b)]	-	0.03	-	5.37
Shares forfeited during the year[(c)]	(19,16,300)	(0.05)	-	-
Balance at the end of the year	**12,20,98,53,070**	**1,220.99**	**1,22,11,76,937**	**1,221.01**

* Represents value less than ₹0.01 crore.

(a) The Shareholders of the Company, at the 115th Annual General Meeting held on June 28, 2022, had approved the sub-division of one equity share of face value ₹10 each (fully paid-up and partly paid-up) into 10 equity share of face value ₹1 each. The record date for the said sub-division was set at July 29, 2022.

(b) During the year ended March 31, 2023, the Company has sent Reminder-cum-Forfeiture Notice to the holders of partly paid-up equity shares on which the first and final call money was unpaid. The Company has converted **3,16,580** partly paid-up shares of face value ₹1 each into fully paid-up shares.

(c) The Board of Directors at its meeting held on March 27, 2023 approved the forfeiture of **19,16,300** partly paid-up shares of face value of ₹1 each on which the call money of ₹0.7496 remains unpaid. (Considering 1,91,630 partly paid-up shares of face value of ₹10 each sub-divided into 19,16,300 partly paid-up shares of ₹1 each).

(iii) As at March 31, 2023, **29,27,850** Ordinary Shares of face value ₹1 each (March 31, 2022: 2,92,785 Ordinary Shares of face value ₹10 each) are kept in abeyance in respect of Rights Issue of 2007.

As at March 31, 2023, **11,99,650** fully paid Ordinary Shares of face value ₹1 each (March 31, 2022: 1,19,965 fully paid-up Ordinary Shares of face value ₹10 each) are kept in abeyance in respect of Rights Issue of 2018.

As at March 31, 2023, **5,98,280** Ordinary Shares of face value ₹1 each (March 31, 2022: 59,828 partly paid-up Ordinary shares of face value ₹10 each) are kept in abeyance in respect of Rights Issue of 2018.

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19. Equity share capital (Contd.)

[Item No. IV(a), Page F141]

(iv) Proceeds from subscription to the first and final call on partly paid-up shares for Rights Issue of 2018, made during the year ended March 31, 2023 and March 31, 2022 have been utilised in the following manner:

(₹ crore)

	Utilised in FY 2021-22	Unutilised in FY 2021-22	Utilised in FY 2022-23*
Repayments of loan	53.27	-	4.18
Expenses towards general corporate purpose	807.43	2.72	-
Issue expense	1.12	-	-
	861.82	**2.72**	**4.18**

* includes proceeds of ₹1.46 crore from right issue during the year

(v) Details of Shareholders holding more than 5% shares in the Company are as below:

	As at March 31, 2023		As at March 31, 2022	
	No. of Ordinary Shares (face value of ₹1 each)	% held	No. of Ordinary Shares (face value of ₹10 each)	% held
Name of shareholders				
(a) Tata Sons Private Limited	3,96,50,81,420	32.44	39,65,08,142	32.46
(b) Life Insurance Corporation of India	73,24,32,080	5.99	7,90,89,965	6.47

(vi) Details of promoters' shareholding percentage in the Company are as below:

	As at March 31, 2023		As at March 31, 2022	
	No. of Ordinary Shares (face value of ₹1 each)	% held	No. of Ordinary Shares (face value of ₹10 each)	% held
Name of shareholders				
(a) Tata Sons Private Limited#	3,96,50,81,420	32.44	39,65,08,142	32.46
Name of promoter group				
(a) Tata Motors Limited	5,49,62,950	0.45	54,96,295	0.45
(b) Tata Investment Corporation Limited	4,19,84,940	0.34	41,98,494	0.34
(c) Tata Chemicals Ltd	3,09,00,510	0.25	30,90,051	0.25
(d) Ewart Investments Limited	2,22,59,750	0.18	22,25,975	0.18
(e) Rujuvalika Investments Limited*	1,16,83,930	0.10	11,68,393	0.10
(f) Tata Industries Limited	1,04,25,450	0.09	10,42,545	0.09
(g) Tata Motors Finance Limited	60,95,110	0.05	6,09,511	0.05
(h) Tata Capital Ltd	1,67,400	0.00	16,740	0.00
(i) Titan Company Limited	25,110	0.00	2,511	0.00
(j) Tata Capital Financial Services Limited	8,210	0.00	821	0.00
(k) Sir Dorabji Tata Trust^	-	-	-	-
(l) Sir Ratan Tata Trust^	-	-	-	-

Change in percentage shareholding is on account of completion of corporate action and listing of 81,52,840 fully paid-up equity shares which were pending due to legal proceedings / credit rejections from Central Depository Services (India) Limited, to the eligible shareholders of Tata Steel BSL Limited ("TSBSL"). These equity shares were allotted on November 23, 2021, pursuant to the composite scheme of amalgamation of Bamnipal Steel Limited and TSBSL into and with the Company. Further, the Board of Directors at their meeting held on March 27, 2023 approved the forfeiture of 19,16,300 partly paid-up equity shares on which the first and final call money remained outstanding.

* 1,16,83,930 Ordinary Shares held by Rujuvalika Investments Limited (a wholly owned subsidiary of the Company), do not carry any voting rights.

^ During the year ended March 31, 2019, Sir Doarabji Tata Trust and Sir Ratan Tata Trust had sold their entire holdings in the Company.

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19. Equity share capital (Contd.)

[Item No. IV(a), Page F141]

(vii) **8,79,53,750** shares (March 31, 2022: 96,95,642 shares of face value ₹10 each) of face value of ₹1 per share represent the shares underlying GDRs which were issued during 1994 and 2009. Each GDR represents one underlying Ordinary Share.

(viii) The rights, powers and preferences relating to each class of share capital and the qualifications, limitations and restrictions thereof are contained in the Memorandum and Articles of Association of the Company. The principal rights are as follows:

A. Ordinary Shares of ₹1 each

(a) In respect of every Ordinary Share (whether fully paid or partly paid), voting right and dividend shall be in the same proportion as the capital paid-up on such Ordinary Share bears to the total paid-up Ordinary Capital of the Company.

(b) The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

(c) In the event of liquidation, the shareholders of Ordinary Shares are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

B. 'A' Ordinary Shares of ₹10 each

(a) (i) The holders of 'A' Ordinary Shares shall be entitled to such rights of voting and/or dividend and such other rights as per the terms of the issue of such shares, provided always that:

- in the case where a resolution is put to vote on a poll, such differential voting entitlement (excluding fractions, if any) will be applicable to holders of 'A' Ordinary Shares.
- in the case where a resolution is put to vote in the meeting and is to be decided on a show of hands, the holders of 'A' Ordinary Shares shall be entitled to the same number of votes as available to holders of Ordinary Shares.

(ii) The holders of Ordinary Shares and the holders of 'A' Ordinary Shares shall vote as a single class with respect to all matters submitted for voting by shareholders of the Company and shall exercise such votes in proportion to the voting rights attached to such shares including in relation to any scheme under Sections 391 to 394 of the Companies Act, 1956.

(b) The holders of 'A' Ordinary Shares shall be entitled to dividend on each 'A' Ordinary Share which may be equal to or higher than the amount per Ordinary Share declared by the Board for each Ordinary Share, and as may be specified at the time of the issue. Different series of 'A' Ordinary Shares may carry different entitlements to dividend to the extent permitted under applicable law and as prescribed under the terms applicable to such issue.

C. Preference Shares

The Company has two classes of preference shares i.e. Cumulative Redeemable Preference Shares (CRPS) of ₹100 per share and Cumulative Convertible Preference Shares (CCPS) of ₹100 per share.

(a) Such shares shall confer on the holders thereof, the right to a fixed preferential dividend from the date of allotment, at a rate as may be determined by the Board at the time of the issue, on the capital for the time being paid-up or credited as paid-up thereon.

(b) Such shares shall rank for capital and dividend (including all dividend undeclared upto the commencement of winding up) and for repayment of capital in a winding up, pari passu inter se and in priority to the Ordinary Shares of the Company, but shall not confer any further or other right to participate either in profits or assets. However, in case of CCPS, such preferential rights shall automatically cease on conversion of these shares into Ordinary Shares.

(c) The holders of such shares shall have the right to receive all notices of general meetings of the Company but shall not confer on the holders thereof the right to vote at any meetings of the Company save to the extent and in the manner provided in the Companies Act, 1956, or any re-enactment thereof.

(d) CCPS shall be converted into Ordinary Shares as per the terms, determined by the Board at the time of issue; as and when converted, such Ordinary Shares shall rank pari passu with the then existing Ordinary Shares of the Company in all respects.

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20. Hybrid perpetual securities

The details of movement in hybrid perpetual securities is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	-	775.00
Repayments during the year	-	(775.00)
Balance at the end of the year	**-**	**-**

The Company had issued hybrid perpetual securities of ₹775.00 crore in May 2011. These securities were perpetual in nature with no maturity or redemption and callable only at the option of the Company. The distribution on these securities are 11.50% p.a. with a step up provision if the securities were not called after 10 years. The distribution on the securities may have been deferred at the option of the Company if, in the six months preceding the relevant distribution payment date, the Company had not made payment on, or repurchased or redeemed, any securities ranking pari passu with, or junior to the instrument. As these securities were perpetual in nature and the Company did not have any redemption obligation, these were classified as equity.

During the year ended March 31, 2022, the Company had exercised its call option and redeemed the perpetual securities worth ₹775.00 crore issued during May 2011.

21. Other equity

[Item No. IV(b), Page F141]

A. Retained earnings

The details of movement in retained earnings is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	55,647.79	16,476.70
Profit for the year	8,760.40	40,153.93
Remeasurement of post-employment defined employee benefit plans	(13,304.45)	490.45
Tax on remeasurement of post-employment defined employee benefit plans	3,322.85	(124.06)
Dividend	(6,227.15)	(3,004.16)
Distribution on hybrid perpetual securities(i)	-	(1.46)
Tax on distribution on hybrid perpetual securities	-	0.37
Transfers within equity(ii)	(4.42)	8.97
Adjustment for changes in ownership interests	(28.70)	1,647.05
Balance at the end of the year	**48,166.32**	**55,647.79**

(i) During the year ended March 31, 2022, ₹8.30 crore post exercise of the call option on hybrid perpetual securities had been recognised in the consolidated statement of profit & loss.

(ii) During the year ended March 31, 2022, the amount represents gain/(loss) on sale of investments carried at fair value through other comprehensive income reclassified from investment revaluation reserve.

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21. Other equity (Contd.)

[Item No. IV(b), Page F141]

B. Items of other comprehensive income

(a) Cash flow hedge reserve

The cumulative effective portion of gain or losses arising from changes in fair value of hedging instruments designated as cash flow hedges are recognised in cash flow hedge reserve. Such changes recognised are reclassified to the consolidated statement of profit and loss when the hedged item affects the profit or loss or are included as an adjustment to the cost of the related non-financial hedged item.

The Group has designated certain foreign currency forward contracts, commodity contracts, interest rate swaps and collar as cash flow hedges in respect of foreign exchange, commodity price and interest rate risks.

The details of movement in cash flow hedge reserve is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	815.26	113.32
Other comprehensive income recognised during the year	(1,646.17)	701.94
Balance at the end of the year	**(830.91)**	**815.26**

(i) The details of other comprehensive income recognised during the year is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Fair value changes recognised during the year	(1,436.99)	1,395.47
Fair value changes reclassified to the consolidated statement of profit and loss/cost of hedged items	(711.60)	(499.72)
Tax impact on above	502.42	(193.81)
	(1,646.17)	**701.94**

During the year, ineffective portion of cash flow hedges recognised in the statement of profit and loss amounted to **Nil** (2021-22: Nil).

(ii) The amount recognised in cash flow hedge reserve (net of tax) is expected to impact the consolidated statement of profit and loss as below:

- within the next one year: loss of ₹**903.26** crore (2021-22 : gain ₹793.15 crore)
- later than one year: gain of ₹**72.36** crore (2021-22: ₹22.11 crore)

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21. Other equity (Contd.)

[Item No. IV(b), Page F141]

(b) Investment revaluation reserve

Cumulative gains and losses arising on fair value changes of equity investments measured at fair value through other comprehensive income are recognised in investment revaluation reserve. The reserve balance represents such changes recognised net of amounts reclassified to retained earnings on disposal of such investments.

The details of movement in investment revaluation reserve is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	896.78	306.60
Other comprehensive income recognised during the year	(213.92)	679.13
Tax impact on above	30.71	(78.96)
Transfers within equity	-	(9.99)
Balance at the end of the year	**713.57**	**896.78**

(c) Foreign currency translation reserve

Exchange differences arising on translation of assets, liabilities, income and expenses of the Group's foreign subsidiaries, associates and joint ventures are recognised in other comprehensive income and accumulated separately in foreign currency translation reserve. The amounts recognised are transferred to the consolidated statement of profit and loss on disposal of the related foreign subsidiaries, associates and joint ventures.

The details of movement in foreign currency translation reserve is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	7,399.01	7,753.04
Other comprehensive income recognised during the year	(2,057.16)	(354.03)
Balance at the end of the year	**5,341.85**	**7,399.01**

C. Other reserves

(a) Securities premium

Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

The details of movement in securities premium is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	31,286.73	30,962.60
Received/ transfer on issue of Ordinary Shares during the year	1.44	325.25
Equity issue expenses written (off)/ back during the year	(0.09)	(1.12)
Balance at the end of the year	**31,288.08**	**31,286.73**

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forming part of the Financial Statements

21. Other equity (Contd.)

[Item No. IV(b), Page F141]

(b) Debenture redemption reserve

The provisions of the Companies Act, 2013 read with related rules required a company issuing debentures to create Debenture Redemption Reserve (DRR) of 25% of the value of debentures issued, either through a public issue or on a private placement basis, out of the profits of the company available for payment of dividend. The amounts credited to the DRR can be utilised by the company only to redeem debentures.

As per the recent amendment in the Companies (Share Capital and Debentures) Rules, 2014, a listed company issuing privately placed debentures on or after August 16, 2019, is not required to maintain additional amount in the DRR. Accordingly, the existing balance in the DRR shall be maintained to be utilised for redemption of existing debentures issued by the company on or before August 16, 2019.

The details of movement in debenture redemption reserve is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	2,046.00	2,046.00
Balance at the end of the year	**2,046.00**	**2,046.00**

(c) General reserve

Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013 the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn.

The details of movement in general reserve is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	12,181.16	12,181.16
Balance at the end of the year	**12,181.16**	**12,181.16**

(d) Capital redemption reserve

The Companies Act, 2013 requires that when a company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve account. The reserve is utilised in accordance with the provision of Section 69 of the Companies Act, 2013.

The details of movement in capital redemption reserve is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	133.11	133.11
Balance at the end of the year	**133.11**	**133.11**

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forming part of the Financial Statements

21. Other equity (Contd.)

[Item No. IV(b), Page F141]

(e) Special reserve

Special reserve represents reserve created by certain Indian subsidiaries of the Company pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act") and other related applicable regulations. Under the RBI Act, a non-banking finance company is required to transfer an amount not less than 20% of its net profit to a reserve fund before declaring any dividend. Appropriation from this reserve fund is permitted only for the purposes specified by the RBI.

The details of movement in special reserve is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	11.22	10.48
Transfers within equity	1.20	0.74
Balance at the end of the year	**12.42**	**11.22**

(f) Capital reserve on consolidation

The excess of fair value of net assets acquired over consideration paid in a business combination is recognised as capital reserve on consolidation. The reserve is not available for distribution.

The details of movement in capital reserve on consolidation is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	784.28	2,020.62
Adjustment for changes in ownership interest	-	(1,236.34)
Balance at the end of the year	**784.28**	**784.28**

(g) Capital reserve

The excess of fair value of net assets acquired over consideration paid in a common control transaction is recognised as capital reserve. The details of movement in capital reserve on consolidation is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	1,833.50	72.04
Adjustment for changes in ownership interest[(i)]	1.27	1,761.46
Balance at the end of the year	**1,834.77**	**1,833.50**

(i) During the year ended March 31, 2022 the amount comprised of release of Capital Reserve on consolidation and the difference between the non controlling interest till the date of Order and the fair value of consideration in form of equity shares issued to other shareholders relating to erstwhile Tata Steel BSL Limited on account of merger with the Company.

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21. Other equity (Contd.)

[Item No. IV(b), Page F141]

(h) Others

Others primarily represent amounts appropriated out of the statement of profit or loss for unforeseen contingencies. Such appropriation are free in nature.

The details of movement in others is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	186.99	186.71
Transfers within equity	3.22	0.28
Balance at the end of the year	**190.21**	**186.99**

D. Share application money pending allotment

The details of movement in share application money pending allotment is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	-	3.78
Received during the year	1.46	326.85
Allotted during the year	(1.46)	(330.63)
Balance at the end of the year	-	-

22. Non-controlling interests

Non-controlling interests represent proportionate share held by minority shareholders in the net assets of subsidiaries which are not wholly owned by the Company.

The balance of non-controlling interests as at the end of the year is as below:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Non-controlling interests	2,093.11	2,655.42

(i) The Company, through its wholly owned subsidiary, T S Global Holdings Pte. Ltd. via TSMUK Limited holds **82.00%** (March 31, 2022: 82.00%) equity stake in Tata Steel Minerals Canada Limited.

(ii) The Company holds as at March 31, 2023, **74.91%** (March 31, 2022: 74.91%) equity stake in Tata Steel Long Products Limited.

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22. Non-controlling interests (Contd.)

The table below provides information in respect of subsidiaries where material non-controlling interest exists:

(₹ crore)

Name of Subsidiary	Country of incorporation and operation	% of non-controlling interests as at March 31, 2023	% of non-controlling interests as at March 31, 2022	Profit/(loss) attributable to non-controlling interests for the year ended March 31, 2023	Profit/(loss) attributable to non-controlling interests for the year ended March 31, 2022	Non- controlling interests as at March 31, 2023	Non- controlling interests as at March 31, 2022
Tata Steel Minerals Canada Limited	Canada	18.00%	18.00%	(195.46)	(122.55)	(194.99)	6.80
Tata Steel Long Products Limited	India	25.09%	25.09%	(597.02)	158.44	353.90	803.24

The tables below provides summarised information in respect of consolidated balance sheet as at March 31, 2023, consolidated statement of profit and loss and consolidated statement of cash flows for the year ended March 31, 2023, in respect of the above-mentioned entities:

Summarised balance sheet information

(₹ crore)

Particulars	Tata Steel Minerals Canada Limited		Tata Steel Long Products Limited	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Non-current assets	6,173.42	6,060.86	16,899.45	5,423.50
Current assets	875.91	789.09	5,307.54	14,373.89
Total assets (A)	**7,049.33**	**6,849.95**	**22,206.99**	**19,797.39**
Non-current liabilities	6,294.16	5,837.50	16,999.21	13,667.82
Current liabilities	1,975.34	1,111.60	3,834.62	2,940.98
Total liabilities (B)	**8,269.50**	**6,949.10**	**20,833.83**	**16,608.80**
Net assets (A-B)	**(1,220.17)**	**(99.15)**	**1,373.16**	**3,188.59**

NOTES
forming part of the Financial Statements

22. Non-controlling interests (Contd.)

Summarised profit and loss information

(₹ crore)

Particulars	Tata Steel Minerals Canada Limited		Tata Steel Long Products Limited	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Total income	648.78	739.47	8,991.78	6,923.69
Profit/(loss) for the year	(1,086.09)	(815.05)	(2,303.85)	629.62
Total comprehensive income for the year	(1,121.02)	(805.48)	(2,310.37)	631.81

Summarised cash flow information

(₹ crore)

Particulars	Tata Steel Minerals Canada Limited		Tata Steel Long Products Limited	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Net cash from/(used in) operating activities	(655.31)	(610.76)	(1,617.87)	1,761.01
Net cash from/(used in) investing activities	(44.32)	97.87	(2,941.91)	(9,404.79)
Net cash from/(used in) financing activities	710.52	524.41	136.96	11,923.29
Effect of exchange rate on cash and cash equivalents	2.55	0.77	-	-
Cash and cash equivalents at the beginning of the year	27.07	14.78	4,558.91	279.40
Cash and cash equivalents at the end of the year	40.51	27.07	136.09	4,558.91

NOTES
forming part of the Financial Statements

23. Borrowings
[Item No. V(a)(i) and VI(a)(i), Page F141]

A. Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Secured		
(i) Loan from Joint Plant Committee - Steel Development Fund	2,751.17	2,714.29
(ii) Term loans from banks/financial institutions	3,371.74	4,632.20
(iii) Other loans	282.40	283.05
	6,405.31	**7,629.54**
(b) Unsecured		
(i) Bonds and non-convertible debentures	26,520.88	29,953.67
(ii) Term loans from banks/financial institutions	18,512.21	7,173.33
(iii) Deferred payment liabilities	7.84	7.44
(iv) Other loans	0.09	0.09
	45,041.02	**37,134.53**
	51,446.33	**44,764.07**

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Secured		
(i) Loans from banks/financial institutions	2,202.00	1,652.26
(ii) Repayable on demand from banks/financial institutions	1,003.45	165.88
(iii) Current maturities of long-term borrowings	-	21.83
(iv) Other Loans	70.60	69.50
	3,276.05	**1,909.47**
(b) Unsecured		
(i) Loans from banks/financial institutions	12,669.19	14,801.52
(ii) Current maturities of long-term borrowings	10,612.53	2,855.74
(iii) Commercial papers	-	4,328.07
(iv) Other loans	13.60	169.81
	23,295.32	**22,155.14**
	26,571.37	**24,064.61**

(i) As at March 31, 2023, ₹**9,681.36** crore (March 31, 2022 : ₹9,539.01 crore) of the total outstanding borrowings were secured by a charge on property, plant and equipment, inventories, receivables and other current assets.

NOTES

forming part of the Financial Statements

23. Borrowings (Contd.)

[Item No. V(a)(i) and VI(a)(i), Page F141]

(ii) The security details of major borrowings as at March 31, 2023 are as below:

(a) Loan from Joint Plant Committee-Steel Development Fund

It is secured by mortgages on, all present and future immovable properties wherever situated and hypothecation of movable assets, excluding land and building mortgaged in favour of Government of India under the deed of mortgage dated April 13, 1967 and in favour of Government of Bihar under two deeds of mortgage dated May 11, 1963, immovable properties and movable assets of the Tubes Division, Bearings Division, Ferro Alloys Division and Cold Rolling Complex (West) at Tarapur and all investments and book debts of the Company subject to the prior charges created and/or to be created in favour of the bankers for securing borrowing for the working capital requirement and charges created and/or to be created on specific items of machinery and equipment procured/to be procured under deferred payment schemes/bill re-discounting schemes/asset credit schemes.

The loan is repayable in 16 equal semi-annual instalments after completion of four years from the date of the tranche.

The Company filed a writ petition before the High Court at Calcutta in February 2006 claiming waiver of the outstanding loan and interest and refund of the balance lying with Steel Development Fund (SDF). The Writ Petition was decided by judgment dated August 3, 2022. By the judgment, the High Court declared that the corpus of SDF can only be utilised for the benefit of the main steel producers. However, the waiver of loan as sought by the Company was not allowed. Hence, against the judgment the Company filed an appeal in the High Court.

The appeal has been decided on January 3, 2023. By the final order, High Court has directed the Company to submit a fresh representation to Union of India and fixed a time of three months for Union of India to take a decision on the representation. The Company has submitted the representation on March 28, 2023.

The loan includes funded interest ₹**1,111.84** crore (March 31, 2022: ₹1,074.96 crore).

It includes ₹**1,639.33** crore (March 31, 2022: ₹1,639.33 crore) representing repayments and interest on earlier loans for which applications of funding are awaiting sanction.

(b) Loans from banks/financial institutions

The borrowings in Tata Steel Europe relate to the senior facility arrangement (SFA) which was refinanced in October 2022. The SFA is secured against the assets and shares of Tata Steel UK Limited and the shares of Tata Steel Netherlands Holdings BV(TSNH). The SFA contains a financial covenant which sets an annual maximum capital expenditure at TSNH and contains covenants for cash flow to debt service and debt tangible net worth calculated at the Company level. During the year ended March 31, 2023 Tata Steel Europe made early repayments of EURO 168 million in October 2022 against Facility B. During the year ended March 31, 2022 Tata Steel Europe made early repayments of EURO 565 million in June 2021 (EURO 410 million full repayment of Facility A and EURO 155 million part repayment of Facility B) and EURO 715 million in October 2021 (part repayment against Facility B) The SFA at March 31, 2023 comprises of the following term loan:

Facility B: EURO **302** million bullet term loan facility equivalent to ₹**2,696.52** crore (March 31, 2022: EURO 470 million equivalent to ₹3,953.08 crore), repayable in February 2026.

NOTES

forming part of the Financial Statements

23. Borrowings (Contd.)

[Item No. V(a)(i) and VI(a)(i), Page F141]

(iii) The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities, which are in agreement with the books of account other than those as set out below.

(₹ crore)

Name of the Bank	Aggregate working capital limits sanctioned	Amount utilised during the quarter	Quarter ended	Amount disclosed as per quarterly return / statement	Amount as per books of account	Difference	Reason for variance*
State bank of India and consortium of banks#	**2,000.00**	-	**December 31, 2022**	**12,594.47**	**12,572.90**	**21.57**	Primarily inclusion of certain liabilities not forming part of creditors for goods.

(₹ crore)

Name of the Bank	Aggregate working capital limits sanctioned	Amount utilised during the quarter	Quarter ended	Amount disclosed as per quarterly return / statement	Amount as per books of account	Difference	Reason for variance*
State bank of India and consortium of banks#	2,000.00	-	June 30, 2021	6,973.00	6,409.24	563.76	Primarily inclusion of certain liabilities not forming part of creditors for goods.
	2,000.00	-	September 30, 2021	6,281.30	5,754.56	526.74	
	2,000.00	-	December 31, 2021	14,533.00	14,007.35	525.65	
	2,000.00	-	March 31, 2022	16,857.04	16,332.53	524.51	

* The above differences represents balance of creditors as at each reporting date.

Pari-passu charge is created on the Company's entire current assets namely stock of raw materials, finished goods, stocks-in-process, consumables stores and spares and book debts at its plant sites or anywhere else, in favour of the bank, by way of hypothecation.

(iv) The details of major unsecured borrowings as at March 31, 2023 are as below:

(a) Bonds and debentures

(I) Non-convertible Debentures:

The details of debentures issued/redeemed by the Company are as below:

(i) 7.76% p.a. interest bearing 15,000 debentures of face value ₹10,00,000 each are redeemable at par on September 20, 2032.

(ii) 9.84% p.a. interest bearing 43,150 debentures of face value ₹10,00,000 each are redeemable at par in 4 equal annual instalments commencing from February 28, 2031.

(iii) 8.03% p.a. interest bearing 2,15,000 debentures of face value ₹1,00,000 each are redeemable at par on February 25, 2028.

(iv) 7.50% p.a. interest bearing 5,000 debentures of face value ₹10,00,000 each are redeemable at par on September 20, 2027.

(v) 8.15% p.a. interest bearing 10,000 debentures of face value ₹10,00,000 each are redeemable at par on October 1, 2026.

(vi) 7.70% p.a. interest bearing 6,700 debentures of face value ₹10,00,000 each are redeemable at par on March 13, 2025.

(vii) 7.95% p.a. interest bearing 5,000 debentures of face value ₹10,00,000 each are redeemable at par on October 30, 2023.

(viii) Repo rate plus 4.08% p.a. interest bearing 4,000 debentures of face value ₹10,00,000 each are redeemable at par on June 2, 2023.

(ix) 8.25% p.a. interest bearing 10,000 debentures of face value ₹10,00,000 each are redeemable at par on May 19, 2023.

NOTES
forming part of the Financial Statements

23. Borrowings (Contd.)

[Item No. V(a)(i) and VI(a)(i), Page F141]

(x) Repo rate plus 3.45% p.a. interest bearing 5,000 debentures of face value ₹10,00,000 each are redeemable at par on April 28, 2023.

(xi) Repo rate plus 3.30% p.a. interest bearing 10,000 debentures of face value ₹10,00,000 each are redeemable at par on April 27, 2023.

(xii) 7.85% p.a. interest bearing 5,100 debentures of face value ₹10,00,000 each are redeemable at par on April 21, 2023.

(xiii) 7.85% p.a. interest bearing 10,250 debentures of face value ₹10,00,000 each are redeemable at par on April 17, 2023.

(xiv) 2.00% p.a. interest bearing 15,000 debentures of face value ₹10,00,000 each has been redeemed at a premium of 85.03% of the face value during the year.

(II) Bonds

ABJA Investment Company Pte. Ltd. a wholly owned subsidiary of the Company has issued non-convertible bonds that are listed on the Singapore Stock Exchange and Frankfurt Stock Exchange. Details of the bonds outstanding at the end of the reporting period is as below:

Sl. No.	Issued on	Currency	Initial principal due (in millions)	Outstanding principal (in millions) As at March 31, 2023	Outstanding principal (in millions) As at March 31, 2022	Interest rate	Redeemable on
1	January 2018	USD	1,000	1,000	1,000	5.45%	January 2028
2	July 2014	USD	1,000	1,000	1,000	5.95%	July 2024
3	January 2018	USD	300	300	300	4.45%	July 2023
4	May 2013	SGD	300	300	300	4.95%	May 2023

(b) Term loans from banks/financial institutions

(I) The Details of loans from banks and financial institutions availed/repaid by the Company are as below:

(i) Rupee loan amounting ₹**1,320.00** crore (March 31, 2022: ₹1,320.00 crore) is repayable in 3 semi-annual instalments, the next instalment is due on August 31, 2029.

(ii) Rupee loan amounting ₹**1,000.00** crore (March 31, 2022: Nil) is repayable on August 30, 2029.

(iii) Rupee loan amounting ₹**500.00** crore (March 31, 2022: Nil) is repayable on December 11, 2027

(iv) Rupee loan amounting ₹**100.00** crore (March 31, 2022: Nil) is repayable on December 8, 2027.

(v) Rupee loan amounting ₹**400.00** crore (March 31, 2022: Nil) is repayable on September 14, 2027.

(vi) Rupee loan amounting ₹**595.00** crore (March 31, 2022: ₹595.00 crore) is repayable in 4 semi-annual instalments, the next instalment is due on October 16, 2026.

(vii) Rupee loan amounting ₹**700.00** crore (March 31, 2022: Nil) is repayable in 8 annual instalments, the next instalment is due on August 11, 2025.

(viii) Rupee loan amounting ₹**520.00** crore (March 31, 2022: ₹520.00 crore) is repayable in 5 semi-annual instalments, the next instalment is due on June 30, 2025.

(ix) Rupee loan amounting ₹**500.00** crore (March 31, 2022: Nil) is repayable on June 24, 2024.

(x) Rupee loan amounting ₹**500.00** crore (March 31, 2022: Nil) is repayable on June 22, 2024.

(xi) Rupee loan amounting ₹**500.00** crore (March 31, 2022: Nil) is repayable on June 17, 2024.

23. Borrowings (Contd.)

[Item No. V(a)(i) and VI(a)(i), Page F141]

(xii) Rupee loan amounting ₹**926.24** crore (March 31, 2022: ₹930.42 crore) is repayable in 14 semi-annual instalments, the next instalment is due on November 15, 2023.

(xiii) Rupee loan amounting ₹**300.00** crore (March 31, 2022: Nil) is repayable in 5 annual instalments, the next instalment is due on September 30, 2023.

(xiv) Rupee loan amounting ₹**396.00** crore (March 31, 2022: Nil) is repayable in 19 semi-annual instalments, the next instalment is due on September 30, 2023.

(xv) Rupee loan amounting ₹**700.00** crore (March 31, 2022: Nil) is repayable in 5 annual instalments, the next instalment is due on September 30, 2023.

(xvi) Rupee loan amounting ₹**594.00** crore (March 31, 2022: Nil) is repayable in 19 semi-annual instalments, the next instalment is due on September 30, 2023.

(xvii) Rupee loan amounting ₹**495.00** crore (March 31, 2022: Nil) is repayable in 19 semi-annual instalments, the next instalment is due on September 30, 2023.

(xviii) Rupee loan amounting to ₹**990.00** crore (March 31,2022: Nil) is repayable in 19 semi-annual instalments, the next instalment is due on September 30, 2023.

(xix) USD 440 million equivalent to ₹**3,616.03** crore (March 31, 2022: USD 440.00 million equivalent to ₹3,335.09 crore) loan is repayable in 3 equal annual instalments commencing from September 11, 2023.

(xx) Rupee loan amounting ₹**495.00** crore (March 31, 2022: Nil) is repayable in 19 semi-annual instalments, the next instalment is due on September 7, 2023.

(xxi) Rupee loan amounting ₹**198.00** crore (March 31, 2022: Nil) is repayable in 19 semi-annual instalments, the next instalment is due on September 1, 2023.

(xxii) Rupee loan amounting ₹**544.50** crore (March 31, 2022: Nil) is repayable in 19 semi-annual instalments, the next instalment is due on September 1, 2023.

(xxiii) Rupee loan amounting ₹**990.00** crore (March 31, 2022: Nil) is repayable in 19 semi-annual instalments, the next instalment is due on June 30, 2023.

(xxiv) Rupee loan amounting ₹**1,500.00** crore (March 31, 2022: Nil) is repayable in 20 semi-annual instalments, the next instalment is due on June 30, 2023.

(xxv) Rupee loan amounting ₹**500.00** crore (March 31, 2022: Nil) is repayable in 20 semi-annual instalments, the next instalment is due on June 30, 2023.

(xxvi) Rupee loan amounting ₹**500.00** crore (March 31, 2022: Nil) is repayable in 20 semi-annual instalments, the next instalment is due on June 30, 2023.

(xxvii) Euro 9.55 million equivalent to ₹80.37 crore as on March 31, 2022 due for repayment on April 30, 2022, had been fully repaid during the year.

(II) Short-term finance ₹**4,161.30** crore (March 31, 2022: ₹7,456.75 crore) with maturity less than a year.

(c) Commercial papers raised by the Group are short-term in nature ranging between eleven days to six months.

NOTES
forming part of the Financial Statements

23. Borrowings (Contd.)

[Item No. V(a)(i) and VI(a)(i), Page F141]

(v) Currency and interest exposure of borrowings including current maturities is as below:

(₹ crore)

	As at March 31, 2023			As at March 31, 2022		
	Fixed rate	Floating rate	Total	Fixed rate	Floating rate	Total
INR	14,516.56	20,754.85	35,271.41	16,163.76	13,874.65	30,038.41
GBP	9.43	4,052.81	4,062.24	9.72	2,473.62	2,483.34
EURO	18.04	2,609.71	2,627.75	91.03	4,206.64	4,297.67
USD	23,021.33	10,251.21	33,272.54	24,835.44	4,563.38	29,398.82
Others	2,783.76	-	2,783.76	2,577.25	33.19	2,610.44
Total	**40,349.12**	**37,668.58**	**78,017.70**	**43,677.20**	**25,151.48**	**68,828.68**

INR-Indian Rupees, GBP- Great Britain Pound, USD-United States Dollars.

(a) Others primarily include SGD-Singapore Dollars, CAD- Canadian Dollars and THB- Thai Baht.

(b) Majority of floating rate borrowings are bank borrowings bearing interest rates based on LIBOR, EURIBOR or local official rates. Of the total floating rate borrowings, as at March 31, 2023, ₹**3,616.03** crore (March 31, 2022: ₹3,335.09 crore) has been hedged using cross currency swaps and interest rate swaps, with contracts covering a period of more than one year.

(vi) Maturity profile of borrowings including current maturities is as below:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Not later than one year or on demand	26,568.65	24,065.72
Later than one year but not two years	12,383.99	10,112.51
Later than two years but not three years	4,380.15	10,018.87
Later than three years but not four years	2,084.30	5,412.57
Later than four years but not five years	13,602.63	1,923.87
More than five years	19,486.10	17,921.06
	78,505.82	**69,454.61**
Less: Capitalisation of transaction costs	488.12	625.93
	78,017.70	**68,828.68**

(vii) Some of the Group's major financing arrangements include financial covenants, which require compliance to certain debt-equity ratios and debt coverage ratios by entities within the Group who have availed such borrowings. Additionally, certain negative covenants may limit the ability of entities within the Group to borrow additional funds or to incur additional liens, and/or provide for increased costs in case of breach.

NOTES
forming part of the Financial Statements

24. Other financial liabilities

[Item No. V(a)(iv) and VI(a)(v), Page F141]

A. Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Creditors for other liabilities	1,871.51	989.57
	1,871.51	**989.57**

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Interest accrued but not due	1,115.29	860.10
(b) Unclaimed dividends	100.04	84.18
(c) Creditors for other liabilities	8,374.88	7,437.13
	9,590.21	**8,381.41**

(i) Non-current and current creditors for other liabilities include:

(a) creditors for capital supplies and services of ₹**4,595.93** crore (March 31, 2022: ₹3,732.92 crore).

(b) liability for employee family benefit scheme ₹**243.37** crore (March 31, 2022: ₹227.43 crore).

(c) liability for family protection scheme ₹**194.83** crore (March 31, 2022: ₹202.46 crore).

(d) rebate liabilities arising from volume and price discounts ₹**1,330.51** crore (March 31, 2022: ₹1,215.61 crore).

(e) consideration on acquisition of Neelachal Ispat Nigam Limited ("NINL") of ₹**911.17** crore (March 31, 2022: Nil) kept in escrow account pending resolution of the litigations. This amount has been included in the total consideration for acquisition of NINL and would be paid towards the litigations, if required, or be released to the sellers at the expiry of the specified period.

NOTES
forming part of the Financial Statements

25. Provisions

[Item No. V(b) and VI(b), Page F141]

A. Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Employee benefits	3,012.44	3,150.54
(b) Insurance provisions	305.53	340.92
(c) Others	1,457.87	1,334.52
	4,775.84	**4,825.98**

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Employee benefits	406.70	473.28
(b) Others	3,476.03	2,295.21
	3,882.73	**2,768.49**

(i) Non-current and current provision for employee benefits include provision for leave salaries ₹**1,441.71** crore (March 31, 2022: ₹1,377.85 crore) and provision for early separation, disability and other long-term employee benefits ₹**1,893.24** crore (March 31, 2022: ₹2,166.70 crore).

(ii) As per the leave policy of the Company and its Indian subsidiaries, an employee is entitled to be paid the accumulated leave balance on separation. The Company and its Indian subsidiaries present provision for leave salaries as current and non-current based on actuarial valuation considering estimates of availment of leave, separation of employee, etc.

(iii) Insurance provisions currently held by Tata Steel Europe, a wholly owned indirect subsidiary of the Group cover its historical liability risks, including those covered by its captive insurance company, Crucible Insurance Company Limited, in respect of its retrospective hearing impairment policy and those for which it is now responsible for under its current insurance arrangements. The provisions include a suitable amount in respect of its known outstanding claims and an appropriate amount in respect of liabilities that have been incurred but not yet reported. The provisions are subject to regular review and are adjusted as appropriate. The value of the final insurance settlements is uncertain and so is the timing of the expenditure.

(iv) Non-current and current other provisions primarily include:

(a) provision for compensatory afforestation, mine closure and rehabilitation obligations and other environmental remediation obligations ₹**3,407.85** crore (March 31, 2022: ₹2,964.73 crore). These amounts become payable upon closure of the mines/sites and are expected to be incurred over a period of 1 to 44 years.

(b) provision in respect of onerous leases contracts amounting to ₹**136.52** crore (March 31, 2022: ₹124.76 crore).

(c) provision for legal damages ₹**183.02** crore (March 31, 2022: Nil).

(d) provision for demand notices received against alleged shortfall in dispatch of Chromite ore from the mines within the Group's Indian mining operations ₹**818.01** crore. The demand notices have challenged before the Hon'ble High Court of Orissa and as per the court direction, an amount of ₹**218.50** crore has been paid under protest.

NOTES

forming part of the Financial Statements

25. Provisions (Contd.)

[Item No. V(b) and VI(b), Page F141]

(v) The details of movement in provision balances is as below:

Year ended March 31, 2023

(₹ crore)

	Insurance Provision	Provision for restoration and rehabilitation	Others	Total
Balance at the beginning of the year	340.92	2,964.73	665.00	3,970.65
Recognised/ (released) during the year (i)	70.48	1,245.49	261.12	1,577.09
Utilised during the year	(111.49)	(670.75)	(45.26)	(827.50)
Other re-classifications	-	(238.45)	619.17	380.72
Exchange differences on consolidation	5.62	106.83	26.02	138.47
Balance at the end of the year	**305.53**	**3,407.85**	**1,526.05**	**5,239.43**

Year ended March 31, 2022

(₹ crore)

	Insurance Provision	Provision for restoration and rehabilitation	Others	Total
Balance at the beginning of the year	573.39	4,790.84	537.22	5,901.45
Recognised/ (released) during the year (i)	(122.17)	1,318.28	272.04	1,468.15
Utilised during the year	(108.05)	(2,885.36)	(115.83)	(3,109.24)
Other re-classifications	-	(241.28)	(0.20)	(241.48)
Classified as held for sale	-	-	(23.45)	(23.45)
Exchange differences on consolidation	(2.25)	(17.75)	(4.78)	(24.78)
Balance at the end of the year	**340.92**	**2,964.73**	**665.00**	**3,970.65**

(i) Includes provisions capitalised in respect of restoration obligations.

NOTES
forming part of the Financial Statements

26. Deferred income

[Item No. V(d) and VI(d), Page F141]

A. Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Grants relating to property, plant and equipment	21.34	27.27
(b) Revenue grants	9.90	11.91
(c) Others	101.12	97.98
	132.36	**137.16**

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Grants relating to property, plant and equipment	72.13	56.24
(b) Revenue grants	3.59	-
(c) Others	16.21	74.21
	91.93	**130.45**

NOTES
forming part of the Financial Statements

27. Other liabilities

[Item No. V(f) and VI(f), Page F141]

A. Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Advances received from customers	2,146.11	3,562.63
(b) Statutory dues	593.19	696.36
(c) Other credit balances	1,727.97	1,337.07
	4,467.27	**5,596.06**

B. Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Advances received from customers	3,365.70	3,216.40
(b) Employee recoveries and employer contributions	142.67	146.69
(c) Statutory dues	11,008.55	12,113.25
(d) Other credit balances	28.18	36.68
	14,545.10	**15,513.02**

(i) Non-current and current advance from customer includes an interest-bearing advance of ₹**3,811.90** crore (March 31, 2022: ₹4,972.83 crore) which would be adjusted over a period of 3 years against export of steel products. Amount of revenue recognised for the year ended March 31, 2023 in respect of such advances outstanding at the beginning of the year is ₹**1,543.07** crore (2021-22: ₹1,528.92 crore). Out of the amount outstanding ₹**1,665.79** crore (March 31, 2023: ₹1,410.20 crore) is expected to be adjusted by March 31, 2024 and the balance thereafter.

(ii) Statutory dues primarily relate to payables in respect of GST, excise duty, service tax, sales tax, electricity duty, water tax, VAT, deducted at source and royalties.

(iii) Other credit balances includes GST compensation cess and interest thereon amounting to ₹**1,678.33** crore (March 31, 2022: ₹1,274.11 crore).

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28. Trade payables

[Item No. VI(a)(iii), Page F141]

A. Total outstanding dues of micro and small enterprises

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Dues of micro and small enterprises	1,170.33	897.50
	1,170.33	**897.50**

B. Total outstanding dues of creditors other than micro and small enterprises

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
(a) Creditors for supplies and services	31,284.22	30,171.17
(b) Creditors for accrued wages and salaries	5,377.99	5,696.20
	36,662.21	**35,867.37**

(i) Ageing of trade payables is as below:

As at March 31, 2023

(₹ crore)

	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - MSME	1,050.48	64.35	0.12	0.07	1.61	1,116.63
Undisputed dues - Others	24,072.39	3,448.39	178.51	87.03	42.97	27,829.29
Disputed dues - MSME	-	-	-	-	0.05	0.05
Disputed dues - Others	-	0.85	0.23	0.27	18.20	19.55
	25,122.87	**3,513.59**	**178.86**	**87.37**	**62.83**	**28,965.52**
Add : Unbilled dues*						8,867.02
Total trade payables						**37,832.54**

*Includes dues of micro, small and medium enterprises (MSME) of ₹**53.65** crore.

As at March 31, 2022

(₹ crore)

	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - MSME	775.41	63.53	0.09	0.06	0.07	839.16
Undisputed dues - Others	24,496.25	4,602.37	168.84	52.57	76.44	29,396.47
Disputed dues - MSME	-	-	0.01	0.05	-	0.06
Disputed dues - Others	-	6.33	0.63	0.76	17.67	25.39
	25,271.66	**4,672.23**	**169.57**	**53.44**	**94.18**	**30,261.08**
Add : Unbilled dues*						6,503.79
Total trade payables						**36,764.87**

*Includes dues of micro, small and medium enterprises (MSME) of ₹58.28 crore.

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29. Revenue from operations
[Item No. I, Page F142]

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Sale of products	2,39,343.16	2,40,560.16
(b) Sale of power and water	1,924.04	1,717.97
(c) Income from services	369.05	48.74
(d) Other operating revenues(ii)	1,716.44	1,632.30
	2,43,352.69	**2,43,959.17**

(i) Revenue from contracts with customers disaggregated on the basis of geographical regions and major businesses are as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) India	1,29,385.23	1,19,729.67
(b) Outside India	1,12,251.02	1,22,597.20
	2,41,636.25	**2,42,326.87**

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Steel	2,28,055.95	2,26,461.69
(b) Power and water	1,924.04	1,717.97
(c) Others	11,656.26	14,147.21
	2,41,636.25	**2,42,326.87**

Revenue outside India includes Asia excluding India ₹**17,328.79** crore (2021-22: ₹27,784.29 crore), UK ₹**17,079.93** crore (2021-22: ₹20,096.84 crore) and other European countries ₹**59,742.10** crore (2021-22: ₹60,784.32 crore).

(ii) Other operating revenues include income from export and other incentives schemes.

(iii) There are no significant adjustment between the contracted price and revenue recognised.

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30. Other income

[Item No. II, Page F142]

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Dividend income	39.66	35.30
(b) Interest income	345.64	243.77
(c) Net gain/ (loss) on sale/ fair value changes of mutual funds	294.48	201.49
(d) Net gain/ (loss) on sale of non-current investments	0.88	0.22
(e) Gain/ (loss) on sale of property, plant and equipment including intangible assets (net of loss on assets scrapped/ written off)	(43.57)	95.33
(f) Gain/ (loss) on cancellation of forwards, swaps and options	261.24	34.20
(g) Other miscellaneous income	139.15	174.58
	1,037.48	**784.89**

(i) Dividend income includes income from investments carried at fair value through other comprehensive income of ₹**29.50** crore (2021- 22: ₹25.42 crore)

(ii) Interest income includes:

(a) income from financial assets carried at amortised cost of ₹**331.75** crore (2021-22: ₹198.80 crore).

(b) income from financial assets carried at fair value through profit and loss ₹**13.89** crore (2021-22: ₹44.97 crore).

31. Employee benefits expense

[Item No. IV(d), Page F142]

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Salaries and wages	18,471.69	19,239.94
(b) Contribution to provident and other funds	3,136.57	3,273.23
(c) Staff welfare expenses	811.06	750.93
	22,419.32	**23,264.10**

During the year ended March 31, 2023, the Company has recognised an amount of ₹**37.82** crore (2021-22: ₹40.52 crore) as remuneration to key managerial personnel. The details of such remuneration are as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Short-term employee benefits	32.88	34.67
(b) Post-employment benefits	4.88	5.85
(c) Other long-term employee benefits	0.06	-
	37.82	**40.52**

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32. Finance costs

[Item No. IV(e), Page F142]

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense on:		
(a) Bonds, debentures, bank borrowings and others	6,007.98	5,007.46
(b) Lease obligations	581.81	636.08
	6,589.79	**5,643.54**
Less: Interest capitalised	291.09	181.34
	6,298.70	**5,462.20**

33. Depreciation and amortisation expense

[Item No. IV(f), Page F142]

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Depreciation on tangible and amortisation of intangible assets	8,341.81	8,007.25
(b) Depreciation on right-of-use assets	1,000.47	1,102.63
Less: Transferred to capital accounts	0.87	1.01
Less: Amount released from grants received	6.21	8.00
	9,335.20	**9,100.87**

34. Other expenses

[Item No. IV(g), Page F142]

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Consumption of stores and spares	21,475.08	15,958.90
(b) Repairs to buildings	89.59	116.93
(c) Repairs to machinery	11,583.62	9,571.68
(d) Relining expenses	338.54	320.49
(e) Fuel oil consumed	1,466.98	1,057.18
(f) Purchase of power	8,059.93	6,971.11
(g) Conversion charges	3,092.10	2,866.06
(h) Freight and handling charges	12,647.96	12,138.61
(i) Rent	2,923.43	2,672.26
(j) Royalty	6,923.80	9,311.36
(k) Rates and taxes	1,971.35	2,517.24
(l) Insurance charges	696.47	480.66
(m) Commission, discounts and rebates	356.91	325.54
(n) Allowance for credit losses/ provision for advances	10.52	83.34
(o) Others	8,882.59	12,224.92
	80,518.87	**76,616.28**

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34. Other expenses (Contd.)

[Item No. IV(g), Page F142]

(i) Others include net foreign exchange gain ₹**1,657.81** crore (2021-22: loss ₹1,331.59 crore).

(ii) During the year ended March 31, 2023, the Company has recognised an amount of ₹**9.65** crore (2021-22: ₹9.76 crore) as payment to non-executive directors. The details are as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Short-term benefits	9.20	9.30
(b) Sitting fees	0.45	0.46
	9.65	**9.76**

(iii) Revenue expenditure charged to the consolidated statement of profit and loss in respect of research and development activities undertaken during the year is ₹**858.93** crore (2021-22: ₹783.36 crore).

35. Exceptional items

[Item No. VII, Page F142]

Exceptional items are those which are considered for separate disclosure in the financial statements considering their size, nature or incidence. Such items included within the consolidated statement of profit and loss are detailed below:

(a) Profit on sale of subsidiaries and non-current investments includes profit of ₹**66.86** crore on disposal of offshore subsidiaries forming part of the Group's European operations (20201-22: includes profit of ₹724.84 crore on disposal of offshore subsidiaries forming part of the Group's South East Asian operations).

(b) During the year ended March 31, 2022 profit on sale of non-current assets ₹30.83 crore represents profit on sale of land in one of the subsidiaries of the Group.

(c) Provision for impairment of investments/doubtful advances represents ₹**12.39** crore (2021-22: ₹100.00 crore represents impairment of advances to one of the associates of the Group and reversal of impairment of ₹0.26 crore recognised earlier in respect of a joint venture of the Group) impairment of advances to one of the associates of the Group and reversal of impairment of ₹**96.07** crore (2021-22: Nil) within the Group's European operations.

(d) Provision for impairment of non-current assets includes impairment recognised in respect of property, plant and equipment (including capital work-in-progress), right-of-use assets and other assets ₹**11.16** crore within the Group's South East Asian operations and reversal of provision of impairment of non-current assets ₹**36.53** crore within the Group's European operations (2021-22: ₹252.68 crore the impairment recognised was contained within European and South East Asian operations segments). The impairment recognised is shown within exceptional items in segment reporting and does not form part of segment results.

(e) Employee separation compensation ₹**91.94** crore (2021-22: ₹330.81 crore) relates to provisions recognised in respect of early separation of employee within Indian operations.

(f) Restructuring and other provisions ₹**1.70** crore results represents stamp duty and registration fees paid within the Group's Indian Operations (2021-22: ₹256.24 crore primarily include provision recognised for benefits payable to the dependents of employees who lost their lives due to COVID-19.)

(g) Gain/(loss) on non-current investments classified as fair value through profit and loss ₹**30.99** crore (2021-22: ₹49.74 crore) primarily represents gain on investments in preference shares held in an associate.

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36. Earnings per share

[Item No. XV, Page F143]

The following table reflects the profit/(loss) and shares data used in the computation of basic and diluted earnings per share.

(₹ crore)

		Year ended March 31, 2023	Year ended March 31, 2022
(a)	Profit for the year attributable to owners of the Company	8,760.40	40,153.93
	Less: Distribution on hybrid perpetual securities (net of tax)	-	1.09
	Profit attributable to Ordinary shareholders- for basic and diluted EPS	**8,760.40**	**40,152.84**
		Nos.	Nos.
(b)	Weighted average number of Ordinary shares for basic EPS	12,21,00,98,132	12,08,14,28,595
	Add: Adjustment for shares held in abeyance and un-called portion on partly paid-up shares	37,16,120	94,30,739
	Weighted average number of Ordinary shares and potential Ordinary shares for diluted EPS	**12,21,38,14,252**	**12,09,08,59,334**
(c)	Nominal value of Ordinary Share (₹)	1.00	1.00
(d)	Basic earnings per Ordinary Share (₹)	7.17	33.24
(e)	Diluted earnings per Ordinary Share (₹)	7.17	33.21

(i) The basic and diluted EPS for the prior year have been restated considering the face value of ₹1/- each in accordance with Ind AS 33 – "Earnings per Share" on account of sub-division of the Ordinary (equity) Shares of face value ₹10/- each into Ordinary (equity) Shares of face value of ₹1/- each (refer note 19(ii)(a), page F195).

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37. Employee benefits

A. Defined contribution plans

The Group participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by the Group at rates specified by the rules of those plans.The only amounts included in the consolidated balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period.

The major defined contribution plans operated by the Group are as below:

(a) Provident fund and pension

The Company and its Indian subsidiaries provide provident fund benefits for eligible employees as per applicable regulations wherein both employees and the Company/Indian subsidiaries make monthly contributions at a specified percentage of the eligible employees' salary. Contributions under such schemes are made either to a provident fund set up as an irrevocable trust by the Company/ Indian subsidiaries to manage the investments and distribute the amounts entitled to employees or to state managed funds.

Benefits provided under plans wherein contributions are made to state managed funds and the Company/ Indian subsidiaries do not have a future obligation to make good short fall if any, are treated as a defined contribution plan.

(b) Superannuation fund

The Company and some of its Indian subsidiaries have a superannuation plan for the benefit of its employees. Employees who are members of the superannuation plan are entitled to benefits depending on the years of service and salary drawn.

Separate irrevocable trusts are maintained for employees covered and entitled to benefits. The Company and its Indian subsidiaries contribute up to 15% of the eligible employees' salary or ₹1,50,000, whichever is lower, to the trust every year. Such contributions are recognised as an expense as and when incurred. The Company and its Indian subsidiaries do not have any further obligations beyond this contribution.

The contributions recognised as an expense in the consolidated statement of profit and loss during the year on account of the above defined contribution plans amounted to ₹**1,611.21** crore (2021-22: ₹1,580.09 crore).

B. Defined benefit plans

The defined benefit plans operated by the Group are as below:

(a) Provident fund and pension

Provident fund benefits provided under plans wherein contributions are made to an irrevocable trust set up by the Company/Indian subsidiaries to manage the investments and distribute the amounts entitled to employees are treated as a defined benefit plan as the Company/Indian subsidiaries are obligated to provide the members a rate of return which should, at the minimum, meet the interest rate declared by Government administered provident fund. A part of the Company's/Indian subsidiaries' contribution is transferred to Government administered pension fund. The contributions made by the Company/Indian subsidiaries and the shortfall of interest, if any, are recognised as an expense in the consolidated statement of profit and loss under employee benefits expense.

In accordance with an actuarial valuation of provident fund liabilities of Company and its Indian subsidiaries based on guidance issued by Actuarial Society of India and based on the assumptions as mentioned below, other than the expenses recognised during the year in respect of two Indian subsidiaries ₹**2.43** crore (2021-22: reversal ₹1.46 crore), there is no deficiency in the interest cost as the present value of the expected future earnings of the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest of Government administered provident fund.

37. Employee benefits (Contd.)

Key assumptions used for actuarial valuation are as below:

	Year ended March 31, 2023	Year ended March 31, 2022
Discount rate	7.10% - 7.50%	6.75% - 7.20%
Guaranteed rate of return	7.20% - 8.15%	8.10%
Expected rate of return on investment	8.10% - 8.15%	7.50% - 8.10%

(b) Retiring gratuity

The Company and its Indian subsidiaries have an obligation towards gratuity, a defined benefit retirement plan covering eligible employees as per The Payment of Gratuity Act, 1972. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company and its Indian subsidiaries make annual contributions to gratuity funds established as trusts or insurance companies. The Company and its Indian subsidiaries accounts for the liability for gratuity benefits payable in the future based on a year end actuarial valuation."

(c) Post-retirement medical benefits

Under this unfunded scheme, employees of the Company and some of its subsidiaries receive medical benefits subject to certain limits on amounts of benefits, periods after retirement and types of benefits, depending on their grade and location at the time of retirement. Employees separated from the Company and its subsidiaries under an early separation scheme, on medical grounds or due to permanent disablement are also covered under the scheme. The Company and such subsidiaries account for the liability for post-retirement medical scheme based on a year-end actuarial valuation.

(d) Tata Steel Europe's pension plan

Tata Steel Europe (TSE), a wholly owned indirect subsidiary of the Company, operates a number of defined benefit pension and post- retirement schemes. The benefits offered by these schemes are largely based on pensionable pay and years of service at retirement. With the exception of certain unfunded arrangements, the assets of these schemes are held in administered funds that are legally separated from TSE. For those pension schemes set up under a trust, the trustees are required by law to act in the best interests of the schemes beneficiaries in accordance with the scheme rules and relevant pension legislation. The trustees are generally responsible for the investment policy with regard to the assets of the fund, after consulting with the sponsoring employer.

TSE accounts for all pension and post-retirement defined benefit arrangements using Ind AS 19 "Employee Benefits", with independent actuaries being used to calculate the costs, assets and liabilities to be recognised in relation to these schemes. The present value of the defined benefit obligation, the current service cost and past service costs are calculated by these actuaries using the Projected unit credit method. However, the ongoing funding arrangements of each scheme, in place to meet their long-term pension liabilities, are governed by the individual scheme documentation and national legislation. The accounting and disclosure requirements of Ind AS 19 "Employee benefits" do not affect these funding arrangements.

The British Steel Pension Scheme (BSPS) is the legacy defined benefit pension scheme in the UK and is closed to future accrual. The current Scheme is the successor to the old BSPS which entered a Pension Protection Fund (PPF) assessment period in March 2018. The Scheme currently has around 67,000 members of which 80% are pensioners with benefits in payment. The BSPS is sponsored by Tata Steel UK Limited (TSUK). Although TSUK has a legal obligation to fund any future deficit, a key condition of the new BSPS going forward was that it was sufficiently well funded to meet the scheme's modified liabilities on a self-sufficiency basis with a buffer to cover residual risks. With the assets that it holds, the Scheme is therefore well positioned to pay benefits securely on a low risk basis without recourse

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37. Employee benefits (Contd.)

to TSUK. Pension risks relating to the Scheme include economic risks (such as interest rate risk and inflation risk), demographic risks (for example members living longer than expected), legal risks (for example changes in legislation that may increase liabilities), and counterparty risk (relating to a counterparty to a derivative transaction or insurance contract defaulting on their obligations). TSUK has worked with the Trustee to develop and implement an Integrated Risk Management ('IRM') framework to manage these risks. The framework provides ongoing monitoring of the key investment, funding and covenant risks facing the scheme and tracks progress against the scheme's journey plan and target of insuring liabilities in full with one or more insurers. Measures taken by the Trustee to manage risk include the use of asset-liability matching techniques to protect funding levels relative to insurer pricing. However, the scheme's interest rate risk is hedged on a long-term funding basis linked to gilts whereas AA corporate bonds are implicit in the Ind AS 19 discount rate and so there is some mismatching risk to the TSE financial statements should yields on gilts and corporate bonds diverge.

The BSPS Trustee and Company have established a framework for dynamic de-risking as and when conditions are appropriate. The framework provides for the parties to agree to partial buy-in transactions with one or more insurers over a period of time. In relation to this, the scheme completed its first buy-in transaction in respect to a small portion of the overall liabilities during the year ended March 31, 2022. It has also completed two further buy-in transactions during the current year involving the purchase of annuities with an external insurer of the order of ₹21,378.10 crore and ₹20,406.37 crore in May 2022 and December 2022 respectively. Following the buy-ins the relevant annuity asset has been valued on an Ind AS 19 basis and the corresponding difference between the premium paid and the Ind AS 19 asset value has been treated as an asset loss through the Other Comprehensive Income. Following the completion of the transactions within the current year, around 60% of the liabilities of the scheme are now covered by insurance policies and it is envisaged that the remaining 40% of liabilities will be secured by a further insurance transaction in the early part of 2023-24.

TSUK retains the sole power to decide whether to proceed to wind-up the Scheme and buy-out liabilities. The Pensions Framework Agreement agreed as part of the RAA stipulates that this can only be achieved if the valuation of the Scheme on a "buyout" basis is either at or above 103%. The 3% excess above full funding would be applied for restoration of an element of member benefits foregone as part of the RAA.

During the year ended March 31, 2023 the Scheme entered a non-binding price lock arrangement covering the remaining un-insured liabilities which is expected to complete during the early part of 2023-24. Whilst the expected transaction is not reflected in the position as at March 31, 2023 the pricing within this agreement indicates that a funding level over 103% will be achieved and accordingly the company now considers it highly probable that the 103% increase will be granted once the expected transaction completes. As such an allowance of ₹1,830.25 crore has been included in the Ind AS 19 liability calculation representing the estimated value of this 103% benefit uplift as on March 31, 2023 (March 31, 2022: ₹Nil).

The BSPS holds an anti-embarrassment interest in TSUK agreed as part of the Regulated Apportionment Arrangement ("RAA") entered into in 2017. The anti-embarrassment interest was initially 33.33% at the time of the RAA but has since been diluted to less than 1% due to successive equity issuances by TSUK to its parent company Corus Group Limited. No value has been included in the BSPS's assets at March 31, 2023 (March 31, 2022: ₹Nil) for its interest in TSUK.

The Framework Agreement entered into as part of the RAA included provisions for a potential additional payment to pensioners with pre 1997 service if the 2021 Actuarial Valuation ('AV') results in an 'unexpected surplus' (calculated using assumptions set out in the Framework Agreement). Following

37. Employee benefits (Contd.)

the conclusion of the 2021 AV it has been confirmed that the conditions for an increase have been met. The 2021 AV Increase was paid out as a restoration payment to members in October 2022. The AV 2021 allowance is therefore no longer included in the defined benefit obligation as at March 31, 2023 (March 31, 2022: ₹577.14 crore).

At March 31, 2023 the Scheme had an Ind AS 19 surplus of ₹**6,264.74** crore (March 31, 2022: ₹19,504.71 crore). In accordance with IFRIC 14, TSE has recognised 100% (2021-22: 100%) of the surplus as it has an unconditional right to a refund of the surplus. The Scheme is fully funded on a low-risk technical provisions ('TP') basis and as mentioned above, it is expected that the Scheme will be fully funded on an insurance basis in the early part of 2023-24.

For March 31, 2021 valuation was agreed between TSUK and the BSPS Trustee on January 21, 2022. This was a surplus of ₹5,002.76 crore on a TP (more prudent) basis equating to a funding ratio of 105%. The agreed Schedule of Contributions confirmed that neither ordinary nor deficit recovery contributions are due from the Company.

The weighted average duration of the scheme's liabilities at March 31, 2023 was **11** years (March 31, 2022: 13.5 years).

(e) Other defined benefits

Other benefits provided under unfunded schemes include pension payable to directors on their retirement, farewell gifts, post-retirement lumpsum benefit and reimbursement of packing and transportation charges to the employees based on their last drawn salary.

The defined benefit plans expose the Group to a number of actuarial risks as below:

(i) **Investment risk:** The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government/high quality bond yields. If the return on plan asset is below this rate, it will create a plan deficit.

(ii) **Interest risk:** A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the value of plan's debt investments.

(iii) **Salary risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

(iv) **Longevity risk:** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(v) **Inflation risk:** Some of the Group's Pension obligations are linked to inflation, and higher inflation will lead to higher liabilities although, in most cases, caps on the level of inflationary increases are in place to protect the plan against extreme inflation.

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37. Employee benefits (Contd.)

C. Details of defined benefit obligations and plan assets:

(a) Retiring gratuity:

(i) The following table sets out the amounts recognised in the consolidated financial statements in respect of retiring gratuity:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Change in defined benefit obligations:		
Obligation at the beginning of the year	3,211.99	3,234.75
Addition relating to acquisitions	88.57	1.39
Current service cost	187.23	180.51
Past service cost	-	0.06
Interest cost	213.42	193.03
Benefits paid	(318.02)	(362.58)
Remeasurement (gain)/loss	27.62	(35.17)
Other re-classification	4.78	-
Obligation at the end of the year	**3,415.59**	**3,211.99**

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Change in plan assets:		
Fair value of plan assets at the beginning of the year	2,778.98	2,860.13
Addition relating to acquisitions	24.97	0.07
Interest income	198.39	176.29
Remeasurement gain/(loss) excluding amount included within employee benefit expense	(2.82)	8.13
Employers' contribution	387.36	96.21
Benefits paid	(317.30)	(361.85)
Fair value of plan assets at the end of the year	**3,069.58**	**2,778.98**

Amounts recognised in the consolidated balance sheet consist of:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets	3,069.58	2,778.98
Present value of obligation	3,415.59	3,211.99
	(346.01)	**(433.01)**
Recognised as:		
Retirement benefit assets - Non-current	1.24	0.54
Retirement benefit assets - Current	-	1.25
Retirement benefit obligations - Non-current	(327.08)	(421.80)
Retirement benefit obligations - Current	(20.17)	(13.00)
	(346.01)	**(433.01)**

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37. Employee benefits (Contd.)

Expense/(gain) recognised in the consolidated statement of profit and loss consists of:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Employee benefits expense:		
Current service cost	187.23	180.51
Past service cost	-	0.06
Net interest expense	15.03	16.74
	202.26	**197.31**
Other comprehensive income:		
Return on plan assets excluding amount included in employee benefits expense	2.82	(8.13)
Actuarial (gain)/loss arising from changes in demographic assumptions	(0.30)	(0.62)
Actuarial (gain)/loss arising from changes in financial assumptions	(60.15)	(54.85)
Actuarial (gain)/loss arising from changes in experience adjustments	88.07	20.30
	30.44	**(43.30)**
Expense/(gain) recognised in the consolidated statement of profit and loss	**232.70**	**154.01**

(ii) Fair value of plan assets by category of investments is as below:

	As at March 31, 2023	As at March 31, 2022
Assets category (%)		
Quoted		
Equity instruments	2.01	1.03
Debt instruments	28.60	22.91
	30.61	**23.94**
Unquoted		
Debt instruments	0.47	0.42
Insurance products	67.02	73.42
Others	1.90	2.22
	69.39	**76.06**
	100.00	**100.00**

The Group's investment policy is driven by considerations of maximising returns while ensuring credit quality of debt instruments. The asset allocation for plan assets is determined based on prescribed investment criteria and is also subject to other exposure limitations. The Group evaluates the risks, transaction costs and liquidity for potential investments. To measure plan assets performance, the Group compares actual returns for each asset category with published benchmarks.

(iii) Key assumptions used in the measurement of retiring gratuity are as below:

	As at March 31, 2023	As at March 31, 2022
Discount rate	7.1 - 7.30%	6.50 - 7.35%
Rate of escalation in salary	5.00 - 10.50%	5.00 - 10.50%

(iv) Weighted average duration of the retiring gratuity obligation ranges between **6 to 23** years (March 31, 2022: 6 to 22 years).

(v) The Group expects to contribute ₹**338.99** crore to the plan during the financial year 2023-24.

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37. Employee benefits (Contd.)

(vi) The table below outlines the effect on retiring gratuity obligation in the event of a decrease/ increase of 1% in the assumptions used.

As at March 31, 2023

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹**250.50** crore, increase by ₹**289.37** crore
Rate of escalation in salary	Increase by 1%, decrease by 1%	Increase by ₹**278.97** crore, decrease by ₹**246.87** crore

As at March 31, 2022

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹242.61 crore, increase by ₹277.43 crore
Rate of escalation in salary	Increase by 1%, decrease by 1%	Decrease by ₹268.23 crore, increase by ₹238.46 crore

The above sensitivities may not be representative of the actual change as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(b) Tata Steel Europe's Pension Plan

(i) The following table sets out the amounts recognised in the consolidated financial statements in respect of Tata Steel Europe's pension plans.

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Change in defined benefit obligations:		
Obligation at the beginning of the year	79,736.39	86,209.70
Current service cost	87.46	122.76
Past service cost	-	(10.14)
Interest cost	2,069.79	1,724.28
Remeasurement (gain)/loss	(14,978.57)	(2,511.03)
Benefits paid	(5,237.64)	(4,939.56)
Classified as held for sale	-	(10.14)
Exchange differences on consolidation	991.33	(849.48)
Obligation at the end of the year	**62,668.76**	**79,736.39**

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37. Employee benefits (Contd.)

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Change in plan assets:		
Fair value of plan assets at the beginning of the year	99,241.10	1,05,069.86
Interest income	2,584.81	2,119.85
Remeasurement gain/(loss)	(28,530.05)	(2,018.43)
Employer's contribution	87.46	71.00
Benefits paid	(5,218.20)	(4,919.28)
Effect of asset ceiling	(16.16)	-
Exchange differences on consolidation	784.54	(1,081.90)
Fair value of plan assets at the end of the year	**68,933.50**	**99,241.10**

Amounts recognised in the consolidated balance sheet consist of:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets	68,933.50	99,241.10
Present value of obligation	62,668.76	79,736.39
	6,264.74	**19,504.71**
Recognised as:		
Retirement benefit assets - Non-current	6,989.59	20,397.42
Retirement benefit obligations - Current	(11.52)	(11.09)
Retirement benefit obligations - Non-current	(713.33)	(881.62)
	6,264.74	**19,504.71**

Expense/(gain) recognised in the consolidated statement of profit and loss consists of:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Employee benefits expense:		
Current service cost	87.46	122.76
Past service costs	-	(10.14)
Net interest expense/(income)	(515.02)	(395.57)
	(427.56)	**(282.95)**
Other comprehensive income:		
Return on plan assets excluding amount included in employee benefits expense	28,530.05	2,018.43
Effect of asset ceiling	16.16	-
Actuarial (gain)/loss arising from changes in demographic assumptions	(398.83)	2,847.76
Actuarial (gain)/loss arising from changes in financial assumptions	(14,807.29)	(5,028.17)
Actuarial (gain)/loss arising from changes in experience adjustments	227.55	(330.62)
	13,567.64	**(492.60)**
Expense/(gain) recognised in the consolidated statement of profit and loss	**13,140.08**	**(775.55)**

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forming part of the Financial Statements

37. Employee benefits (Contd.)

(ii) Fair value of plan assets by category of investments is as below:

	As at March 31, 2023	As at March 31, 2022
Assets category (%)		
Quoted		
(a) Equity - UK entities	-	0.20
(b) Equity - Non-UK entities	0.52	5.00
(c) Bonds - Fixed rate	28.38	65.00
(d) Bonds - Indexed linked	4.72	25.14
(e) Others	-	0.28
	33.62	**95.62**
Unquoted		
(a) Property	6.98	12.52
(b) Derivatives	0.10	(16.43)
(c) Others	59.30	8.29
	66.38	**4.38**
	100.00	**100.00**

(iii) Key assumptions used in the measurement of pension benefits are as below:

	As at March 31, 2023		As at March 31, 2022	
	BSPS	Others	BSPS	Others
Discount rate	4.87%	2.20-5.00 %	2.72%	0.50 - 4.00 %
Rate of escalation in salary	N.A.	1.5-3.0%	N.A.	1.00 - 2.00%
Inflation rate	2.91%	2.0-3.0%	3.07%	1.00 - 3.10%

Demographic assumptions are set having regard to the latest trends in life expectancy, plan experience and other relevant data, including externally published actuarial information within each national jurisdiction. The assumptions are reviewed and updated as necessary as part of the periodic actuarial funding valuations of the individual pension and post-retirement plans. For the BSPS the liability calculations as at March 31, 2023 use the Self-Administered Pension Schemes 3 (SAPS 3) base tables (2021-22: Self-Administered Pension Schemes 3 (SAPS 3) base tables), S3PMA_M/S3PFA/S3DFA with the 2020 CMI projections with a **1.25%** p.a. (2021-22: 1.25% p.a.) long-term trend applied from 2013 to 2021 (adjusted by a multiplier of **1.03** p.a. (2021-22: 1.03 p.a.) for males, **1.03** p.a. (2021-22: 1.03 p.a.) for females and **1.04** p.a. for female dependents (2021-22: 1.04 p.a.)). In addition, future mortality improvements are allowed for in line with the 2021 CMI Projections with a long-term improvement trend of 1% per annum and a smoothing parameter of 7.0. This indicates that today's 65 year old male member is expected to live on average to approximately **86** years (2021-22: 86 years) of age and a male member reaching age 65 in 15 years' time is then expected to live on average to **87** years (2021-22: 87) of age.

(iv) Weighted average duration of the pension obligations is **11** years (March 31, 2022: 13.5 years).

(v) The Group expects to contribute ₹**Nil** to the plan during the financial year 2023-24.

(vi) The table below outlines the effect on pension obligations in the event of a decrease/increase of 50 bps (2021-22: 10 bps) in the assumptions used.

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37. Employee benefits (Contd.)

As at March 31, 2023

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 50 bps, decrease by 50 bps	Decrease by **5.0%**, increase by **5.4%**
Rate of escalation in salary	Increase by 100 bps, decrease by 100 bps	Not applicable as pensionable earnings is capped
Inflation rate	Increase by 50 bps, decrease by 50 bps	Increase by **2.3%**, decrease by **2.4%**
Mortality rate	One year increase/decrease in life expectancy	Increase by **3.0%**, decrease by **3.0%**

As at March 31, 2022

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 10 bps, decrease by 10 bps	Decrease by 1.3%, increase by 1.3%
Rate of escalation in salary	Increase by 10 bps, decrease by 10 bps	Not applicable as pensionable earnings is capped
Inflation rate	Increase by 10 bps, decrease by 10 bps	Increase by 0.6%, decrease by 0.6%
Mortality rate	One year increase/decrease in life expectancy	Increase by 3.5%, decrease by 3.5%

The above sensitivities may not be representative of the actual change as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlate.

(c) Post-retirement medical and other defined benefit plans

(i) The following table sets out the amounts recognised in the consolidated financial statements in respect of post-retirement medical and other defined benefit plans.

(₹ crore)

	Year ended March 31, 2023		Year ended March 31, 2022	
	Medical	Others	Medical	Others
Change in defined benefit obligation:				
Obligation at the beginning of the year	1,740.99	491.11	1,682.24	432.70
Current service cost	25.41	19.11	26.89	37.44
Interest cost	119.40	28.22	106.86	22.22
Remeasurement (gain)/loss				
(i) Actuarial (gain)/losses arising from changes in demographic assumptions	-	-	240.22	18.41
(ii) Actuarial (gain)/losses arising from changes in financial assumptions	(58.33)	(2.65)	(140.11)	(12.41)
(iii) Actuarial (gain)/losses arising from changes in experience adjustments	(217.67)	(8.86)	(96.21)	39.97
Benefits paid	(74.97)	(62.54)	(78.90)	(46.56)
Addition relating to acquistion	2.99	-	-	-
Obligations of companies disposed	-	-	-	(0.35)
Past service cost	-	-	-	2.86
Exchange differences on consolidation	-	5.72	-	(3.17)
Obligation at the end of the year	**1,537.82**	**470.11**	**1,740.99**	**491.11**

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37. Employee benefits (Contd.)

Amounts recognised in the consolidated balance sheet consist of:

(₹ crore)

	As at March 31, 2023		As at March 31, 2022	
	Medical	Others	Medical	Others
Present value of obligations	1,537.82	470.11	1,740.99	491.11
Recognised as:				
(a) Retirement benefit obligations - Current	89.02	27.95	98.21	23.60
(b) Retirement benefit obligations - Non-current	1,448.80	442.16	1,642.78	467.51
	1,537.82	**470.11**	**1,740.99**	**491.11**

Expense/(gain) recognised in the consolidated statement of profit and loss consists of:

(₹ crore)

	Year ended March 31, 2023		Year ended March 31, 2022	
	Medical	Others	Medical	Others
Employee benefits expense:				
Current service cost	25.41	19.11	26.89	37.44
Past service cost	-	-	-	2.86
Interest cost	119.40	28.22	106.86	22.22
	144.81	**47.33**	**133.75**	**62.52**
Other comprehensive income:				
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-	240.22	18.41
Actuarial (gain)/loss arising from changes in financial assumption	(58.33)	(2.65)	(140.11)	(12.41)
Actuarial (gain)/loss arising from changes in experience adjustments	(217.67)	(8.86)	(96.21)	39.97
	(276.00)	**(11.51)**	**3.90**	**45.97**
Expense/(gain) recognised in the consolidated statement of profit and loss	**(131.19)**	**35.82**	**137.65**	**108.49**

(ii) Key assumptions used in the measurement of post-retirement medical and other defined benefits are as below:

	As at March 31, 2023		As at March 31, 2022	
	Medical	Others	Medical	Others
Discount rate	7.10 - 7.30%	2.33 -7.35%	6.80 - 7.10%	2.24 -7.35%
Rate of escalation in salary	N.A.	4.00 - 15.00%	N.A	3.50 - 15.00%
Inflation rate	5.00 - 8.00%	5.00 - 20.00%	5.00 - 20.00%	5.00 - 6.00%

(iii) Weighted average duration of post-retirement medical benefit obligations ranges between **7 to 24** years (March 31, 2022: 7 to 14 years). Weighted average duration of other defined benefit obligations ranges between **10 to 24** years (March 31, 2022: 6 to 24 years).

(iv) The table below outlines the effect on post-retirement medical benefit obligations in the event of a decrease/increase of 1% in the assumptions used:

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37. Employee benefits (Contd.)

As at March 31, 2023

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹**201.13** crore, increase by ₹**257.94** crore
Medical cost inflation rate	Increase by 1%, decrease by 1%	Increase by ₹**240.06** crore, decrease by ₹**191.32** crore

As at March 31, 2022

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹234.84 crore, increase by ₹302.77 crore
Medical cost inflation rate	Increase by 1%, decrease by 1%	Increase by ₹281.92 crore, decrease by ₹221.69 crore

(v) The table below outlines the effect on other defined benefit obligations in the event of a decrease/increase of 1% in the assumptions used:

As at March 31, 2023

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹**34.97** crore, increase by ₹**41.05** crore
Rate of escalation in salary	Increase by 1%, decrease by 1%	Increase by ₹**22.91** crore, decrease by ₹**19.21** crore
Inflation rate	Increase by 1%, decrease by 1%	Increase by ₹**14.10** crore, decrease by ₹**12.22** crore

As at March 31, 2022

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹37.87 crore, increase by ₹45.08 crore
Rate of escalation in salary	Increase by 1%, decrease by 1%	Increase by ₹24.39 crore, decrease by ₹20.88 crore
Inflation rate	Increase by 1%, decrease by 1%	Increase by ₹15.13 crore, decrease by ₹12.97 crore

The above sensitivities may not be representative of the actual change as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

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38. Contingencies and commitments

A. Contingencies

In the ordinary course of business, the Group faces claims and assertions by various parties. The Group assesses such claims and assertions and monitors the legal environment on an on-going basis, with the assistance of external legal counsel, wherever necessary. The Group records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its consolidated financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosure in the consolidated financial statements but does not record a liability in its accounts unless the loss becomes probable. The following is a description of claims and assertions where a potential loss is possible, but not probable. The Group believes that none of the contingencies described below would have a material adverse effect on the Group's financial condition, results of operations or cash flows.

It is not practicable for the Group to estimate the timings of the cash outflows, if any, pending resolution of the respective proceedings. The Group does not expect any reimbursements in respect of the same.

Litigations

The Group is involved in legal proceedings, both as plaintiff and as defendant. There are claims which the Group does not believe to be of a material nature, other than those described below.

Income tax

The Group has ongoing disputes with income tax authorities relating to tax treatment of certain items. These mainly include disallowance of expenses, tax treatment of certain expenses claimed by the Group as deduction and the computation of, or eligibility of the Group's use of certain tax incentives or allowances.

Most of these disputes and/or disallowances, being repetitive in nature, have been raised by the income tax authorities consistently in most of the years.

As at March 31, 2023, there are matters and/or disputes pending in appeal amounting to ₹**3,654.07** crore (March 31, 2022: ₹3,645.88 crore) which includes ₹**13.27** crore (March 31, 2022: ₹10.06 crore) in respect of equity accounted investees.

The details of significant demands are as below:

(a) Interest expenditure on loans taken by the Company for acquisition of a subsidiary has been disallowed in assessments with tax demand raised for ₹**1,641.64** crore (inclusive of interest) (March 31, 2022: ₹1,641.64 crore).

(b) Interest expenditure on "Hybrid Perpetual Securities" has been disallowed in assessments with tax demand raised for ₹**484.78** crore (inclusive of interest) (March 31, 2022: ₹484.78 crore)

In respect of above demands, the Company has deposited an amount of ₹**1,255.63** crore (March 31, 2022: ₹1,255.63 crore) as a precondition for obtaining stay. The Company expects to sustain its position on ultimate resolution of the said appeals.

Customs, excise duty, service tax and goods and service tax

As at March 31, 2023, there were pending litigations for various matters relating to customs, excise duty, service tax and GST involving demands of ₹**1,380.99** crore (March 31, 2022: ₹595.52 crore), which includes ₹**61.08** crore (March 31, 2022: ₹90.83 crore) in respect of equity accounted investees.

Sales tax /VAT

The total sales tax demands that are being contested by the Group amounted to ₹**929.41** crore (March 31, 2022: ₹912.85 crore), which includes ₹**71.96** crore (March 31, 2022: ₹40.74 crore) in respect of equity accounted investees. The detail of significant demand is as below:

(a) The Company stock transfers its goods manufactured at Jamshedpur works plant to its various depots/branches located outside the state of Jharkhand across the country and these goods are then sold to various customers outside the states from depots/branches. As per the erstwhile Central Sales Tax Act, 1956, these transfers of goods to depots/branches were made without payment of Central sales tax and F-Form was submitted in lieu of the stock-transfers made during the period of assessment. The value of these sales was also disclosed in the periodical returns filed as per the Jharkhand Vat Act, 2005. The Commercial Tax Department has raised demand of Central Sales tax by levying tax on the differences between value of sales outside the states and value of F-Form submitted for stock transfers. The tax amount involved for

38. Contingencies and commitments (Contd.)

assessment years 2011-12, 2012-13, 2014-15, 2016-17 and 2017-18 as on March 31, 2023 is amounting to ₹**200.00** crore (March 31, 2022: ₹142.00 crore).

Other taxes, dues and claims

As at March 31, 2023, the Group is contingently liable for ₹**1,109.45** crore (March 31, 2022: ₹785.12 crore) pertaining to Tata Steel Europe for performance guarantees taken under various trade agreements and other taxes, dues and claims ₹**18,363.46** crore (March 31, 2022: ₹15,940.13 crore), which includes ₹**100.81** crore (March 31, 2022: ₹101.64 crore) in respect of equity accounted investees.

The details of significant demands are as below:

(a) Claim by a party arising out of conversion arrangement **Nil** (March 31, 2022: ₹195.79 crore). As on March 31, 2022, the Company had not acknowledged this claim and had instead filed a claim of ₹**141.23** crore (March 31, 2022: ₹141.23 crore) on the party. The matter has been settled in accordance with the terms of Settlement Agreement dated 31 October 2022 wherein TSL agreed to pay a sum of ₹42.36 crore to Indian Metal & Ferro Alloys Limited.

(b) The State Government of Odisha introduced "Orissa Rural Infrastructure and Socio Economic Development Act, 2004" with effect from February 2005 levying tax on mineral bearing land computed on the basis of value of minerals produced from the mineral bearing land. The Company had filed a writ petition in the Orissa High Court challenging the validity of the Act. The High Court held in December 2005 that the State does not have authority to levy tax on minerals. The State of Odisha filed an appeal in the Supreme Court against the order of the High Court and the case is pending in Supreme Court. The potential liability, as at March 31, 2023 is ₹**13,084.69** crore (March 31, 2022: ₹11,023.93 crore).

(c) The Company pays royalty on iron ore on the basis of quantity removed from the leased area at the rates based on notification issued by the Ministry of Mines, Government of India and the price published by Indian Bureau of Mines (IBM) on a monthly basis.

Demand of ₹411.08 crore has been raised by Deputy Director of Mines, Joda, claiming royalty at sized ore rates on despatches of ore fines. The Company has filed a revision petition on November 14, 2013 before the Mines Tribunal, Government of India, Ministry of Mines, New Delhi, challenging the legality and validity of the demand raised and also to grant refund of royalty excess paid by the Company. Mines tribunal vide its order dated November 13, 2014 has stayed the demand of royalty on iron ore for Joda east of ₹314.28 crore upto the period ending March 31, 2014. For the demand of ₹96.80 crore for April, 2014 to September, 2014, a separate revision application was filed before Mines Tribunal. The matter was heard by Mines Tribunal on July 14, 2015 and stay was granted on the total demand with directive to Government of Odisha not to take any coercive action for realisation of the demanded amount.

The Hon'ble High Court of Orissa, in a similar matter held the circulars based on which demands were raised to be valid. The Company has challenged the judgement of the High Court by a separate petition in the Hon'ble Supreme Court on April 29, 2016.

On July 16, 2019, the Company has filed rejoinders to the reply filed by State of Odisha against the revision petition. The State pressed for rejection of revision applications citing the judgment of the High Court. The Company represented before the authorities and explained that the judgment was passed under a particular set of facts and circumstances which cannot have blanket application on the Company considering the case of the Company is factually different. On August 7, 2019, the Mines Tribunal decided to await the outcome of Special leave petition pending before the Hon'ble Supreme Court and adjourned the matter.

RAs of TSL was listed on June 10, 2020 for virtual hearing. Hearing was adjourned to November 24, 2020. On November 24, 2020 our Counsel submitted that the present issue is pending before the Hon'ble Supreme Court of India in SLP (C) No. 7206 of 2016, M/s Mideast Integrated Steel Pvt. Ltd. Vs. State of Odisha & Ors. and hence, sought adjournment. State Counsel also agreed for the same.

On October 26, 2022, assessment order (for the period April, 2022 to September, 2022) was served, confirming that royalty will be paid for Calibrated Lump Ore and Fines at their respective prices published by IBM w.e.f. April, 2022.

Likely demand of royalty on fines at sized ore rates as on March 31, 2023, is ₹**2,696.58** crore (March 31, 2022: ₹2,859.97 crore).

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38. Contingencies and commitments (Contd.)

(d) Demand notices were originally issued by the Deputy Director of Mines, Odisha amounting to ₹3,827.29 crore for excess production over the quantity permitted under the mining plan, environment clearance or consent to operate, pertaining to 2000-01 to 2009-10. The demand notices have been raised under Section 21(5) of the Mines & Minerals (Development and Regulations) Act, 1957 (MMDR). The Company filed revision petitions before the Mines Tribunal against all such demand notices. Initially, a stay of demands was granted, later by order dated October 12, 2017, the issue has been remanded to the state for reconsideration of the demand in the light of Supreme Court judgement passed on August 2, 2017.

The Hon'ble Supreme Court pronounced its judgement in the Common Cause case on August 2, 2017 wherein it directed that compensation equivalent to the price of mineral extracted in excess of environment clearance or without forest clearance from the forest land be paid.

In pursuance to the Judgement of Hon'ble Supreme Court, demand/show cause notices amounting to ₹3,873.35 crore have been issued during 2017-18 by the Deputy Director of Mines, Odisha and the District Mining Office, Jharkhand.

In respect of the above demands:

- as directed by the Hon'ble Supreme Court, the Company has provided and paid for iron ore and manganese ore an amount of ₹614.41 crore during 2017-18 for production in excess of environment clearance to the Deputy Director of Mines, Odisha.
- the Company has provided and paid under protest an amount of ₹56.97 crore during 2017-18 for production in excess of environment clearance to the District Mining Office, Jharkhand.
- the Company has challenged the demands amounting to ₹132.91 crore in 2017-18 for production in excess of lower of mining plan and consent to operate limits raised by the Deputy Director of Mines, Odisha before the Mines Tribunal and obtained a stay on the matter. Mines Tribunal, Delhi vide order dated November 26, 2018 disposed of all the revision applications with a direction to remand it to the State Government to hear all such cases afresh and pass detailed order. On September 14, 2022, the Dy. Director of Mines, Govt. of Odisha issued a fresh demand against the Company in view of order of the State (Dept. of Steel & Mines) in Proceedings, dated September 8, 2022 directing payment of compensation amount towards unlawful production in the mines in violation of mining plan/ consent to operate limits being a valid demand to be realised from the Revisionist i.e. the Company. Appeal has also been filed against the same on November 3, 2022 with the Ministry of Mines. Demand amount of ₹**132.91** crore (March 31, 2022: ₹132.91 crore) is considered contingent.
- the Company has made a comprehensive submission before the Deputy Director of Mines, Odisha against show cause notices amounting to ₹694.02 crore received during 2017-18 for production in violation of mining plan, Environment Protection Act, 1986 and Water (Prevention & Control of Pollution) Act, 1981. A demand amounting to ₹234.74 crore has been received in April, 2018 from the Deputy Director of Mines, Odisha for production in excess of the Environmental Clearance. The Company had filed Revision Application before the Mines Tribunal, challenging the demand. In December 2021, Mines Tribunal upheld the revision petition and the matter was remanded back to the State Government for fresh consideration. The state has so far not initiated any action. Based on the evaluation of the facts and circumstances, the Company has assessed and concluded that the said show cause notice of ₹694.02 crore and demand of ₹234.74 crore has not been considered as contingent liability.
- the Company based on its internal assessment has provided an amount of ₹1,412.89 crore against demand notices amounting to ₹2,140.30 crore received from the District Mining Office, Jharkhand for producing more than environment clearance and the balance amount of ₹**727.41** crore (March 31, 2022: ₹727.41 crore) is considered contingent. The Company has however been granted a stay by the Revisional Authority, Ministry of Coal, Government of India against such demand notices.

(e) An agreement was executed between the Government of Odisha (GoO) and the Company in December, 1992 for drawal of water from Kundra Nalla for industrial consumption. In December 1993, the Tahsildar, Barbil issued a show-cause notice alleging that the Company has lifted more quantity of water than the sanctioned limit under the agreement and has also not installed water meter.

38. Contingencies and commitments (Contd.)

While the proceedings in this regard were in progress, the Company had applied for allocation of fresh limits.

Over the years, there has also been a steep increase in the water charges against which the Company filed writ petitions before Hon'ble High Court of Orissa. In this regard, the Company received a demand of ₹183.46 crore for the period starting January 1996 to November 2020.

The writ petition filed in August 1997 was listed for hearing before the Full Bench of the Orissa High Court on May 17, 2019. SAIL, one of the petitioners, sought permission to withdraw its writ petition because the settlement was arrived with the State Government on the matter. The High Court allowed withdrawal of writ petition of SAIL and directed other parties to negotiate with the State Government. The Company has submitted its detailed representation to Principal Secretary, Water Resource Department, GoO on June 21, 2019, which is under consideration.

Later on February 6, 2023, Department of water resources, Odisha Government, issued an order, where the Company can opt for one time settlement scheme of long pending outstanding. Application under the scheme should be submitted to the Government within stipulated time i.e., within one month of issue of the order. Under this scheme, the Company should calculate outstanding demand as on March 2022 with 12% p.a. simple interest to be charged on arrear principal only. The payment made by the Company prior to March 31, 2022 shall be adjusted against the outstanding dues in the following order – interest, penalty and principal. In this regard, the Company has computed and provided amount of ₹37.00 crore as per the scheme in the books.

The potential exposure as on March 31, 2023 is **Nil** (March 31, 2022: ₹262.13 crore) is considered as contingent.

B. Commitments

(a) The Group has entered into various contracts with suppliers and contractors for the acquisition of plant and machinery, equipment and various civil contracts of capital nature amounting to ₹**14,928.64** crore, which includes ₹**140.68** crore in respect of equity accounted investees (March 31, 2022: ₹10,947.02 crore which includes ₹45.53 crore in respect of equity accounted investees). Other commitments as at March 31, 2023 amounts to ₹**0.01** crore which includes **Nil** in respect of equity accounted investees (March 31, 2022: ₹0.01 crore which includes Nil in respect of equity accounted investees).

(b) The Company has given undertakings to:

(i) IDBI not to dispose of its investment in Wellman Incandescent India Ltd.,

(ii) IDBI and ICICI Bank Ltd. (formerly ICICI) not to dispose of its investment in Standard Chrome Ltd.,

(c) The Company and Bluescope Steel Limited had given undertaking to State Bank of India not to reduce collective shareholding in Tata Bluescope Steel Private Limited (TBSPL), below 51% without prior consent of the lender. Further, the Company had given an undertaking to State Bank of India to intimate them before diluting its shareholding in TBSPL below 50%.

During the year ended March 31, 2021, the Company after obtaining a 'no objection certificate' from the lenders of TBSPL, had transferred its stake of 50% in TBSPL to its 100% owned subsidiary Tata Steel Downstream Products Limited.

(d) The Company, as a promoter, has pledged **Nil** (March 31, 2022: 4,41,55,800) equity shares of Industrial Energy Limited ("IEL") with Infrastructure Development Finance Corporation Limited ("IDFC"). IEL has repaid the entire loan taken from IDFC in financial year 2020-21.

(e) The Group has given guarantees aggregating ₹**168.77** crore (March 31, 2022: ₹178.40 crore) details of which are as below:

(i) in favour of Commissioner of Customs for ₹**1.07** crore (March 31, 2022: ₹1.07 crore) given on behalf of Timken India Limited in respect of goods imported.

(ii) in favour of The President of India for ₹**167.55** crore (March 31, 2022: ₹177.18 crore) against performance of export obligations under various bonds executed by a joint venture Jamshedpur Continuous Annealing & Processing Company Private Limited.

(iii) in favour of President of India for ₹**0.15** crore (March 31, 2022: ₹0.15 crore) against advance license.

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39. Other significant litigations

a) Odisha Legislative Assembly issued an amendment to Indian Stamp Act, 1889, on May 9, 2013 and inserted a new provision (Section 3A) in respect of stamp duty payable on grant/ renewal of mining leases. As per the amended provision, stamp duty is levied equal to 15% of the average royalty that would accrue out of the highest annual extraction of minerals under the approved mining plan multiplied by the period of such mining lease. The Company had filed a writ petition challenging the constitutionality of the Act on July 5, 2013. The Hon'ble High Court, Cuttack passed an order on July 9, 2013 granting interim stay on the operation of the Amendment Act, 2013. Because of the stay, as on date, the Act is not enforceable and any demand received by the Company is not liable to be proceeded with. Meanwhile, the Company received demand notices for the various mines at Odisha totalling to ₹**5,579.00** crore (March 31, 2022: ₹5,579.00 crore). The Company has concluded that it is remote that the claim will sustain on ultimate resolution of the legal case by the court. In April 2015, the Company has received an intimation from Government of Odisha, granting extension of validity period for leases under the MMDR Amendment Act, 2015 up to March 31, 2030 in respect of eight mines and up to March 31, 2020 for two mines subject to execution of supplementary lease deed. Liability has been provided in the books of accounts as on March 31, 2020 as per the existing provisions of the Stamp Act 1899 and the Company had paid the stamp duty and registration charges totalling ₹413.72 crore for supplementary deed execution in respect of eight mines out of the above mines.

b) Noamundi Iron Ore Mine of the Company was due for its third renewal with effect from January 1, 2012. The application for renewal was submitted by the Company within the stipulated time, but it remained pending consideration with the State and the mining operations were continued in terms of the prevailing law.

By a judgement of April 2014 in the case of Goa mines, the Supreme Court took a view that second and subsequent renewal of mining lease can be effected once the State considers the application and decides to renew the mining lease by issuing an express order. State of Jharkhand issued renewal order to the Company on December 31, 2014. The State, however, took a view on interpretation of Goa mines judgment that the mining carried out after expiry of the period of second renewal was 'illegal' and hence, issued a demand notice of ₹3,568.31 crore being the price of iron ore extracted. The said demand has been challenged by the Company before the Jharkhand High Court.

The mining operations were suspended from August 1, 2014. Upon issuance of an express order, Company paid ₹152.00 crore under protest, so that mining can be resumed.

The Mines and Minerals Development and Regulation (MMDR) Amendment Ordinance 2015 promulgated on January 12, 2015 provides for extension of such mining leases whose applications for renewal have remained pending with the State(s). Based on the new Ordinance, Jharkhand Government revised the Express Order on February 12, 2015 for extending the period of lease upto March 31, 2030 with the following terms and conditions:

- value of iron ore produced by alleged unlawful mining during the period January 1, 2012 to April 20, 2014 for ₹2,994.49 crore to be decided on the basis of disposal of our writ petition before Hon'ble High Court of Jharkhand.
- value of iron ore produced from April 21, 2014 to July 17, 2014 amounting to ₹421.83 crore to be paid in maximum 3 instalments.
- value of iron ore produced from July 18, 2014 to August 31, 2014 i.e. ₹152.00 crore to be paid immediately.

District Mining Officer Chaibasa on March 16, 2015 issued a demand notice for payment of ₹421.83 crore in three monthly instalments. The Company on March 20, 2015 replied that since the lease had been extended by application of law till March 31, 2030, the above demand is not tenable. The Company had paid ₹50.00 crore under protest on July 27, 2015, because the State had stopped issuance of transit permits.

The Company filed another writ petition before the Hon'ble High Court of Jharkhand which was heard on September 9, 2015. An interim order was given by the Hon'ble High Court of Jharkhand on September 17, 2015,

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39. Other significant litigations (Contd.)

wherein the Court has directed the Company to pay the amount of ₹371.83 crore in 3 equal instalments, first instalment by October 15, 2015, second instalment by November 15, 2015 and third instalment by December 15, 2015.

In view of the interim order of the Hon'ble High Court of Jharkhand ₹124.00 crore was paid on September 28, 2015, ₹124.00 crore on November 12, 2015 and ₹123.83 crore on December 14, 2015 under protest.

The case is pending before the Hon'ble High court for disposal. The State issued similar terms and conditions to other mining lessees in the State rendering the mining as illegal. Based on the Company's assessment of the Goa mines judgement read with the Ordinance issued in the year 2015, the Company believes that it is remote that the demand of the State would sustain.

(c) The Supreme Court of India vide its order dated September 24, 2014, cancelled the coal blocks allocated to various entities which includes one coal block allocated to the Tata Steel BSL Limited (entity merged with the Company) which were under development. Subsequently, the Government of India had issued the Coal Mines (Special Provision) Act 2015 , which inter-alia deal with the payment of compensation to the affected parties in regard to investment in coal blocks. The receivable in respect of de-allocated coal block amounts to ₹414.56 crore (net of provision of ₹138.74 crore). The Company had filed its claim for compensation with the Government of India, Ministry of Coal. Pursuant to letter dated November 22, 2019, Ministry of Coal ('MoC') informed that all statutory license, consent approvals, permission required for undertaking of Coal mining operations in New Patrapara Coal Mine now vested to Singareni Collieries Company Ltd. MoC /Union of India, filed supplementary affidavit dated February 11, 2020 before Delhi High Court vide which it had informed that payment of compensation can be paid to prior allottee after the mine is successfully allotted and compensation is deposited by successful allottee, following the sequence mentioned in section 9 of Coal Mine (Special Provisions) Act, 2015. It had been informed that New Patrapara Coal Mine had been allocated to Singareni Collieris Company Ltd (SCCL, a state Government Undertaking) and compensation to the prior allottee to be released. MoC vide order dated May 17, 2021 had directed SCCL to pay aforesaid compensation to TSBSL (entity merged with the Company). Union of India filed affidavit dated March 6, 2023 before High Court vide which it had informed that the successful allottee i.e M/s SCCL has surrendered the New Patrapara Coal Block. High Court directed MoC and Odisha Industrial Infrastructure Development Corporation (IDCO) to file updated status report outlining the amount payable to the prior allottee and indicate the date by which amount could be disbursed.

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40. Disposal of subsidiary

(i) During the year ended March 31, 2023, Tata Steel Europe Ltd., an indirect wholly owned subsidiary of the Company divested its entire stake in a subsidiary Tata Steel France Bâtiments et Systèmes SAS.

A profit of ₹**15.56** crore being the difference between the fair value of consideration received and carrying value of net assets disposed off in respect of these businesses was recognised in the consolidated statement of profit and loss as an exceptional item.

Details of net assets disposed off and profit/(loss) on disposal is as below:

(₹ crore)

	Year ended March 31, 2023
Non-current assets	
Property, plant and equipment	5.50
Capital work-in-progress	9.16
Other investments	0.03
	14.69
Current assets	
Inventories	132.80
Trade receivables	169.64
Cash and bank balances	2.23
Other non-financial assets	14.07
	318.74
Fair value adjustments	**(92.66)**
Total assets disposed off [A]	**240.77**
Non-current liabilities	
Provisions	8.99
	8.99
Current liabilities	
Trade payables	140.21
Other financial liabilities	2.33
Provisions	22.53
Other non-financial liabilities	17.05
	182.12
Total liabilities disposed off [B]	**191.11**
Carrying value of net assets disposed off [C=A-B]	**49.66**

(₹ crore)

	Year ended March 31, 2023
Sale consideration [D]	41.96
Foreign exchange recycled to profit/(loss) on disposal [E]	23.26
Carrying value of net assets disposed off [C]	49.66
Profit /(loss) on disposal [F=D+E-C]	**15.56**

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40. Disposal of subsidiary (Contd.)

Details of net cash flow arising on disposal is as below:

(₹ crore)

	Year ended March 31, 2023
Consideration received in cash and cash equivalents	41.96
Net cash flow arising on disposal	**41.96**

(ii) On July 29, 2022, Tata Steel Europe ("TSE"), a wholly owned indirect subsidiary of the Group, completed the sale of certain property, plant and equipment located at former site of Norsk Stal Tynnplatter AS, a wholly owned direct subsidiary of TSE through Harbornvein 60 AS, a special purpose vehicle that was created and subsequently disposed off to facilitate the said disposal. A profit of ₹**51.30** crore being the difference between the fair value of consideration received and carrying value of net assets disposed off in respect of the businesses was recognised in the consolidated statement of profit and loss as an exceptional item.

(₹ crore)

	Year ended March 31, 2023
Sale consideration [A]	71.49
Foreign exchange recycled to profit/(loss) on disposal [B]	0.39
Carrying value of net assets disposed off [C]	20.58
Profit /(loss) on disposal [D=A+B-C]	**51.30**

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41. Business combinations

(i) (a) On July 26, 2022, the Company completed the acquisition of itemised assets of Stork Ferro Alloys and Mineral Industries Private Limited ("SFML") to produce ferro alloys. The asset acquisition will provide an inorganic growth opportunity for Tata Steel Limited to augment its ferro alloys processing capacities. The asset acquisition was carried out for a purchase consideration of ₹155.00 crore. The acquisition has been accounted for in accordance with Ind AS 103 - "Business Combinations".

Fair value of identifiable assets acquired, and liabilities assumed as on the date of acquisition is as below:

(₹ crore)

	Fair value as on acquisition date
Non-current assets	
Property, plant and equipment	138.55
Right-of-use assets	17.94
Total assets [A]	**156.49**
Non-Current liabilities	
Lease liabilities	4.56
Other liabilities	0.15
Total liabilities [B]	**4.71**
Fair value of identifiable net assets acquired [C=A-B]	**151.78**

(₹ crore)

	Fair value as on acquisition date
Consideration paid	130.00
Deferred consideration	25.00
Total consideration paid [D]	**155.00**
Goodwill [D-C]	**3.22**

(b) Goodwill is attributable to the benefit of expected synergies, revenue growth and future market developments. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

(c) From the date of acquisition, SFML has contributed ₹**28.42** crore to revenue from operations and a loss of ₹**16.07** crore to profit before tax.

Had the acquisition been effected at April 1, 2022, the revenue of the Company would have been higher by ₹**13.24** crore and profit would have been lower by ₹**6.50** crore.

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41. Business combinations (Contd.)

(ii) On July 4, 2022, Tata Steel Long Products Limited ("TSLP"), a non-wholly owned subsidiary of the Company, completed the acquisition of a controlling stake of 95.65% in Neelachal Ispat Nigam Limited ("NINL") for a total consideration of ₹12,100 crore as per the terms and conditions of the Share Sale and Purchase Agreement ("SPA"). The Company and TSLP have also acquired further equity stake in NINL for an amount of ₹396.69 crore and ₹600.00 crore respectively raising the Group's effective holding in NINL to 74.67% as on March 31, 2023. The acquisition has been given effect to in the consolidated financial statements in accordance with the provisions of Ind AS 103 - "Business Combinations".

Fair value of identifiable assets acquired, and liabilities assumed as on the date of acquisition is as below:

(₹ crore)

	Fair value as on acquisition date
Non-current assets	
Property, plant and equipment	2,510.56
Right of use assets	622.97
Capital work-in-progress	143.08
Other intangible assets	8,612.00
Financial assets	7.89
Non-current tax assets	0.78
Other assets	0.38
	11,897.66
Current assets	
Inventories	357.18
Cash and cash equivalents	1,077.92
Other financial assets	0.74
Other assets	58.85
	1,494.69
Total assets [A]	**13,392.35**
Non-current liabilities	
Borrowings	4,560.54
Lease liabilities	3.65
Provisions	0.35
Retirement benefit obligations	66.25
Deferred tax liabilities	1,373.90
	6,004.69
Current liabilities	
Lease liabilities	0.44
Trade payables	191.65
Other financial liabilities	69.44
Provisions	92.26
Other liabilities	438.78
	792.57
Total liabilities [B]	**6,797.26**
Fair value of identifiable net assets [C=A-B]	**6,595.09**
Non-controlling interest [D]	**251.32**
Fair value of identifiable net assets acquired [E=C-D]	**6,343.77**

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41. Business combinations (Contd.)

(₹ crore)

	Fair value as on acquisition date
Consideration paid for acquiring 95.65% equity shares	7,539.46
Total consideration paid [F]	**7,539.46**
Goodwill [F-E]	**1,195.69**

(₹ crore)

	Year ended March 31, 2023
Cash paid for acquisition of equity shares of NINL	7,539.46
Cash paid for acquisition of non-convertible preference shares of NINL	4,560.54
Total consideration	**12,100.00**
Less : Cash and cash equivalents acquired	(1,077.92)
Less : Advance against equity	(1,210.00)
Net cash outflow	**9,812.08**

(a) Goodwill is attributable to the benefit of expected synergies, revenue growth and future market developments and the assembled workforce of NINL. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

(b) From the date of acquisition, NINL contributed ₹**1,645.55** crore to revenue from operations and a loss of ₹**1,508.38** crore to the consolidated profit before tax on a pre-consolidation adjustments basis.

Had this business combination been affected on April 1, 2022, the revenue from operation of the Group would have been higher by ₹**6.62** crore and profit would have been lower by ₹**193.06** crore. The management consider these 'pro-forma' numbers to represent an approximate measure of the performance of the Group on an annualised basis.

However to provide a reference point for comparison in future periods, the aforesaid annualised pro-forma numbers to be read in conjunction with the NINL's business plan of operating at full capacity of 1.10 MTPA for the entire financial year ending March 31, 2024 as against gradual stabilisation of production to that level in March 2023 from the acquisition date when the plant was not in operations and was shut down from March 2020.

(c) No material acquisition costs were charged to the consolidated statement of profit and loss for the year ended March 31, 2023.

(d) The total consideration has been discharged by TSLP in the manner set out in the SPA including, inter alia, payment of financial creditor dues of NINL prior to the completion of aforesaid acquisition.

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41. Business combinations (Contd.)

(iii) On April 11, 2022. Tata Steel Mining Limited (" TSML"), an unlisted wholly owned subsidiary of the Company completed the acquisition of a controlling stake of 90% in Rohit Ferro-Tech Limited ("RFT") under the Corporate Insolvency Resolution Process ("CIRP") of the Insolvency and Bankruptcy Code 2016 ("Code") pursuant to an order pronounced by the Hon'ble National Company Law Tribunal, Kolkata Bench ('Hon'ble NCLT'). Vide the same order, 'Hon'ble NCLT' of Kolkata also approved the amalgamation of RFT with TSML subject to TSML acquiring 100% equity stake in RFT. On June 14, 2022, TSML acquired the balance equity stake of 10% in RFT, post which RFT became a wholly owned subsidiary of TSML. Subsequently, basis the order of the Hon'ble NCLT and as approved by the TSML Board on July 6, 2022, RFT has been amalgamated with TSML. The acquisition has been given effect to in the consolidated financial statements in accordance with the provisions of Ind AS 103 - "Business Combinations". Fair value of identifiable assets acquired, and liabilities assumed as on the date of acquisition is as below:

(₹ crore)

	Fair value as on acquisition date
Non-current assets	
Property, plant and equipment	251.01
Right of use assets	48.05
Capital work-in-progress	243.26
Financial assets	31.61
	573.93
Current assets	
Inventories	30.30
Trade receivables	0.05
Cash and cash equivalents	118.74
Other balances with banks	0.05
Other financial assets	0.04
Current tax assets	3.88
Other assets	7.53
	160.59
Total assets [A]	**734.52**
Non-current liabilities	
Provisions	0.51
Other liabilities	0.73
	1.24
Current liabilities	
Borrowings	607.23
Trade payables	50.50
Retirement benefit obligations	0.33
Other financial liabilities	45.99
Provisions	0.10
Other liabilities	21.66
	725.81
Total liabilities [B]	**727.05**
Fair value of identifiable net assets [C=A-B]	**7.47**
Non-controlling interest [D]	**0.75**
Fair value of identifiable net assets acquired [E=C-D]	**6.72**

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41. Business combinations (Contd.)

(₹ crore)

	Fair value as on acquisition date
Consideration paid for acquiring 90% equity shares	**10.00**
Total consideration paid [F]	**10.00**
Goodwill [F-E]	**3.28**

(a) Goodwill is attributable to the benefit of expected synergies, revenue growth and future market developments. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

(b) Pursuant to the resolution plan, RFT paid ₹**479.04** crore to the financial creditors, ₹**17.13** crore to the operational creditors and ₹**120.96** crore as final CIRP cost.

(c) From the date of acquisition, RFT contributed ₹**380.62** crore to revenue from operations and a loss of ₹**90.29** crore to the consolidated profit before tax on a pre-consolidation adjustments basis.

Had this business combination been affected on April 1, 2022, the revenue from operation of the Group would have been remain unchanged and profit would have been lower by ₹**3.00** crore.

(d) Acquisition related costs amounting to ₹**1.29** crore have been excluded from the consideration transferred and have been recognised as an expense in the consolidated statement of profit and loss within other expenses.

42. Capital management

The Group's capital management is intended to create value for shareholders by facilitating the achievement of long-term and short-term goals of the Group.

The Group determines the amount of capital required on the basis of annual business plan of entities within the Group coupled with longterm and short-term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long and short-term bank borrowings and issue of non-convertible debt securities.

The Group monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

Net debt includes interest bearing borrowings including lease obligations less cash and cash equivalents, other bank balances (including non-current earmarked balances) and current investments.

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

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Equity share capital	1,221.24	1,221.21
Other equity	1,01,860.86	1,13,221.83
Equity attributable to shareholders of the Company	**1,03,082.10**	**1,14,443.04**
Non-controlling interests	2,093.11	2,655.42
Total equity (A)	**1,05,175.21**	**1,17,098.46**
Non-current borrowings	51,446.33	44,764.07
Non-current lease obligations	5,811.08	5,696.46
Current borrowings	26,571.37	24,064.61
Current lease obligations	1,064.27	1,036.21
Gross debt (B)	**84,893.05**	**75,561.35**
Total capital (A+B)	**1,90,068.26**	**1,92,659.81**
Gross debt as above	84,893.05	75,561.35
Less: Current investments	3,630.06	8,524.42
Less: Cash and cash equivalents	12,129.90	15,604.68
Less: Other balances with banks (including non-current earmarked balances)	1,323.45	383.48
Net debt (C)	**67,809.64**	**51,048.77**
Net debt to equity[(i)]	**0.61**	**0.52**

(i) Net debt to equity ratio as at March 31, 2023 and March 31, 2022 has been computed based on the average of opening and closing equity.

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43. Disclosures on financial instruments

This section gives an overview of the significance of financial instruments for the Group and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2(r), page F156 to the consolidated financial statements.

(a) Financial assets and liabilities

The following tables present the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2023 and March 31, 2022.

As at March 31, 2023

(₹ crore)

	Amortised cost	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Fair value through profit and loss	Total carrying value	Total fair value
Financial assets:							
Cash and bank balances	13,453.35	-	-	-	-	13,453.35	13,453.35
Trade receivables	8,257.24	-	-	-	-	8,257.24	8,257.24
Investments	17.01	1,370.36	-	-	3,789.61	5,176.98	5,176.98
Derivatives	-	-	371.14	593.72	-	964.86	964.86
Loans	66.58	-	-	-	-	66.58	66.58
Other financial assets	1,850.30	-	-	-	-	1,850.30	1,850.30
	23,644.48	**1,370.36**	**371.14**	**593.72**	**3,789.61**	**29,769.31**	**29,769.31**
Financial liabilities:							
Trade and other payables	37,832.54	-	-	-	-	37,832.54	37,832.54
Borrowings other than lease obligations	78,017.70	-	-	-	-	78,017.70	77,400.72
Derivatives	-	-	1,575.52	55.01	-	1,630.53	1,630.53
Other financial liabilities	11,461.72	-	-	-	-	11,461.72	11,461.72
	1,27,311.96	**-**	**1,575.52**	**55.01**	**-**	**1,28,942.49**	**1,28,325.51**

43. Disclosures on financial instruments (Contd.)

As at March 31, 2022

(₹ crore)

	Amortised cost	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Fair value through profit and loss	Total carrying value	Total fair value
Financial assets:							
Cash and bank balances	15,988.16	-	-	-	-	15,988.16	15,988.16
Trade receivables	12,246.43	-	-	-	-	12,246.43	12,246.43
Investments	15.60	1,583.93	-	-	8,578.67	10,178.20	10,178.20
Derivatives	-	-	1,131.32	359.57	-	1,490.89	1,490.89
Loans	78.28	-	-	-	-	78.28	78.28
Other financial assets	2,365.03	-	-	-	-	2,365.03	2,365.03
	30,693.50	**1,583.93**	**1,131.32**	**359.57**	**8,578.67**	**42,346.99**	**42,346.99**
Financial liabilities:							
Trade payables	36,764.87	-	-	-	-	36,764.87	36,764.87
Borrowings other than lease obligations	68,828.68	-	-	-	-	68,828.68	70,038.36
Derivatives	-	-	139.87	67.39	-	207.26	207.26
Other financial liabilities	9,370.98	-	-	-	-	9,370.98	9,370.98
	1,14,964.53	**-**	**139.87**	**67.39**	**-**	**1,15,171.79**	**1,16,381.47**

(i) Investments in mutual funds and derivative instruments (other than those designated in a hedging relationship) are mandatorily classified as fair value through the consolidated statement of profit and loss.

(b) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below.

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets and liabilities, that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investments in quoted equity shares and mutual funds.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes the Group's over-the-counter (OTC) derivative contracts.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This level includes investment in unquoted equity shares and preference shares.

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43. Disclosures on financial instruments (Contd.)

(₹ crore)

	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Investments in mutual funds	3,630.06	-	-	3,630.06
Investments in equity shares	995.64	-	448.79	1,444.43
Investments in preference shares	-	-	85.48	85.48
Derivative financial assets	-	964.86	-	964.86
	4,625.70	**964.86**	**534.27**	**6,124.83**
Financial liabilities:				
Derivative financial liabilities	-	1,630.53	-	1,630.53
	-	**1,630.53**	**-**	**1,630.53**

(₹ crore)

	As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Investments in mutual funds	8,524.42	-	-	8,524.42
Investments in equity shares	1,189.07	-	435.39	1,624.46
Investments in preference shares	-	-	13.72	13.72
Derivative financial assets	-	1,490.89	-	1,490.89
	9,713.49	**1,490.89**	**449.11**	**11,653.49**
Financial liabilities:				
Derivative financial liabilities	-	207.26	-	207.26
	-	**207.26**	**-**	**207.26**

Notes:

(i) Current financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(ii) Derivatives are fair valued using market observable rates and published prices together with forecasted cash flow information where applicable.

(iii) Investments carried at fair value are generally based on market price quotations. Investments in equity and preference shares included in Level 3 of the fair value hierarchy have been valued using the cost approach to arrive at their fair value. Cost of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

(iv) Fair value of borrowings which have a quoted market price in an active market is based on its market price which is categorised as Level 1. Fair value of borrowings which do not have an active market or are unquoted is estimated by discounting the expected future cash flows using a discount rate equivalent to the risk-free rate of return adjusted for credit spread considered by lenders for instruments of similar maturities which is categorised as Level 2 in the fair value hierarchy.

(v) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Group could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

43. Disclosures on financial instruments (Contd.)

(vi) There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2023 and March 31, 2022.

(vii) Reconciliation of Level 3 fair value measurement is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	449.11	426.25
Additions during the year	74.76	57.49
Disposals	(1.67)	(54.62)
Fair value changes during the year	8.39	22.26
Re-clasification during the year*	-	(0.69)
Exchange rate differences on consolidation	3.68	(1.58)
Balance at the end of the year	**534.27**	**449.11**

* During the year ended March 31, 2022, reclassification represents investments reclassified from fair value through profit and loss to amortised cost.

(c) Derivative financial instruments

Derivative instruments used by the Group include forward exchange contracts, interest rate swaps, currency swaps, options, commodity futures interest rate caps and collars. These financial instruments are utilised to hedge future transactions and cash flows and are subject to hedge accounting under Ind AS 109 "Financial Instruments" wherever possible. The Group does not hold or issue derivative financial instruments for trading purposes. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities.

The following table sets out the fair value of derivatives held by the Group as at the end of the each reporting period.

(₹ crore)

	As at March 31, 2023		As at March 31, 2022	
	Assets	Liabilities	Assets	Liabilities
(a) Foreign currency forwards, futures, swaps and options	632.98	458.19	501.86	196.04
(b) Commodity futures and options	143.56	1,172.34	378.40	11.22
(c) Interest rate swaps and collars	187.52	-	115.03	-
(d) Other derivatives	0.80	-	495.60	-
	964.86	**1,630.53**	**1,490.89**	**207.26**
Classified as:				
Non-current	403.40	-	318.15	10.35
Current	561.46	1,630.53	1,172.74	196.91

As at the end of the reporting period, total notional amount of outstanding foreign currency contracts, commodity futures, options, interest rate swap and collars that the Group has committed to is as below:

(US$ million)

	As at March 31, 2023	As at March 31, 2022
(i) Foreign currency forwards, futures, swaps and options	4,504.46	6,023.09
(ii) Commodity futures and options	640.56	670.58
(iii) Interest rate swaps and collars	552.79	550.94
	5,697.81	**7,244.61**

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43. Disclosures on financial instruments (Contd.)

(d) Transfer of financial assets

The Group transfers certain trade receivables under discounting arrangements with banks/financial institutions. Some of such arrangements do not qualify for de-recognition due to recourse arrangements being in place. Consequently, the proceeds received from transfer are recorded as short-term borrowings from banks and financial institutions. As at March 31, 2023 and March 31, 2022, there has been no such transfer of trade receivables.

(e) Financial risk management

In the course of its business, the Group is exposed primarily to fluctuations in foreign currency exchange rates, commodity prices, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

Entities within the Group have a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors of the respective companies. The risk management framework aims to:

(i) create a stable business planning environment by reducing the impact of currency, commodity prices and interest rate fluctuations on the entity's business plan.

(ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

(i) Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, commodity prices, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(a) Market risk - Foreign currency exchange rate risk:

The fluctuation in foreign currency exchange rates may have potential impact on the consolidated statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective consolidated entities.

Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Great British Pound, Euro, Singapore Dollar, and Thai Baht against the respective functional currencies of the Company and its subsidiaries.

Entities as per their risk management policy, use foreign exchange forward and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. Any weakening of the functional currency may impact the respective entities' cost of imports and cost of borrowings and consequently may increase the cost of financing the Group's capital expenditures.

43. Disclosures on financial instruments (Contd.)

A 10% appreciation/depreciation of foreign currencies with respect to the functional currency of the entities within the Group would result in a decrease/increase in the Group's net profit and equity before considering tax impacts by approximately ₹**4,502.57** crore for the year ended March 31, 2023, (2021-22 ₹1,092.32 crore).

The foreign exchange rate sensitivity is calculated by assuming a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the functional currency of the entities within the Group.

The sensitivity analysis has been based on the composition of the Group's financial assets and liabilities as at March 31, 2023 and March 31, 2022 excluding trade payables, trade receivables, other derivative and non-derivative financial instruments not forming part of debt and which do not present a material exposure. The period end balances are not necessarily representative of the average debt outstanding during the period.

(b) Market risk - Interest rate risk:

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Group's cash flows as well as costs.

The Group is subject to variable interest rates on some of its interest bearing liabilities. The Group's interest rate exposure is mainly related to debt obligations.

Based on the composition of debt as at March 31, 2023 and March 31, 2022 a 100 basis points increase in interest rates would increase the Group's finance costs (before considering interest eligible for capitalisation) and thereby consequently reduce net profit and equity before considering tax impacts by approximately ₹**340.60** crore for the year ended March 31, 2023 (2021-22 : ₹221.37 crore).

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

(c) Market risk - Equity price risk:

Equity price risk is related to the change in market reference price of investments in equity securities held by the Group.

The fair value of quoted investments held by the Group exposes the Group to equity price risks. In general, these investments are not held for trading purposes.

The fair value of quoted investments in equity classified as fair value through other comprehensive income/profit and loss as at March 31, 2023 and March 31, 2022 was ₹**995.64** crore and ₹1,189.07 crore respectively.

A 10% change in equity prices of such securities held as at March 31, 2023 and March 31, 2022 would result in an impact of ₹**99.56** crore and ₹118.91 crore respectively on equity before considering tax impact.

(ii) Commodity risk

The Group makes use of commodity futures contracts and options to manage its purchase price risk for certain commodities. Across the Group, forward purchases are also made of zinc, tin and nickel to cover sales contracts with fixed metal prices.

There was no significant market risk relating to the consolidated statement of profit and loss since the majority of commodity derivatives are treated as cash flow hedges with movements being reflected in equity and the timing and recognition in the consolidated statement of profit and loss would depend on the point at which the underlying hedged transactions are recognised.

(iii) Credit risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks.

Entities within the Group have a policy of dealing only with credit worthy counter parties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults.

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43. Disclosures on financial instruments (Contd.)

Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments in debt securities and mutual funds, balances with banks, bank deposits, derivatives and financial guarantees provided by the Group. None of the financial instruments of the Group result in material concentration of credit risk.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹**24,760.25** crore and ₹33,916.48 crore as at March 31, 2023 and March 31, 2022 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments in debt securities and mutual funds, loans, derivative assets and other financial assets net of insurance cover, wherever applicable.

The risk relating to trade receivables is presented in note 15, page F191.

The Group's exposure to customers is diversified and there is no concentration of credit risk with respect to any particular customer as at March 31, 2023 and March 31, 2022.

In respect of financial guarantees provided by the Group to banks and financial institutions, the maximum exposure which the Group is exposed to is the maximum amount which the Group would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Group considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

(iv) Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Group has obtained fund and non-fund based working capital lines from various banks. Furthermore, the entities within the Group have access to undrawn lines of committed and uncommitted borrowing/facilities, funds from debt markets through commercial paper programs, non-convertible debentures and other debt instruments. The Group invests its surplus funds in bank fixed deposits and in mutual funds, which carry no or low mark to market risk. The Group also constantly monitors funding options available in the debt and capital markets with a view of maintaining financial flexibility.

The Group's liquidity position remains strong as at March 31, 2023, comprising of current investments, cash and cash equivalents and other balances with bank (including non-current earmarked balances), in addition to committed undrawn bank lines.

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43. Disclosures on financial instruments (Contd.)

The following table shows a maturity analysis of the anticipated cash flows including future interest obligations for the Group's derivative and non-derivative financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the end of the reporting period. Cash flows in foreign currencies are translated using the period end spot rates.

(₹ crore)

	As at March 31, 2023				
	Carrying value	Contractual cash flows	Less than one year	Between one to five years	More than five years
Non-derivative financial liabilities:					
Borrowings other than lease obligation including interest obligations	79,098.96	98,241.49	31,299.20	42,539.78	24,402.51
Lease obligations including interest obligations	6,909.38	10,096.80	995.57	5,364.64	3,736.59
Trade payables	37,832.54	37,832.54	37,832.54	-	-
Other financial liabilities	10,346.43	9,688.42	8,315.02	800.84	572.56
	1,34,187.31	**1,55,859.25**	**78,442.33**	**48,705.26**	**28,711.66**
Derivative financial liabilities	**1,630.53**	**1,630.53**	**1,630.52**	**0.01**	**-**

(₹ crore)

	As at March 31, 2022				
	Carrying value	Contractual cash flows	Less than one year	Between one to five years	More than five years
Non-derivative financial liabilities:					
Borrowings other than lease obligation including interest obligations	69,657.63	82,034.99	26,845.57	34,007.68	21,181.74
Lease obligations including interest obligations	6,763.82	10,252.83	1,610.52	4,355.76	4,286.55
Trade payables	36,764.87	36,764.87	36,764.87	-	-
Other financial liabilities	8,510.88	8,510.88	7,813.40	376.70	320.78
	1,21,697.20	**1,37,563.57**	**73,034.36**	**38,740.14**	**25,789.07**
Derivative financial liabilities	**207.26**	**207.26**	**81.66**	**125.60**	**-**

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43. Disclosures on financial instruments (Contd.)

(f) The details of financial assets and liabilities held by the Group on account of interest rate benchmark reforms which are indexed to Interbank offered rates (IBOR) as on March 31, 2023 and March 31, 2022 are as below :

As at March 31, 2023

(₹ crore)

	Carrying value as at March 31, 2023		Of which: Have yet to transition to an alternative benchmark interest rate as at March 31, 2023	
	Assets	Liabilities	Assets	Liabilities
Non-derivative instruments:				
Long-term borrowings	-	3,616.03	-	3,616.03
	-	**3,616.03**	**-**	**3,616.03**
Derivative Instruments:				
MTM of derivative assets/ liabilities exposed to USD LIBOR	184.17	-	184.17	-
	184.17	**-**	**184.17**	**-**

As at March 31, 2022

(₹ crore)

	Carrying value as at March 31, 2022		Of which: Have yet to transition to an alternative benchmark interest rate as at March 31, 2022	
	Assets	Liabilities	Assets	Liabilities
Non-derivative instruments:				
Long-term borrowings	-	3,335.09	-	3,335.09
	-	**3,335.09**	**-**	**3,335.09**
Derivative Instruments:				
MTM of derivative assets/ liabilities exposed to USD LIBOR	110.63	8.90	110.63	8.90
	110.63	**8.90**	**110.63**	**8.90**

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44. Segment reporting

The Group is primarily engaged in the business of manufacture and distribution of steel products across the globe. Operating segments have been identified based on how the Chief Operating Decision Maker (CODM) reviews and assesses the Group's performance, which is on the basis of the different geographical areas wherein major entities within the Group operate.

The Group's reportable segments and segment information is presented below:

(₹ crore)

	Tata Steel India	Tata Steel Long Products	Other Indian operations	Tata Steel Europe	Other trade related operations	South-East Asian operations	Rest of the world	Inter-segment eliminations	Total
Segment revenue									
External revenue	**1,17,039.61**	**7,117.87**	**17,271.84**	**90,156.41**	**3,041.32**	**8,076.87**	**648.77**		**2,43,352.69**
	1,16,868.15	*6,046.30*	*16,509.91*	*89,811.59*	*2,874.64*	*11,109.24*	*739.34*		*2,43,959.17*
Intersegment revenue	**11,967.01**	**1,873.91**	**5,763.16**	**143.98**	**70,932.21**	**654.57**	**-**	**(91,334.84)**	**-**
	12,153.20	*755.33*	*4,764.99*	*211.37*	*57,249.27*	*372.57*	*0.04*	*(75,506.77)*	*-*
Total Revenue	**1,29,006.62**	**8,991.78**	**23,035.00**	**90,300.39**	**73,973.53**	**8,731.44**	**648.77**	**(91,334.84)**	**2,43,352.69**
	1,29,021.35	*6,801.63*	*21,274.90*	*90,022.96*	*60,123.91*	*11,481.81*	*739.38*	*(75,506.77)*	*2,43,959.17*
Segment results before exceptional items, interest, tax and depreciation :	**28,174.58**	**(613.08)**	**1,107.90**	**4,632.06**	**168.49**	**473.64**	**(480.91)**	**(765.17)**	**32,697.51**
	51,456.30	*1,288.31*	*546.79*	*12,163.85*	*39.40*	*1,255.26*	*(382.98)*	*(2,537.35)*	*63,829.58*
Reconciliation to profit/(loss) for the year:									
Add: Finance income									**640.13**
									445.26
Less: Finance costs									**6,298.70**
									5,462.20
Less: Depreciation and amortisation									**9,335.20**
									9,100.87
Add: Share of profit / (loss) of joint ventures and associates									**418.12**
									649.16
Profit/(loss) before exceptional items and tax									**18,121.86**
									50,360.93
Add: Exceptional items (refer note 35, page F221)									**113.26**
									(134.06)
Profit/(loss) before tax									**18,235.12**
									50,226.87
Less: Tax expense									**10,159.77**
									8,477.55
Profit/(loss) for the year									**8,075.35**
									41,749.32

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44. Segment reporting (Contd.)

(₹ crore)

	Tata Steel India	Tata Steel Long Products	Other Indian operations	Tata Steel Europe	Other trade related operations	South-East Asian operations	Rest of the world	Inter-segment eliminations	Total
Segment assets	**2,05,650.43**	**22,206.99**	**18,717.36**	**84,399.40**	**30,362.20**	**4,888.17**	**7,082.40**	**(85,344.61)**	**2,87,962.34**
	1,93,514.38	19,797.39	16,706.49	93,089.02	28,563.12	4,425.23	6,893.03	(77,843.60)	2,85,145.06
Assets held for sale									**59.40**
									300.54
Total assets									**2,88,021.74**
									2,85,445.60
Segment assets include:									
Equity accounted investments	**1,001.21**	**0.80**	**1,832.47**	**386.25**	**12.60**	**-**	**-**	**-**	**3,233.33**
	820.39	*0.80*	*1,677.17*	*451.08*	*12.21*	*-*	*-*	*-*	*2,961.65*
Segment liabilities	**1,01,980.42**	**20,833.83**	**8,693.97**	**53,039.52**	**73,889.08**	**933.31**	**9,560.37**	**(86,083.97)**	**1,82,846.53**
	99,538.97	*16,608.80*	*7,675.92*	*47,631.73*	*65,277.81*	*906.53*	*8,164.08*	*(77,647.81)*	*1,68,156.03*
Liabilities held for sale									**-**
									191.11
Total liabilities									**1,82,846.53**
									1,68,347.14
Addition to non-current assets	**9,119.16**	**215.46**	**767.57**	**5,913.88**	**281.47**	**49.53**	**8.25**	**-**	**16,355.32**
	5,954.83	*98.67*	*594.63*	*3,903.00*	*2.74*	*40.37*	*46.56*	*-*	*10,640.80*

Figures in italics represent comparative figures of previous year.

(i) Details of revenue by nature of business is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Steel	2,28,536.12	2,28,599.32
Others	14,816.57	15,359.85
	2,43,352.69	**2,43,959.17**

Revenue from other businesses primarily relate to ferro alloys, power and water and other services.

(ii) Details of revenue based on geographical location of customers is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
India	1,31,059.20	1,21,352.35
Outside India	1,12,293.49	1,22,606.82
	2,43,352.69	**2,43,959.17**

Revenue outside India includes: Asia excluding India ₹**17,364.14** crore (2021-22 : ₹27,788.53 crore), UK ₹**17,097.33** crore (2021-22: ₹20,097.64 crore) and other European countries ₹**59,750.29** crore (2021-22: ₹60,789.21 crore).

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44. Segment reporting (Contd.)

(iii) Details of non-current assets (property, plant and equipment, capital work-in-progress, right-of-use assets, intangibles and goodwill on consolidation) based on geographical area is as below:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
India	1,35,429.74	1,18,236.66
Outside India	42,404.74	37,096.72
	1,77,834.48	**1,55,333.38**

Non-current assets outside India include: Asia excluding India ₹**1,021.24** crore (March 31, 2022: ₹959.16 crore), UK ₹**10,822.66** crore (March 31, 2022: ₹9,627.88 crore) and other European countries ₹**24,158.68** crore (March 31, 2022: ₹20,300.14 crore).

Notes:

(i) Segment performance is reviewed by the CODM on the basis of profit or loss from continuing operations before finance income/cost, depreciation and amortisation expenses, share of profit/(loss) of joint ventures and associates and tax expenses. Segment results reviewed by the CODM also exclude income or expenses which are non-recurring in nature and are classified as an exceptional item. Information about segment assets and liabilities provided to the CODM, however, include the related assets and liabilities arising on account of items excluded in measurement of segment results. Such amounts, therefore, form part of the reported segment assets and liabilities.

(ii) No single customer represents 10% or more of the Group's total revenue during the year ended March 31, 2023 and March 31, 2022.

(iii) The accounting policies of the reportable segments are the same as of the Group's accounting policies.

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45. Related party transactions

The Group's related parties primarily consist of its joint ventures and associates, Tata Sons Private Limited including its subsidiaries and joint ventures. The Group routinely enters into transactions with these related parties in the ordinary course of business at market rates and terms. Transactions and balances between the Company, its subsidiaries and fellow subsidiaries are eliminated on consolidation.

The following table summarises the related-party transactions and balances included in the consolidated financial statements for the year ended/as at March 31, 2023 and March 31, 2022.

(₹ crore)

	Associates	Joint Ventures	Tata Sons Private Limited, its subsidiaries and joint ventures	Total
Purchase of goods	**45.30**	**631.82**	**791.90**	**1,469.02**
	33.14	*425.04*	*1,001.00*	*1,459.18*
Sale of goods#	**1,291.85**	**6,100.74**	**978.21**	**8,370.80**
	2,225.73	*4,555.89*	*1,039.24*	*7,820.86*
Services received	**361.02**	**3,161.28**	**1,420.23**	**4,942.53**
	418.38	*1,594.32*	*1,299.07*	*3,311.77*
Services rendered	**0.19**	**86.74**	**2.92**	**89.85**
	0.04	*907.72*	*36.59*	*944.35*
Interest income recognised	**9.03**	**0.01**	**-**	**9.04**
	-	*0.02*	-	*0.02*
Interest expenses recognised	**-**	**2.89**	**1.74**	**4.63**
	-	-	*0.65*	*0.65*
Dividend paid(vi)	**-**	**-**	**2,061.39**	**2,061.39**
	-	-	*1,011.07*	*1,011.07*
Dividend received	**63.19**	**202.87**	**12.38**	**278.44**
	3.07	*117.81*	*12.54*	*133.42*
Provision/(reversal) recognised for receivables during the year	**(99.88)**	**(0.20)**	**0.04**	**(100.04)**
	99.95	*(0.71)*	-	*99.24*
Management contracts*	**5.57**	**13.92**	**116.52**	**136.01**
	5.43	*8.18*	*185.73*	*199.34*
Finance provided during the year (net of repayments)	**164.00**	**-**	**-**	**164.00**
	100.00	*0.46*	-	*100.46*
Outstanding loans and receivables	**120.49**	**1,260.34**	**65.23**	**1,446.06**
	334.45	*1,266.48*	*73.05*	*1,673.98*
Provision for outstanding loans and receivables	**0.15**	**1,087.39**	**0.09**	**1,087.63**
	100.03	*1,087.59*	*0.05*	*1,187.67*
Outstanding payables	**55.40**	**700.88**	**552.91**	**1,309.19**
	37.86	*391.23*	*536.59*	*965.68*
Guarantees provided outstanding	**-**	**167.55**	**-**	**167.55**
	-	*177.18*	-	*177.18*

Figures in italics represent comparative figures of previous year.

#Includes sale of power and water

*Primarily includes recharges on account of deputation of employees and brand equity due to Tata Sons Private Limited.

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45. Related party transactions (Contd.)

(i) The details of remuneration paid to the key managerial personnel and payments to non-executive directors are provided in note 31, page F219 and note 34, page F220 respectively.

The Group paid dividend of ₹**1,73,298.00** (2021-22: ₹84,950.00) to key managerial personnel and ₹**33,609.00** (2021-22: ₹16,475.00) to relatives of key managerial personnel during the year ended March 31, 2023.

(ii) During the year ended March 31, 2023, the Group has contributed ₹**579.51** crore (2021-22: ₹336.15 crore) to post employment benefit plans.

As at March 31, 2023, amount receivable from post-employment benefit funds is ₹**137.98** crore (March 31, 2022: ₹171.30 crore) on account of retirement benefit obligations paid by the entities within the Group directly.

As at March 31, 2023, amount payable to post-employment benefit funds is ₹**2.10** crore (March 31, 2022: ₹4.90 crore) on account of retirement benefit obligations.

(iii) Details of investments made by the Company in preference shares of its joint ventures and associates is disclosed in note 8, page F179.

(iv) Commitments with respect to joint venture and associates are disclosed in note 38B, page F238.

(v) Transactions with joint ventures have been disclosed at full value and not at their proportionate share.

(vi) Dividend paid includes ₹**2,022.19** crore (2021-22: ₹991.27 crore) paid to Tata Sons Private Limited.

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46. Disclosure for struck off companies

The following table depicts the details of balances outstanding in respect of transactions undertaken with a company struck-off under section 248 of the Companies Act, 2013:

(₹ crore)

Name of struck off Company	Nature of transactions with struck-off Company	Balance as at March 31, 2023	Balance as at March 31, 2022	Relationship with the struck-off Company
Tata Steel Limited :				
Arya Fuels Private Limited	Sale of goods	0.00*	-	Advance from Customer
BBR (India) Pvt Ltd.		0.28		
Aquatech Systems (Asia) Private Limited	Purchase of goods and receiving of services	-	11.75	Vendor
Sinha Aviation Service Private Limited	Receiving of services	0.06	0.01	
BRAINWISE INFOTECH		0.00*	-	
LIFTVEL INDUSTRIES		0.01	-	
E & J Golden India Private Limited		-	0.00*	Advance to vendor
Other entities(i)	Subscription to equity shares	-	0.01	Equity shareholder
Tata Steel Long Products Limited :				
KEONJHAR MINERALS (P)LTD	Purchase of Goods	0.00*	-	Vendor
SPRAYING SYSTEMS(INDIA)PVT.LTD		0.00*	-	
SAP COMMUNICATION PVT. LTD.		0.00*	-	
SUZUSONS CARE PVT. LTD.		0.00*	-	
K.G.KHOSLA COMPRESSORS LTD		0.10	-	
PARAMOUNT SINTERS P.LTD		0.05	-	
VALLAB ENGINEERS PVT LTD		0.03	-	
JAYASWALS NECO LTD		0.01	-	
ASHCROFT INDIA PVT. LTD.		0.00*	-	
PRANAM POWERMECH PVT. LTD.		0.00*	-	
GEOMIN CONSULTANTS PVT LTD		0.00*	-	

* Represents value less than ₹0.01 crore

(i) Details of other struck off entities holding equity shares in the Company are as below:

Name of struck off Company	No. of shares held	Paid-up as at March 31, 2023 (₹)	Paid-up as at March 31, 2022 (₹)
(1) Agro Based Industries Ltd	1,450	1,450.00	1,450.00
(2) Anand Growth Fund Pvt. Ltd.	1,330	1,330.00	1,330.00
(3) Anileksha Investments Pvt Ltd	2,250	2,250.00	2,250.00
(4) Bejo Sheetal Seeds Pvt Ltd	750	750.00	-
(5) Bennett Coleman. & Co. Ltd	7,950	7,950.00	7,950.00
(6) Bhagirathi Protein Ltd	6,500	6,500.00	6,500.00
(7) Bhansali & Co (Exports) Pvt Ltd	60	60.00	60.00
(8) Bharat Solite Limited	10	10.00	10.00
(9) Bindawala Builders Pvt Ltd	-	-	1,790.00
(10) Burdwan Holdings Pvt Ltd	3,150	3,150.00	3,150.00
(11) Chaityadeep Investments Pvt Ltd	2,110	2,110.00	2,110.00
(12) Chanakya Service Station Private Limited	16,500	16,500.00	16,500.00

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46. Disclosure for struck off companies (Contd.)

Name of struck off Company	No. of shares held	Paid-up as at March 31, 2023 (₹)	Paid-up as at March 31, 2022 (₹)
(13) Dashtina Investments Private Limited	400	400.00	400.00
(14) Deegeeson Impex Pvt Ltd	-	-	300.00
(15) Desai Holdings Limited	750	750.00	750.00
(16) Dhanastra Investments Limited	13,500	13,500.00	13,500.00
(17) Frontline Corporate Finance Ltd.	1,060	1,060.00	1,060.00
(18) Gagan Trading Co Ltd	1,690	1,690.00	1,690.00
(19) Goldcrest Jute and Fibre Ltd	1,800	1,800.00	1,800.00
(20) Impact Growth Fund Private Limited	-	-	1,330.00
(21) Kapursco Cold Storage Pvt. Ltd.	300	300.00	300.00
(22) Kirban Sales Pvt Ltd	150	150.00	150.00
(23) Kothari Intergroup Limited	-	-	200.00
(24) Karimnagar Sai Krishna Hire Purchase Private Limited	-	-	1,000.00
(25) Lakshadeep Investments Pvt Ltd	2,110	2,110.00	2,110.00
(26) M H Doshi Investment Agencies Private Limited	500	500.00	500.00
(27) Meghna Finance and Investments Private Limited	4,890	4,890.00	4,890.00
(28) Merchant Management System Private Limited	8,800	8,800.00	8,800.00
(29) Midas Touch Securities Pvt Ltd	150	150.00	-
(30) Modern Holdings Pvt Ltd	18,050	18,050.00	18,050.00
(31) Mokul Finance Private Limited	-	-	510.00
(32) Multiplier Financial Services Private Limited	30	30.00	30.00
(33) N.R.I. Financial Services Limited	-	-	300.00
(34) Overland Investment Co Ltd	-	-	4,500.00
(35) PCS Securities Pvt. Ltd.	500	500.00	500.00
(36) Popular Stock and Share Services Private Limited	320	320.00	320.00
(37) Prahit Investments Pvt Ltd	4,600	4,600.00	4,600.00
(38) Protect Finvest Private Limited	330	330.00	330.00
(39) Raghunath Oils and Fats Limited	500	500.00	500.00
(40) S S Securities Limited	500	500.00	500.00
(41) Safex Financial Services Private Limited	-	-	30.00
(42) Seagull Finance And Investment Private Limited	600	600.00	600.00
(43) Shree Agencies Pvt Ltd	3,180	3,180.00	4,372.52
(44) Shriram Investment Services Ltd	1,500	1,500.00	-
(45) Silpa Finance And Investments Pvt Ltd	13,440	13,440.00	-
(46) Suhit Investments Pvt Ltd	1,660	1,660.00	1,660.00
(47) Swapnalok Construction Pvt Ltd	500	500.00	500.00
(48) Calcutta Sales Agency Ltd.	6,340	6,340.00	6,340.00
(49) Varun Credit & Real Estate Pvt Ltd	570	570.00	570.00
(50) V Follow Up And Finance P Ltd	360	360.00	-
(51) Vms Consultants Pvt. Ltd.	-	-	500.00
		1,31,140.00	**1,26,592.52**

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

48. The erstwhile Tata Steel BSL Limited was eligible under Package Scheme of Incentives, 1993, and accordingly as per the provisions of the Scheme it had obtained eligibility certificate from Directorate of Industries. As per the Scheme the Tata Steel BSL Limited has an option to defer the payment of sales tax for a period of fourteen years upto a specified limit (twenty-one years in case the specified limit is not availed in fourteen years). The said tax collected shall be paid after fourteen years in five annual equal instalments and has been recognised as deferred sales tax liability, which as at March 31, 2023 amounts to ₹**24.85** crore (March 31, 2022: ₹22.33 crore). Post-introduction of GST, the Maharashtra government modified the scheme, whereby the Company needs to deposit the GST and claim refund of the same. During the year, the Company has recognised ₹**62.75** crore (2021-22: ₹201.21 crore) as an income (refer note 29, page F218) on account of such scheme.

49. During the year ended March 31, 2023, in accordance with Ind AS 21- "The Effects of Changes in Foreign Exchange Rates", T Steel Holdings Pte. Ltd. and TS Global Holdings Pte. Ltd., wholly owned subsidiaries of the Company re-assessed and changed their functional currency from GBP to USD with effect from April 1, 2022. The change was based on a re-assessment of the relative impact of different currencies on the functioning of these entities which among other factors included how cash flows are managed and retained for the investment's portfolio held by these entities, change in their funding structure, currency in which significant costs are incurred and the increasing relevance of USD denominated transactions as compared to GBP both in terms of volume and frequency.

50. The Board of Directors of the Company had considered and approved amalgamation of Tata Steel Long Products Limited ("TSLP"), Tata Metaliks Limited ("TML"), The Tinplate Company of India Limited ("TCIL"), TRF Limited ("TRF"), The Indian Steel & Wire Products Limited ("ISWP"), Tata Steel Mining Limited ("TSML") and S & T Mining Company Limited ("S & T Mining") into and with the Company by way of separate schemes of amalgamation and had recommended a share exchange ratio /cash consideration. The equity shareholders of the entities will be entitled to fully paid-up equity shares of the Company or cash consideration in the ratio as set out in the scheme.

As part of the scheme of amalgamations, equity shares and preference shares, if any, held by the Company in the above entities shall stand cancelled. No shares of the Company shall be issued nor any cash payment shall be made whatsoever by the Company in lieu of cancellation of shares of TSML and S & T Mining (both being wholly owned subsidiary companies)

The proposed amalgamations will enhance management efficiency, drive sharper strategic focus and improve agility across businesses based on the strong parental support from the Company's leadership. The amalgamations will also drive synergies through operational efficiencies, raw material security and better facility utilisation.

As part of defined regulatory process, the schemes of TSLP into and with the Company, TCIL into and with the Company, TML into and with the Company, TRF into and with the Company and ISWP into and with the Company have received approval(s) from stock exchanges and Security Exchange Board of India. Further the schemes, have been filed and are pending with the Hon'ble National Company Law Tribunal.

51. The Board of Directors of the Company had considered and approved the amalgamation of Angul Energy Limited ("AEL") into and with the Company by way of a scheme of amalgamation and had recommended a cash consideration as set out in the scheme for every fully paid-up equity share held by the shareholders (except the Company) in AEL. Upon the scheme coming into effect, the entire paid-up share capital of AEL shall stand cancelled in its entirety.

The amalgamation will ensure consolidation of all power assets under a single entity, which will increase system agility for power generation and allocation. It will help the Company to improve its plant reliability, ensuring steady source of power supply while optimising cost. Further, such restructuring will lead to simplification of Group structure by eliminating multiple companies in similar operation, optimum use of infrastructure, rationalisation of cost in the areas of operations and administrative overheads, thereby maximising shareholder value of the Company post amalgamation.

The scheme is subject to defined regulatory approval process, which would require approval by stock exchanges and the Hon'ble National Company Law Tribunal.

52. Tata Steel Europe Limited ("TSE"), a wholly owned indirect subsidiary of the Company, has assessed the potential impact of the economic downturn in Europe caused by external factors including higher inflation, higher interest rates and supply chain disruption caused by the war in Ukraine on its future business outlook for UK and Mainland Europe (MLE) value chains.

The Board has considered reasonably possible scenarios to stress test the financial position of both the UK and MLE businesses, including the impact of lower steel margins against the Annual Plan and the mitigating actions the Group could take to limit any adverse consequences to liquidity in the annual impairment assessments.

Based on the assessment, the MLE business is expected to have adequate liquidity under all the reasonably possible scenarios considered. The outlook for Tata Steel UK Limited ("TSUK"), a wholly owned indirect subsidiary of TSE, however, is expected to be adversely impacted towards meeting its liquidity requirements and accordingly with respect to its ability to continue as a going concern.

In response to the challenging market and business conditions, TSUK continues to implement various measures aimed at improving its business performance and conserving cash including but not limited to ensuring adequate liquidity, if required, through available financing options, management of working capital, implementation of cost reduction measures and discussions with the UK Government to seek adequate support for transition to Green Steel as part of its decarbonisation strategy. The financing facilities which the UK Business has access to are not all committed facilities and hence in the event of a severe but plausible downside scenario, the UK Business will need financial support to address any adverse impact on liquidity. The progress of discussions with the UK government is also being monitored closely given that based on the initial and subsequent discussions it remains uncertain whether adequate support for the decarbonisation strategy would be agreed.

Given the risks and challenges associated with the underlying market and business conditions, the uncommitted nature of available financing options, the uncertainty with respect to whether adequate government support would be agreed and the non-binding letter of support provided by T S Global Holdings Pte. Ltd. and T S Global Procurement Company Pte. Ltd., wholly owned subsidiaries of the Company, it has been concluded that there exists a material uncertainty surrounding the impact of such adversities on the financial situation of TSUK.

The financial statements of TSE have been prepared on a going concern basis recognising the material uncertainty in relation to TSUK.

The Group has assessed its ability to meet any liquidity requirements at TSE, if required, and concluded that its cashflow and liquidity position remains adequate.

53. Dividend

The dividend declared by the Company is based on profits available for distribution as reported in the standalone financial statements of the Company. On May 2, 2023 the Board of Directors of the Company have proposed a dividend of ₹**3.60** per Ordinary share of ₹1 each in respect of the year ended March 31, 2023 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of approximately ₹**4,395.54** crore.

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54. Statement of net assets and profit or loss attributable to owners and non-controlling interest

SL No.	Name of the entity	Reporting currency	Net Assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
			As % of consolidated net assets	Amount (₹ crore)	As % of consolidated profit or (loss)	Amount (₹ crore)	As % of consolidated other comprehensive income	Amount (₹ crore)	As % of consolidated total comprehensive income	Amount (₹ crore)
A.	**Parent**									
	Tata Steel Limited	INR	130.77	1,34,797.51	176.88	15,495.11	(0.72)	100.37	(305.33)	15,595.48
B.	**Subsidiaries**									
a)	**Indian**									
1	Indian Steel & Wire Products Ltd	INR	0.14	144.12	0.02	1.45	0.00	0.62	(0.04)	2.07
2	Tata Steel Utilities and Infrastructure Services Limited	INR	1.07	1,106.70	1.04	90.96	0.04	(5.06)	(1.68)	85.90
3	Haldia Water Management Limited	INR	0.00	(4.54)	0.00	(0.01)	0.00	-	0.00	(0.01)
4	Kalimati Global Shared Services Limited	INR	0.01	7.12	0.03	2.67	0.00	(0.00)	(0.05)	2.67
5	Tata Steel Special Economic Zone Limited	INR	0.44	452.77	(0.06)	(5.17)	0.00	0.00	0.10	(5.17)
6	The Tata Pigments Limited	INR	0.05	48.77	0.14	12.64	0.00	0.00	(0.25)	12.64
7	Adityapur Toll Bridge Company Limited	INR	0.06	63.25	0.09	8.11	0.00	-	(0.16)	8.11
8	Mohar Export Services Pvt. Ltd	INR	0.00	(0.04)	0.00	(0.00)	0.00	-	0.00	(0.00)
9	Rujuvalika Investments Limited	INR	0.13	132.58	0.07	6.00	0.20	(27.12)	0.41	(21.12)
10	Tata Steel Mining Limited (Formerly known as T S Alloys Limited)	INR	0.46	478.91	(3.11)	(272.50)	0.00	0.15	5.33	(272.35)
11	Tata Korf Engineering Services Ltd	INR	0.00	-	0.00	-	0.00	-	0.00	-
12	Tata Metaliks Ltd.	INR	1.53	1,579.47	0.92	80.55	0.01	(1.08)	(1.56)	79.47
13	Tata Steel Long Products Limited	INR	15.56	16,039.31	(12.39)	(1,085.49)	(0.01)	0.80	21.24	(1,084.69)
14	Neelachal Ispat Nigam Limited	INR	10.88	11,217.78	(13.91)	(1,218.31)	0.03	(4.52)	23.94	(1,222.83)
15	Tata Steel International (India) Limited	INR	0.02	22.05	(0.01)	(1.03)	0.01	(1.31)	0.05	(2.34)
16	Tata Steel Downstream Products Limited	INR	3.27	3,366.08	2.81	246.38	0.00	0.55	(4.83)	246.93
17	Tata Steel Advanced Materials Limited	INR	0.06	65.09	(0.01)	(0.53)	0.00	-	0.01	(0.53)
18	Ceramat Private Limited	INR	0.01	15.19	(0.05)	(4.32)	0.00	-	0.08	(4.32)
19	Tata Steel TABB Limited	INR	0.01	14.54	(0.01)	(0.76)	0.00	-	0.01	(0.76)
20	Tayo Rolls Limited	INR	0.00	-	0.00	-	0.00	-	0.00	-
21	The Tinplate Company of India Limited	INR	1.23	1,263.08	1.63	142.82	0.06	(8.85)	(2.62)	133.97
22	Tata Steel Foundation	INR	0.01	13.32	0.09	7.47	0.00	-	(0.15)	7.47
23	Jamshedpur Football and Sporting Private Limited	INR	0.00	3.28	(0.33)	(28.61)	0.00	-	0.56	(28.61)
24	Bhubaneshwar Power Private Limited	INR	0.39	406.79	0.51	44.70	0.00	(0.22)	(0.87)	44.48
25	Angul Energy Limited	INR	0.91	938.60	0.62	53.95	0.00	0.20	(1.06)	54.15
26	Tata Steel Support Services Limited (formerly Bhushan Steel (Orissa) Ltd.)	INR	0.00	1.23	0.00	(0.07)	0.00	0.27	0.00	0.20
27	Bhushan Steel (South) Ltd.	INR	0.00	0.16	0.00	(0.02)	0.00	-	0.00	(0.02)
28	Tata Steel Technical Services Limited (formerly Bhushan Steel (Madhya Bharat) Ltd.)	INR	0.00	2.67	(0.01)	(0.79)	(0.01)	1.12	(0.01)	0.33
29	Creative Port Development Private Limited	INR	0.20	209.58	(0.01)	(0.74)	0.00	0.01	0.01	(0.73)
30	Subarnarekha Port Private Limited	INR	0.22	225.46	(0.11)	(9.61)	0.00	-	0.19	(9.61)
31	S & T Mining Company Limited	INR	0.00	0.24	0.01	1.01	0.00	-	(0.02)	1.01
32	Medica TS Hospital Pvt. Ltd.	INR	0.04	43.84	(0.04)	(3.34)	0.00	0.11	0.06	(3.23)

54. Statement of net assets and profit or loss attributable to owners and non-controlling interest (Contd.)

SL No.	Name of the entity	Reporting currency	Net Assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
			As % of consolidated net assets	Amount (₹ crore)	As % of consolidated profit or (loss)	Amount (₹ crore)	As % of consolidated other comprehensive income	Amount (₹ crore)	As % of consolidated total comprehensive income	Amount (₹ crore)
b)	**Foreign**									
1	ABJA Investment Co. Pte. Ltd.	USD	(0.04)	(36.50)	0.71	62.49	0.00	-	(1.22)	62.49
2	NatSteel Asia Pte. Ltd.	USD	0.00	-	0.00	-	0.00	-	0.00	-
3	T Steel Holdings Pte. Ltd.	USD	23.33	24,044.53	0.15	13.14	0.00	-	(0.26)	13.14
4	T S Global Holdings Pte Ltd.	USD	16.07	16,564.58	(29.17)	(2,555.39)	0.00	-	50.03	(2,555.39)
5	Orchid Netherlands (No.1) B.V.	EUR	0.00	(0.29)	0.00	(0.35)	0.00	-	0.01	(0.35)
6	The Siam Industrial Wire Company Ltd.	THB	1.74	1,796.24	1.92	168.20	0.00	-	(3.29)	168.20
7	TSN Wires Co., Ltd.	THB	0.02	18.55	(0.17)	(14.68)	0.00	-	0.29	(14.68)
8	Tata Steel Europe Limited	GBP	51.50	53,087.14	(0.21)	(18.29)	0.00	-	0.36	(18.29)
9	Apollo Metals Limited	USD	0.06	60.17	0.37	32.60	0.01	(1.85)	(0.60)	30.75
10	00030048 Limited (Formerly British Steel Corporation Limited)	GBP	0.39	401.54	0.00	-	0.00	-	0.00	-
11	British Steel Nederland International B.V.	EUR	0.49	507.34	1.04	91.05	0.00	-	(1.78)	91.05
12	C V Benine	EUR	0.02	19.33	0.00	-	0.00	-	0.00	-
13	Catnic GmbH	EUR	0.08	79.98	0.06	5.17	0.00	-	(0.10)	5.17
14	Catnic Limited	GBP	0.00	(0.62)	0.00	-	0.00	-	0.00	-
15	Tata Steel Mexico SA de CV	USD	0.00	1.63	0.00	0.13	0.00	-	0.00	0.13
16	Cogent Power Limited	GBP	0.28	285.04	0.16	13.96	0.00	-	(0.27)	13.96
17	Corbeil Les Rives SCI	EUR	0.01	5.28	(0.07)	(5.69)	0.00	-	0.11	(5.69)
18	Corby (Northants) & District Water Company Limited	GBP	0.01	6.20	0.00	0.00	0.00	-	0.00	0.00
19	Corus CNBV Investments	GBP	0.00	0.00	0.00	-	0.00	-	0.00	-
20	Corus Engineering Steels (UK) Limited	GBP	0.00	0.00	0.00	-	0.00	-	0.00	-
21	Corus Engineering Steels Limited	GBP	0.00	0.00	0.00	-	0.00	-	0.00	-
22	Corus Group Limited	GBP	10.83	11,161.47	(1.49)	(130.38)	0.00	-	2.55	(130.38)
23	Corus Holdings Limited	GBP	0.01	8.87	0.01	0.97	0.00	-	(0.02)	0.97
24	Corus International (Overseas Holdings) Limited	GBP	5.36	5,522.36	2.62	229.54	0.00	-	(4.49)	229.54
25	Corus International Limited	GBP	3.02	3,112.29	0.00	-	0.00	-	0.00	-
26	Corus International Romania SRL.	RON	0.01	7.20	0.02	1.91	0.00	-	(0.04)	1.91
27	Corus Investments Limited	GBP	0.22	230.61	0.00	-	0.00	-	0.00	-
28	Corus Ireland Limited	EUR	0.01	11.66	0.04	3.38	0.00	-	(0.07)	3.38
29	Corus Liaison Services (India) Limited	GBP	(0.03)	(26.13)	0.00	-	0.00	-	0.00	-
30	Corus Management Limited	GBP	0.40	411.17	0.00	-	0.00	-	0.00	-
31	Corus Property	GBP	0.00	0.00	0.00	-	0.00	-	0.00	-
32	Corus UK Healthcare Trustee Limited	GBP	0.00	0.00	0.00	-	0.00	-	0.00	-
33	Crucible Insurance Company Limited	GBP	0.29	298.75	0.07	5.97	0.00	-	(0.12)	5.97
34	Degels GmbH	EUR	0.03	26.91	(0.01)	(0.81)	(0.02)	2.55	(0.03)	1.74
35	Demka B.V.	EUR	0.08	78.41	0.00	0.24	0.00	-	0.00	0.24
36	00026466 Limited (Formerly known as Firsteel Group Limited)	GBP	0.00	-	(0.01)	(0.97)	0.00	-	0.02	(0.97)
37	Fischer Profil GmbH	EUR	0.10	104.57	0.14	12.38	(0.16)	21.74	(0.67)	34.12
38	Gamble Simms Metals Limited	EUR	0.00	-	0.00	-	0.00	-	0.00	-
39	H E Samson Limited	GBP	0.00	0.00	0.00	-	0.00	-	0.00	-
40	Hadfields Holdings Limited	GBP	(0.01)	(12.71)	0.00	-	0.00	-	0.00	-

NOTES
forming part of the Financial Statements

54. Statement of net assets and profit or loss attributable to owners and non-controlling interest (Contd.)

SL No.	Name of the entity	Reporting currency	Net Assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
			As % of consolidated net assets	Amount (₹ crore)	As % of consolidated profit or (loss)	Amount (₹ crore)	As % of consolidated other comprehensive income	Amount (₹ crore)	As % of consolidated total comprehensive income	Amount (₹ crore)
41	Halmstad Steel Service Centre AB	SEK	0.16	161.85	0.05	4.33	0.00	-	(0.08)	4.33
42	Hille & Muller GmbH	EUR	0.25	253.49	0.08	6.97	(0.20)	27.77	(0.68)	34.74
43	Hille & Muller USA Inc.	USD	0.12	122.74	0.05	4.73	0.00	-	(0.09)	4.73
44	Hoogovens USA Inc.	USD	0.84	870.95	2.60	227.91	0.00	-	(4.46)	227.91
45	Huizenbezit "Breesaap" B.V.	EUR	(0.01)	(9.16)	0.00	0.08	0.00	-	0.00	0.08
46	Inter Metal Distribution SAS	EUR	0.00	(0.00)	0.28	24.76	0.57	(78.58)	1.05	(53.82)
47	Layde Steel S.L.	EUR	0.12	119.66	(0.57)	(49.77)	0.00	-	0.97	(49.77)
48	London Works Steel Company Limited	GBP	(0.10)	(104.79)	0.00	-	0.00	-	0.00	-
49	Montana Bausysteme AG	CHF	0.19	191.84	0.58	50.44	(0.08)	10.91	(1.20)	61.35
50	Naantali Steel Service Centre OY	EUR	0.04	38.68	(0.50)	(43.45)	0.00	-	0.85	(43.45)
51	Norsk Stal Tynnplater AS	NOK	0.05	55.90	0.15	13.45	0.00	-	(0.26)	13.45
52	Norsk Stal Tynnplater AB	NOK	0.03	28.94	0.03	2.60	0.00	-	(0.05)	2.60
53	Oremco Inc.	USD	0.00	-	0.00	-	0.00	-	0.00	-
54	Rafferty-Brown Steel Co Inc Of Conn.	USD	0.02	24.10	(0.02)	(1.93)	0.00	-	0.04	(1.93)
55	S A B Profiel B.V.	EUR	0.28	287.99	2.74	240.28	0.00	-	(4.70)	240.28
56	S A B Profil GmbH	EUR	0.15	149.87	0.84	73.51	0.00	-	(1.44)	73.51
57	Service Center Gelsenkirchen GmbH	EUR	0.25	257.47	0.37	32.26	(0.10)	13.54	(0.90)	45.80
58	Service Centre Maastricht B.V.	EUR	0.29	303.27	(0.22)	(19.69)	0.00	-	0.39	(19.69)
59	Societe Europeenne De Galvanisation (Segal) Sa	EUR	0.14	144.29	0.24	21.28	0.00	-	(0.42)	21.28
60	Staalverwerking en Handel B.V.	EUR	0.00	-	4.07	356.43	(8.02)	1,112.44	(28.76)	1,468.87
61	Surahammar Bruks AB	SEK	0.05	54.15	(0.15)	(13.52)	(0.06)	7.98	0.11	(5.54)
62	Swinden Housing Association Limited	GBP	0.01	13.94	0.00	0.28	0.00	-	(0.01)	0.28
63	Tata Steel Belgium Packaging Steels N.V.	EUR	0.16	168.84	0.09	7.73	0.00	-	(0.15)	7.73
64	Tata Steel Belgium Services N.V.	EUR	0.24	244.52	0.04	3.62	0.00	-	(0.07)	3.62
65	Tata Steel France Batiment et Systemes SAS	EUR	0.00	-	0.00	-	(0.87)	121.23	(2.37)	121.23
66	Tata Steel France Holdings SAS	EUR	0.85	874.90	0.26	22.96	(0.02)	2.29	(0.49)	25.25
67	Tata Steel Germany GmbH	EUR	0.85	879.38	1.01	88.32	(0.07)	9.96	(1.92)	98.28
68	Tata Steel IJmuiden BV	EUR	29.02	29,917.60	32.37	2,835.90	3.27	(453.37)	(46.65))	2,382.53
69	Tata Steel International (Americas) Holdings Inc	USD	(0.60)	(614.69)	(0.39)	(34.05)	0.00	-	0.67	(34.05)
70	Tata Steel International (Americas) Inc	USD	1.30	1,340.55	1.57	137.72	0.00	-	(2.70)	137.72
71	Tata Steel International (Czech Republic) S.R.O	CZK	0.02	18.10	0.12	10.71	0.00	-	(0.21)	10.71
72	Tata Steel International (France) SAS	EUR	0.03	32.53	0.10	8.37	0.00	-	(0.16)	8.37
73	Tata Steel International (Germany) GmbH	EUR	0.01	13.43	0.00	(0.16)	(0.02)	2.80	(0.05)	2.64
74	Tata Steel International (South America) Representações LTDA	USD	0.00	2.78	0.00	0.26	0.00	-	(0.01)	0.26
75	Tata Steel International (Italia) SRL	EUR	0.04	43.39	0.21	18.46	0.00	-	(0.36)	18.46
76	Tata Steel International (Middle East) FZE	AED	0.12	127.23	0.00	0.21	0.00	-	0.00	0.21
77	Tata Steel International Limited	NGN	0.00	-	0.00	-	0.00	-	0.00	-
78	Tata Steel International (Poland) sp Zoo	PLZ	0.02	25.72	0.09	7.71	0.00	-	(0.15)	7.71
79	Tata Steel International (Sweden) AB	SEK	0.06	58.82	0.39	34.28	0.00	-	(0.67)	34.28
80	Tata Steel International Iberica SA	EUR	0.08	79.39	0.39	34.31	0.00	-	(0.67)	34.31
81	Tata Steel Istanbul Metal Sanayi ve Ticaret AS	USD	0.05	55.47	0.02	1.64	0.00	-	(0.03)	1.64

54. Statement of net assets and profit or loss attributable to owners and non-controlling interest (Contd.)

SL No.	Name of the entity	Reporting currency	Net Assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
			As % of consolidated net assets	Amount (₹ crore)	As % of consolidated profit or (loss)	Amount (₹ crore)	As % of consolidated other comprehensive income	Amount (₹ crore)	As % of consolidated total comprehensive income	Amount (₹ crore)
82	Tata Steel Maubeuge SAS	EUR	0.51	524.57	(0.62)	(54.57)	(0.44)	60.47	(0.12)	5.90
83	Tata Steel Nederland BV	EUR	12.73	13,127.17	(0.45)	(39.54)	7.53	(1,043.97)	21.21	(1,083.51)
84	Tata Steel Nederland Consulting & Technical Services BV	EUR	0.03	26.67	0.00	0.04	0.00	-	0.00	0.04
85	Tata Steel Nederland Services BV	EUR	(0.10)	(105.98)	(0.23)	(19.80)	0.00	-	0.39	(19.80)
86	Tata Steel Nederland Technology BV	EUR	0.69	708.24	0.11	9.91	0.00	-	(0.19)	9.91
87	Tata Steel Nederland Tubes BV	EUR	0.06	65.97	(1.56)	(136.62)	0.00	-	2.67	(136.62)
88	Tata Steel Netherlands Holdings B.V.	EUR	36.98	38,124.71	(5.50)	(481.62)	0.00	-	9.43	(481.62)
89	Tata Steel Norway Byggsystemer A/S	NOK	0.11	114.51	0.20	17.27	0.00	-	(0.34)	17.27
90	Tata Steel UK Consulting Limited	GBP	(0.01)	(6.51)	0.00	0.06	0.00	-	0.00	0.06
91	Tata Steel UK Holdings Limited	GBP	47.76	49,233.12	0.01	0.51	0.00	-	(0.01)	0.51
92	Tata Steel UK Limited	GBP	3.93	4,046.01	(76.65)	(6,715.24)	56.92	(12,053.52)	367.46	(18,768.76)
93	Tata Steel USA Inc.	USD	0.06	66.12	0.00	(0.38)	0.00	-	0.01	(0.38)
94	The Newport And South Wales Tube Company Limited	GBP	0.01	5.75	0.00	-	0.00	-	0.00	-
95	Thomas Processing Company	USD	0.15	157.77	(0.18)	(15.76)	0.00	-	0.31	(15.76)
96	Thomas Steel Strip Corp.	USD	(0.06)	(57.17)	0.77	67.13	0.02	(3.04)	(1.25)	64.09
97	TS South Africa Sales Office Proprietary Limited	ZAR	0.01	7.55	0.05	3.98	0.00	-	(0.08)	3.98
98	Tulip UK Holdings (No.2) Limited	GBP	52.83	54,453.21	0.00	-	0.00	-	0.00	-
99	Tulip UK Holdings (No.3) Limited	GBP	52.94	54,574.21	0.00	-	0.00	-	0.00	-
100	UK Steel Enterprise Limited	GBP	0.22	228.35	0.05	4.56	0.00	-	(0.09)	4.56
101	Unitol SAS	EUR	0.12	126.41	0.14	11.87	(0.01)	1.28	(0.26)	13.15
102	Fischer Profil Produktions -und-Vertriebs - GmbH	EUR	0.00	0.61	0.00	0.39	0.00	-	(0.01)	0.39
103	Al Rimal Mining LLC	OMR	0.02	20.89	0.16	14.17	0.00	-	(0.28)	14.17
104	TSMUK Limited	USD	4.33	4,458.61	0.00	0.25	0.00	-	0.00	0.25
105	T S Canada Capital Ltd	USD	0.03	35.39	(0.01)	(0.65)	0.00	-	0.01	(0.65)
106	Tata Steel Minerals Canada Limited	USD	(1.18)	(1,220.17)	(12.70)	(1,112.66)	0.00	-	21.78	(1,112.66)
107	Tata Steel (Thailand) Public Company Limited	THB	3.11	3,205.62	0.78	67.97	0.00	(0.49)	(1.32)	67.48
108	Tata Steel Manufacturing (Thailand) Public Company Limited (formerly N.T.S Steel Group Public Limited Company)	THB	2.27	2,337.92	1.85	161.99	0.14	(18.82)	(2.80)	143.17
109	T S Global Procurement Company Pte. Ltd.	USD	1.52	1,565.35	(1.46)	(127.53)	0.00	-	2.50	(127.53)
110	TS Asia (Hong Kong) Ltd.	USD	0.00	-	0.00	(0.03)	0.00	-	0.00	(0.03)
111	Tata Steel International (Shanghai) Ltd.	CNY	0.01	6.26	0.01	0.70	0.00	-	(0.01)	0.70
112	Bhushan Steel (Australia) PTY Ltd.	AUD	0.00	3.98	0.00	(0.29)	0.00	-	0.01	(0.29)
113	Bowen Energy PTY Ltd.	AUD	0.00	0.00	0.00	(0.00)	0.00	-	0.00	(0.00)
114	Bowen Coal PTY Ltd.	AUD	0.00	0.00	0.00	-	0.00	-	0.00	-
C.	**Joint Ventures**									
a)	**Indian**									
1	mjunction services limited	INR	0.15	150.16	0.42	36.66	0.00	(0.07)	(0.72)	36.59
2	Tata NYK Shipping (India) Pvt. Ltd.	INR	0.00	3.43	0.01	0.51	0.00	-	(0.01)	0.51
3	TM International Logistics Limited	INR	0.13	130.80	0.32	27.94	0.00	0.21	(0.55)	28.15
4	TKM Global Logistics Limited	INR	0.02	16.52	0.15	13.44	0.00	0.04	(0.26)	13.48

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54. Statement of net assets and profit or loss attributable to owners and non-controlling interest (Contd.)

SL No.	Name of the entity	Reporting currency	Net Assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
			As % of consolidated net assets	Amount (₹ crore)	As % of consolidated profit or (loss)	Amount (₹ crore)	As % of consolidated other comprehensive income	Amount (₹ crore)	As % of consolidated total comprehensive income	Amount (₹ crore)
5	Industrial Energy Limited	INR	0.27	281.79	0.34	30.13	0.00	0.02	(0.59)	30.15
6	Andal East Coal Company Pvt. Ltd.	INR	0.00	-	0.00	-	0.00	-	0.00	-
7	Naba Diganta Water Management Limited	INR	0.02	24.25	0.06	5.64	0.00	0.00	(0.11)	5.64
8	Jamipol Ltd.	INR	0.06	62.42	0.14	12.41	0.00	(0.16)	(0.24)	12.25
9	Nicco Jubilee Park Limited	INR	0.00	-	0.00	-	0.00	-	0.00	-
10	Himalaya Steel Mills Services Private Limited	INR	0.01	7.95	0.03	2.88	0.00	0.00	(0.06)	2.88
11	Tata BlueScope Steel Private Limited	INR	0.74	760.82	1.59	139.43	0.00	(0.44)	(2.74)	139.87
12	Jamshedpur Continuous Annealing & Processing Company Private Limited	INR	0.81	832.41	1.39	121.79	0.00	(0.00)	(2.38)	121.79
b)	**Foreign**									
1	Tata NYK Shipping Pte Ltd.	USD	0.14	145.46	0.02	1.86	0.13	(18.64)	0.33	(16.78)
2	International Shipping and Logistics FZE	USD	0.19	194.11	0.30	26.42	0.00	0.23	(0.52)	26.65
3	TKM Global China Ltd	CNY	0.00	3.75	0.01	0.70	0.00	-	(0.01)	0.70
4	TKM Global GmbH	EUR	0.09	94.51	0.03	2.99	0.00	-	(0.06)	2.99
5	Air Products Llanwern Limited	GBP	0.01	9.87	0.02	2.06	0.00	-	(0.04)	2.06
6	Laura Metaal Holding B.V.	EUR	0.18	185.48	0.01	1.01	0.00	-	(0.02)	1.01
7	Ravenscraig Limited	GBP	(0.08)	(82.08)	(0.08)	(6.67)	0.00	-	0.13	(6.67)
8	Tata Steel Ticaret AS	TRY	0.01	13.01	0.16	14.12	0.00	-	(0.28)	14.12
9	Texturing Technology Limited	GBP	0.02	25.03	0.05	4.49	0.00	-	(0.09)	4.49
10	Hoogovens Court Roll Service Technologies VOF	EUR	0.01	12.64	(0.02	(2.01)	0.00	-	0.04	(2.01)
11	Minas De Benga (Mauritius) Limited	USD	(1.00)	(1,030.84)	0.51	44.74	0.00	-	(0.88)	44.74
12	BlueScope Lysaght Lanka (Pvt) Ltd	LKR	0.01	9.85	0.03	2.74	0.00	-	(0.05)	2.74
C)	**Associates**									
a)	**Indian**									
1	Kalinga Aquatics Ltd.	INR	0.00	-	0.00	-	0.00	-	0.00	-
2	Kumardhubi Fireclay & Silica Works Ltd.	INR	0.00	-	0.00	-	0.00	-	0.00	-
3	Kumardhubi Metal Casting and Engineering Limited	INR	0.00	-	0.00	-	0.00	-	0.00	-
4	Strategic Energy Technology Systems Private Limited	INR	0.00	-	0.00	-	0.00	-	0.00	-
5	Tata Construction & Projects Ltd.	INR	0.00	-	0.00	-	0.00	-	0.00	-
6	TRF Limited	INR	0.01	6.51	0.34	29.93	0.00	(0.16)	(0.58)	29.77
7	Malusha Travels Pvt Ltd.	INR	0.00	-	0.00	-	0.00	-	0.00	-
8	Bhushan Capital & Credit Services Private Limited	INR	0.00	-	0.00	-	0.00	-	0.00	-
9	Jawahar Credit & Holdings Private Limited	INR	0.00	-	0.00	-	0.00	-	0.00	-
b)	**Foreign**									
1	TRF Singapore Pte Limited	SGD	0.02	20.78	0.00	(0.23)	0.00	-	0.00	(0.23)
2	TRF Holding Pte Limited	USD	0.00	0.01	0.00	0.15	0.00	-	0.00	0.15
3	Dutch Lanka Trailer Manufacturers Limited	USD	0.02	16.57	0.03	2.82	0.00	(0.03)	(0.05)	2.79
4	Dutch Lanka Engineering (Private) Limited	LKR	0.00	(0.86)	(0.01)	(0.67)	0.00	(0.01)	0.01	(0.68)
5	European Profiles (M) Sdn. Bhd.	MYR	0.01	12.57	0.00	(0.25)	0.00	-	0.00	(0.25)

54. Statement of net assets and profit or loss attributable to owners and non-controlling interest (Contd.)

SL No.	Name of the entity	Reporting currency	Net Assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
			As % of consolidated net assets	Amount (₹ crore)	As % of consolidated profit or (loss)	Amount (₹ crore)	As % of consolidated other comprehensive income	Amount (₹ crore)	As % of consolidated total comprehensive income	Amount (₹ crore)
6	GietWalsOnderhoudCombinatie B.V.	EUR	0.02	23.13	0.04	3.64	0.00	-	(0.07)	3.64
7	Hoogovens Gan Multimedia S.A. De C.V.	MXN	0.00	-	0.00	-	0.00	-	0.00	-
8	ISSB Limited	GBP	0.00	-	0.00	-	0.00	-	0.00	-
9	Wupperman Staal Nederland B.V.	EUR	0.12	127.90	0.06	5.17	0.00	-	(0.10)	5.17
10	Fabsec Limited	GBP	0.00	-	0.00	-	0.00	-	0.00	-
11	9336-0634 Québec Inc	CAD	0.00	-	0.00	-	0.00	-	0.00	-
E.	**Adjustment due to consolidation**		(437.98)	(4,51,474.61)	11.35	994.43	11.88	(1,647.35)	12.78	(652.92)
	Total		**100.00**	**1,03,082.10**	**100.00**	**8,760.40**	**100.00**	**(13,868.14)**	**100.00**	**(5,107.74)**
F.	**Minority interests in subsidiaries**									
a)	**Indian subsidiaries**									
1	The Tinplate Company of India Limited	INR		316.30		35.76		(2.22)		33.54
2	Indian Steel & Wire Products Ltd	INR		7.20		0.07		0.03		0.10
3	Tata Metaliks Ltd.	INR		631.26		32.19		(0.43)		31.76
4	Adityapur Toll Bridge Company Limited	INR		7.27		0.93		-		0.93
5	Tata Steel Long Products Limited	INR		353.90		(597.02)		(1.87)		(598.89)
6	Creative Port Development Private Limited	INR		197.81		(7.06)		0.00		(7.06)
7	Mohar Export Services Pvt. Ltd	INR		(0.01)		-		-		-
8	Haldia Water Management Limited	INR		23.33		(0.00)		-		(0.00)
9	Ceramat Private Limited	INR		(0.44)		(0.43)		-		(0.43)
10	Medica TS Hospital Pvt. Ltd.	INR		9.09		(1.64)		0.03		(1.61)
11	Angul Energy Limited	INR		0.09		0.01		-		0.01
b)	**Foreign subsidiaries**									
1	Tata Steel (Thailand) Public Company Limited	THB		718.26		50.26		30.67		80.93
2	Al Rimal Mining LLC	OMR		8.42		3.62		0.22		3.84
3	Tata Steel Europe Limited	GBP		7.86		(0.71)		(1.40)		(2.11)
4	Tata Steel Minerals Canada Limited	USD		(194.99)		(195.46)		(6.32)		(201.78)
5	TSN Wires Co., Ltd.	THB		7.76		(5.56)		0.37		(5.20)
	Total non-controlling interests in subsidiaries			2,093.11		(685.05)		19.07		(665.98)
	Consolidated net assets/profit after tax			**1,05,175.21**		**8,075.35**		**(13,849.07)**		**(5,773.72)**

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forming part of the Financial Statements

(i) List of subsidiaries, associates and joint ventures which are not required to be consolidated and reasons for not consolidating:

SL No.	Name	Reason
1	Tayo Rolls Limited	Company is undergoing Corporate Insolvency Resolution Process under the Insovency and Bankruptcy Code, 2016.
2	Tata Korf Engineering Services Ltd.	Financial information are not available
3	Tata Steel Sweden Byggsystem AB	Under liquidation
4	Tata Steel Denmark Byggsystemer A/S	Under liquidation
5	The Siam Construction Steel Company Limited	Under liquidation
6	The Siam Iron and Steel (2001) Company Limited	Under liquidation
7	British Steel Directors (Nominees) Limited	Under liquidation
8	Orb Electrical Steels Limited	Under liquidation
9	Nicco Jubilee Park Limited	Financial information are not available
10	9336-0634 Québec Inc	Financial information are not available
11	Andal East Coal Company Pvt. Ltd.	Entity under liquidation
12	Kalinga Aquatics Ltd.	Entity under liquidation
13	Kumardhubi Fireclay & Silica Works Ltd.	Entity under liquidation
14	Kumardhubi Metal Casting and Engineering Limited	Entity under liquidation
15	Tata Construction & Projects Ltd.	Entity under liquidation
16	Fabsec Limited	The operations of the companies are not significant and hence are immaterial for consolidation
17	Hoogovens Gan Multimedia S.A. De C.V.	The operations of the companies are not significant and hence are immaterial for consolidation
18	ISSB Limited	The operations of the companies are not significant and hence are immaterial for consolidation
19	Bhushan Capital & Credit Services Private Limited	Tata Steel BSL Limited (TSBSL) (earlier known as Bhushan Steel Limited), an erstwhile subsidiary (acquired through the corporate insolvency resolution process) which amalgamated with the Company during the year ended March, 2022 was being identified as the promoter of Jawahar Credit & Holdings Private Limited (JCHPL) and Bhushan Capital & Credit Services Private Limited (BCCSPL). These entities were connected to the previous management of erstwhile TSBSL, before acquisition of TSBSL by the Company (through Bamnipal Steel Limited) in May 2018.
20	Jawahar Credit & Holdings Private Limited	TSBSL had written to JCHPL, BCCSPL and the Registrar of Companies (National Capital Territory of Delhi & Haryana) intimating that TSBSL should not be identified as promoter of these two companies; accordingly, legally, neither erstwhile TSBSL nor the Company had any visibility or control over the operations of these two companies nor currently exercises any influence on these entities.

(ii) The Group is continuing with its focus on simplifying the corporate structure which saw a significant number of entities enter into voluntary liquidation in the previous and current year. There remains an objective to simplify the structure further by dissolving additional entities which are either dormant or have ceased to have business operations.

In terms of our report attached

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

sd/-
Subramanian Vivek
Partner
Membership Number 100332

Mumbai, May 2, 2023

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
DIN: 00024713

sd/-
O. P. Bhatt
Independent Director
DIN: 00548091

sd/-
Deepak Kapoor
Independent Director
DIN: 00162957

sd/-
Farida Khambata
Independent Director
DIN: 06954123

sd/-
V. K. Sharma
Independent Director
DIN: 02449088

sd/-
Bharti Gupta Ramola
Independent Director
DIN: 00356188

sd/-
Saurabh Agrawal
Non-Executive Director
DIN: 02144558

sd/-
T. V. Narendran
Chief Executive Officer & Managing Director
DIN: 03083605

sd/-
Koushik Chatterjee
Executive Director & Chief Financial Officer
DIN: 00004989

sd/-
Parvatheesam Kanchinadham
Company Secretary & Chief Legal Officer (Corporate & Compliance)
ACS: 15921

NOTICE

Notice is hereby given that the 116th Annual General Meeting of the Members of Tata Steel Limited will be held on Wednesday, July 5, 2023, at 3.00 p.m. (IST) through Video Conferencing/ Other Audio-Visual Means, to transact the following business:

Ordinary Business:

Item No. 1 - Adoption of Audited Standalone Financial Statements

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon.

Item No. 2 - Adoption of Audited Consolidated Financial Statements

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023, together with the Report of the Auditors thereon.

Item No. 3 - Declaration of Dividend

To declare dividend of ₹3.60/- per Ordinary (equity) Share of face value ₹1/- each for the Financial Year 2022-23.

Item No. 4 - Re-appointment of a Director

To appoint a Director in the place of Mr. N. Chandrasekaran (DIN: 00121863), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, seeks re-appointment.

Special Business:

Item No. 5 - Ratification of Remuneration of Cost Auditors

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

"**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹30 lakh (Rupees Thirty lakh only) plus applicable taxes and reimbursement of out-of-pocket expenses payable to Messrs Shome & Banerjee, Cost Accountants (Firm Registration Number - 000001), who have been appointed by the Board of Directors on the recommendation of the Audit Committee, as the Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company for the Financial Year ending March 31, 2024.

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

Item No. 6 - Material Related Party Transaction(s) with Tata Metaliks Limited - Financial Transaction

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

"**RESOLVED THAT** pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('**SEBI Listing Regulations**'), the applicable provisions of the Companies Act, 2013 ('**Act**'), if any, read with related rules, if any, each as amended from time to time, and the Company's Policy on Related Party Transaction(s), the approval of the Members be and is hereby accorded to the Board of Directors of Company (hereinafter referred to as the '**Board**', which term shall be deemed to include any Committee constituted/empowered/to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to continue with the existing contract(s)/ arrangement(s)/transaction(s) and/or enter into and/or carry out new contract(s)/arrangement(s)/transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the statement, with Tata Metaliks Limited ('**TML**'), a listed subsidiary of Tata Steel Limited ('**Company**') and accordingly a related party of the Company under Regulation 2(1)(zb) of SEBI Listing Regulations, on such terms and conditions as may be agreed between the Company and TML, for an aggregate value of up to ₹800 crore, to be entered during FY2023-24, for providing inter-corporate deposits of revolving nature and/or providing Company's non-fund based banking facility, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental/regulatory authorities, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer or Company Secretary or any other Officer(s), or Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects."

Item No. 7 - Material Related Party Transaction(s) between Tata Steel Minerals Canada Ltd., an indirect subsidiary of Tata Steel Limited and IOC Sales Limited, a third party, to benefit Tata Steel UK Limited, a subsidiary of Tata Steel Limited via T S Global Procurement Company Pte. Ltd., an indirect wholly-owned subsidiary of Tata Steel Limited

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

"RESOLVED THAT pursuant to Regulation 23(4), and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('**SEBI Listing Regulations**'), the applicable provisions of the Companies Act, 2013 ('**Act**'), if any, read with related rules, if any, each as amended from time to time, and the Company's Policy on Related Party Transaction(s), the approval of the Members be and is hereby accorded to the related party contract(s)/arrangement(s)/transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the statement, proposed to be entered into between Tata Steel Minerals Canada Ltd. ('**TSMC**'), an indirect subsidiary of Tata Steel Limited ('**Company**') and accordingly, a related party under Regulation 2(1)(zb) of the SEBI Listing Regulations and IOC Sales Limited ('**IOC Sales**'), a third party, *inter alia,* to benefit Tata Steel UK Limited, ('**TSUK**') an indirect wholly-owned subsidiary of the Company via T S Global Procurement Company Pte. Ltd. ('**TSGPL**'), an indirect wholly-owned subsidiary of the Company (both, related parties under Regulation 2(1)(zb) of the SEBI Listing Regulations), on such terms and conditions as may be agreed between TSMC, TSGPL and IOC Sales, for an aggregate transaction value of up to ₹1,200 crore, for purchase and sale of raw materials and other transactions for business, to be entered during FY2023-24, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of TSMC, TSGPL, TSUK and IOC Sales."

Item No. 8 - Material Related Party Transaction(s) with Tata Motors Limited and Poshs Metal Industries Private Limited, a third party

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

"RESOLVED THAT pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('**SEBI Listing Regulations**'), the applicable provisions of the Companies Act, 2013 ('**Act**'), if any, read with related rules, if any, each as amended from time to time, and the Company's Policy on Related Party Transaction(s), the approval of the Members be and is hereby accorded to the Board of Directors of Company (hereinafter referred to as the '**Board**', which term shall be deemed to include any Committee constituted/empowered/to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to continue with the existing contract(s)/arrangement(s)/transaction(s) and/or enter into and/or carry out new contract(s)/arrangement(s)/transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the statement with Tata Motors Limited ('**Tata Motors**'), an associate company of Tata Sons Private Limited [Promoter company of Tata Steel Limited ('**Company**')], a related party of the Company under Regulation 2(1)(zb) of the SEBI Listing Regulations, and/or with Poshs Metal Industries Private Limited, ('**Poshs**') a third party to serve the ancillary entities of Tata Motors as provided in the statement, *inter alia*, to benefit Tata Motors, on such terms and conditions as may be agreed between the Company and Tata Motors and/or Poshs, for an aggregate value of up to ₹1,040 crore (directly with Tata Motors for an amount up to ₹690 crore and through third party, viz. Poshs for an amount up to ₹350 crore), for purchase and sale of goods, receiving and rendering of services and other transactions for business, to be entered during FY2023-24, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental/regulatory authorities, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer or Company Secretary or any other Officer(s), Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects."

Item No. 9 - Material Related Party Transaction(s) between Tata Steel Downstream Products Ltd, a wholly-owned subsidiary of Tata Steel Limited and ancillary entities of Tata Motors Limited to benefit Tata Motors Limited, a related party of Tata Steel Limited

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

"**RESOLVED THAT** pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('**SEBI Listing Regulations**'), the applicable provisions of the Companies Act, 2013 ('**Act**'), if any, read with related rules, if any, each as amended from time to time, and the Company's Policy on Related Party Transaction(s), the approval of the Members be and is hereby accorded to the related party contract(s)/arrangement(s)/transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the statement, proposed to be entered into between, Tata Steel Downstream Products Ltd. ('**TSDPL**'), a wholly-owned subsidiary of Tata Steel Limited ('**Company**') and accordingly, a related party under Regulation 2(1)(zb) of the SEBI Listing Regulations and any of the ancillary entities of Tata Motors Limited ('**Tata Motors**'), a part of the Promoter Group of Tata Steel Limited as well as an indirect associate company of Tata Sons Private Limited [Promoter company of Tata Steel Limited], (related party under Regulation 2(1)(zb) of the SEBI Listing Regulations), as provided in the statement, *inter alia,* to benefit Tata Motors, on such terms and conditions as may be agreed between TSDPL, Tata Motors and ancillary entities of Tata Motors, for an aggregate value of up to ₹3,200 crore, for purchase and sale of steel products and other transactions for business, to be entered during FY2023-24, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of TSDPL, Tata Motors and ancillary entities of Tata Motors."

Item No. 10 - Appointment of Dr. Shekhar C. Mande (DIN: 10083454) as an Independent Director

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

"**RESOLVED THAT** Dr. Shekhar C. Mande (DIN: 10083454) who was appointed as an Additional Director (Non-Executive, Independent) of the Company effective June 1, 2023, by the Board of Directors of the Company, in terms of Section 161 of the Companies Act, 2013 ('**Act**') read with related rules (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force) and Article 121 of the Articles of Association of the Company, and who is eligible for appointment and who has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149 and 152 of the Act, read with Schedule IV and other applicable provisions of the Act (including any statutory modification(s), amendment(s), or re-enactment(s) thereof, for the time being in force), the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended and Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**SEBI Listing Regulations**'), each as amended, and the Articles of Association of the Company, the appointment of Dr. Shekhar C. Mande (DIN:10083454), who meets the criteria of independence as provided in Section 149(6) of the Act and the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, and who has submitted a declaration to that effect, and who is eligible for appointment, be and is hereby appointed, as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) years commencing June 1, 2023 through May 31, 2028 (both days inclusive)."

NOTES:

(a) The Statement, pursuant to Section 102 of the Companies Act, 2013, as amended ('**Act**') setting out material facts concerning the business with respect to Item Nos. 5 to 10 forms part of this Notice. Additional information, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('**SEBI Listing Regulations**') and Secretarial Standard - 2 on General Meetings, issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking appointment/ re-appointment at this Annual General Meeting ('**Meeting'** or **'AGM**') is furnished as **Annexure 1** to this Notice.

(b) The Ministry of Corporate Affairs ('**MCA**'), *inter-alia,* vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 (collectively referred to as '**MCA Circulars**') has permitted the holding of the AGM through Video Conferencing ('**VC**') or through Other Audio-Visual Means ('**OAVM**'), **without the physical presence of the Members at a common venue**.

Further, Securities and Exchange Board of India ('**SEBI**'), vide its Circulars dated May 12, 2020, January 15, 2021, May 13, 2022 and January 5, 2023 ('**SEBI Circulars**') and other applicable circulars issued in this regard, have provided relaxations from compliance with certain provisions of the SEBI Listing Regulations.

In compliance with the applicable provisions of the Act, SEBI Listing Regulations and MCA Circulars, the 116th AGM of the Company is being held through VC/OAVM on Wednesday, July 5, 2023, at 3:00 p.m. (IST). The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company situated at Bombay House, 24, Homi Mody Street, Fort, Mumbai – 400 001.

(c) **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON THEIR BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**

(d) The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on the National Securities Depository Limited's ('**NSDL**') e-Voting website at www.evoting.nsdl.com The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars.

(e) Institutional/corporate shareholders (i.e., other than individuals, HUF, NRI, etc.), are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authorisation etc., authorising their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-Voting. The said Resolution/Authorisation shall be sent by e-mail on Scrutinizer's e-mail address at tsl.scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in Corporate Members/Institutional shareholders (i.e. other than individuals, HUFs, NRIs etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on the "Upload Board Resolution/Authority Letter" displayed under the "e-Voting" tab in their login.

(f) The Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

(g) In case of joint holders attending the AGM, only such joint holder who is higher in the order of the names as per the Register of Members of the Company, as of the cut-off date, will be entitled to vote at the Meeting.

(h) In accordance with the aforesaid MCA Circulars and the relevant SEBI Circulars, the Notice of the AGM along with the Integrated Report & Annual Accounts 2022-23 are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. The Company shall send the physical copy of Integrated Report & Annual Accounts 2022-23 to those Members who request the same at cosec@tatasteel.com or csg-annualreports@tcplindia.co.in mentioning their Folio No./DP ID and Client ID. The Notice convening the 116th AGM along with the Integrated Report & Annual Accounts 2022-23 will also be available on the website of the Company at www.tatasteel.com, websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the website of NSDL at www.evoting.nsdl.com

(i) Book Closure and Dividend:

The Register of Members and Share Transfer Books of the Company will be closed from **Friday, June 23, 2023** to **Wednesday, July 5, 2023 (both days inclusive)** for the purpose of payment of dividend and AGM for FY2022-23.

The dividend of ₹3.60/- per Ordinary (equity) Share of ₹1/- each (360%), if approved by the Members at the AGM, will be paid subject to deduction of income-tax at source ('**TDS**') on and from **Monday, July 10, 2023** as under:

- **In respect of Ordinary shares held in physical form:** To all the Members, whose names are on the Company's Register of Members, after giving effect to valid transmission and transposition requests lodged with the Company, as on the close of business hours of **Thursday, June 22, 2023**.
- **In respect of Ordinary Shares held in electronic form:** To all beneficial owners of the shares, as of end of day on **Thursday, June 22, 2023**, as per details furnished by the Depositories for this purpose.

The Members who are unable to receive the dividend directly in their bank account through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the Warrant/Bankers' Cheque/Demand Draft to such Members.

Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders effective April 1, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at the rates prescribed in the Income Tax Act, 1961 ('**the IT Act**'). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential status, PAN, Category as per the IT Act with their Depository Participants ('**DPs**') or in case shares are held in physical form, with the Company/Registrars and Transfer Agents ('**RTA**') by sending documents through e-mail on or before **Friday, June 16, 2023** to enable the Company to determine the appropriate TDS/withholding tax rate applicable, verify the documents and provide exemption. For the detailed process, please click here: https://www.tatasteel.com/media/18027/bsense.pdf and also refer to the e-mail being sent to members in this regard.

Updation of mandate for receiving dividend directly in bank account through Electronic Clearing System or any other means in a timely manner:

Shares held in physical form: Members are requested to send the following details/documents to the Company's Registrars and Transfer Agent ('**RTA**'), viz. TSR Consultants Private Limited, at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai -400 083, latest by **Friday, June 16, 2023**:

- Form No. ISR-1 duly filled and signed by the holders stating their name, folio number, complete address with pincode, and the following details relating to the bank account in which the dividend is to be received. The said form is available on the website of the Company at https://www.tatasteel.com/investors/investor-information/forms/ and on the website of the RTA at https://tcplindia.co.in/kyc-download.html
  - i) Name of Bank and Bank Branch;
  - ii) Bank Account Number;
  - iii) 11-digit IFSC Code; and
  - iv) 9-digit MICR Code.
- Original copy of cheque bearing the name of the Member or first holder, in case shares are held jointly. In case, name of the holder is not available on the cheque, kindly submit the following documents:
  - i) Cancelled cheque in original
  - ii) Bank attested legible copy of the first page of the Bank Passbook/Bank Statement bearing the names of the account holders, address, same bank account number and type as on the cheque leaf and full address of the bank branch;

- Self-attested copy of the PAN Card; and
- Self-attested copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

Further, Members are requested to refer to process detailed on https://tcplindia.co.in/home-KYC.html and proceed accordingly.

Shares held in electronic form: Members may please note that their bank details as furnished by the respective DPs to the Company will be considered for remittance of dividend as per the applicable regulations of the DPs and the Company will not be able to accede to any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to ensure that their Electronic Bank Mandate is updated with their respective DPs by **Thursday, June 22, 2023**.

Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form.

(j) **Nomination facility:** As per the provisions of Section 72 of the Act, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No. SH-13. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the same in Form ISR-3 or Form SH-14, as the case may be.

The said forms can be downloaded from the Company's website at https://www.tatasteel.com/investors/investor-information/forms/ Members are requested to submit the said form to their DPs in case the shares are held in electronic form and to the RTA at csg-unit@tcplindia.co.in in case the shares are held in physical form, quoting their folio no(s).

(k) In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, the Company had stopped accepting any fresh transfer requests for securities held in physical form. Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialisation.

(l) Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in demat form only, while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the weblink at https://www.tatasteel.com/investors/investor-information/forms/ and on the website of the Company's RTA at https://www.tcplindia.co.in/. It may be noted that any service request can be processed only after the folio is KYC compliant.

(m) Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('**IEPF**'). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their unpaid/unclaimed dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in Form No. IEPF-5 available on www.iepf.gov.in The attention of Members is particularly drawn to the Corporate Governance Report forming part of the Integrated Report 2022-23 in respect of unclaimed dividends and transfer of dividends/shares to the IEPF.

(n) Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, in prescribed Form No. ISR-1 and other forms, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.

(o) To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.

(p) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

(q) The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and relevant documents referred to in the Notice or statement will be available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send an e-mail to cosec@tatasteel.com

(r) **Norms for furnishing of PAN, KYC, Bank details and Nomination:**

Pursuant to SEBI Circular no. SEBI/HO/MIRSD/MIRSDPoD-1/P/CIR/2023/37 dated March 16, 2023, issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI/HO/MIRSD/MIRSDRTAMB/P/CIR/2021/655 and SEBI/HO/MIRSD/MIRSDRTAMB/P/CIR/2021/687 dated November 3, 2021 and December 14, 2021, respectively, SEBI has mandated all listed companies to record PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities. **The folios wherein any one of the cited documents/details is not available on or after October 1, 2023, such folios shall be frozen by the RTA.**

However, the security holders of such frozen folios shall be eligible:

- To lodge any grievance or avail any service, only after furnishing the complete documents/details as mentioned above;
- To receive any payment including dividend, interest or redemption amount (which would be only through electronic mode) only after they comply with the above stated requirements.

The forms for updation of PAN, KYC, Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI Circular are available on our website at https://www.tatasteel.com/investors/investor-information/forms/ **In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest.** The Company has completed the process of sending letters to the Members holding shares in physical form in relation to the above referred SEBI Circular. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs.

Further, Members holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of their folios. Such frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, after December 31, 2025.

(s) As per the provisions of Clause 3.A.II. of the General Circular No.20/2020 dated May 5, 2020 issued by the Ministry of Corporate Affairs, the matters of Special Business as appearing at Item Nos. 5 to 10 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forms part of this Notice.

PROCESS FOR REGISTERING E-MAIL ADDRESS:

i. One-time registration of e-mail address with RTA for receiving the AGM Notice, Integrated Report & Annual Accounts 2022-23 and to cast votes electronically:

The Company has made special arrangements with RTA and NSDL for registration of e-mail address of those Members (holding shares either in electronic or physical form) who wish to receive the AGM Notice, Integrated Report & Annual Accounts for FY 2022-23 and cast votes electronically. Eligible Members whose e-mail addresses are not registered with the Company/DPs are required to provide the same to RTA on or before 5.00 p.m. (IST) on **Wednesday, June 28, 2023**.

Process to be followed for one-time registration of e-mail address (for shares held in physical form or in electronic form) is as follows:

a) Visit the link: https://tcpl.linkintime.co.in/EmailReg/Email_Register.html

b) Select the name of the Company from drop-down: **Tata Steel Limited**.

c) Enter details in respective fields such as DP ID and Client ID (if shares held in electronic form)/Folio no. and Certificate no. (if shares held in physical form), Shareholder name, PAN, mobile number and e-mail ID.

d) System will send OTP on mobile no. and e-mail ID.

e) Enter OTP received on mobile no. and e-mail ID and submit.

f) The system will then confirm the e-mail address for the limited purpose of service of AGM Notice along with Integrated Annual Report 2022-23 and e-Voting credentials.

After successful submission of the e-mail address, NSDL will e-mail a copy of this AGM Notice and Integrated Report & Annual Accounts FY2022-23 along with the e-Voting user ID and password to the Members. In case of any queries, Members may write to csg-unit@tcplindia.co.in or evoting@nsdl.co.in.

ii. **Registration of e-mail address permanently with Company/DP:** Members are requested to register the e-mail address with their concerned DPs, in respect of electronic holding, and with RTA, in respect of physical holding, by submitting Form ISR-1 duly filled and signed by the holders. Further, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/updated with their DPs/ RTA to enable servicing of notices/documents/Integrated Reports and other communications electronically to their e-mail address in future.

INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM ARE AS FOLLOWS:

A. PROCESS AND MANNER FOR VOTING THROUGH ELECTRONIC MEANS:

1. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the SEBI Listing Regulations and in terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting facility provided by listed entities, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a Member using remote e-Voting system as well as remote e-Voting during the AGM will be provided by NSDL.

2. Members of the Company holding shares either in physical form or in electronic form as on the **cut-off date of Wednesday, June 28, 2023** may cast their vote by remote e-Voting. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting before the AGM as well as remote e-Voting during the AGM.

   Any shareholder(s) holding shares in physical form or non-individual shareholders who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as on the **cut-off date i.e. Wednesday, June 28, 2023**, may obtain the User ID and Password by sending a request at evoting@nsdl.co.in However, if a person is already registered with NSDL for remote e-Voting then the Members can use their existing User ID and password for casting the vote. If you forget your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on 022 - 4886 7000 and 022 -2499 7000.

   In case of Individual Shareholder who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holds shares in demat mode as on the cut-off date may follow the steps mentioned under '**Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode.**'

3. The remote e-Voting period commences on **Saturday, July 1, 2023 at 9.00 a.m. (IST) and ends on Tuesday, July 4, 2023 at 5.00 p.m. (IST)**. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the record date (cut-off date) i.e. June 28, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the **cut-off date i.e. Wednesday, June 28, 2023**.

4. Members will be provided with the facility for voting through electronic voting system during the VC/OAVM proceedings at the AGM and Members participating at the AGM, who have not already cast their vote on the resolution(s) by remote e-Voting, will be eligible to exercise their right to vote on such resolution(s) upon

announcement by the Chairman. Members who have cast their vote on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again. Members who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolutions during the AGM. The remote e-Voting module on the day of the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.

B. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM AND REMOTE E-VOTING (BEFORE AND DURING THE AGM) ARE AS UNDER:

1. Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM provided by NSDL at https://www.evoting.nsdl.com by following the steps mentioned under 'Access NSDL e-Voting system'. After successful login, Member(s) can click on link of 'VC/OAVM' placed under 'Join Meeting' menu against Company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of the Company will be displayed. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID/Password may retrieve the same by following the process as mentioned in paragraph titled "The instructions for remote e-Voting before/during the AGM" in the Notice to avoid last minute rush.

2. Members may join the AGM through laptops, smartphones, tablets and iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.

3. Members are encouraged to submit their questions in advance with respect to the accounts or the business to be transacted at the AGM. These queries may be submitted from their registered e-mail address, mentioning their name, DP ID and Client ID/folio number and mobile number, to reach the Company's e-mail address at cosec@tatasteel.com before 3.00 p.m. (IST) on Wednesday, June 28, 2023.

4. Members who would like to express their views or ask questions during the AGM may pre-register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at cosec@tatasteel.com between June 29, 2023 (9:00 a.m. IST) to July 1, 2023 (5:00 p.m. IST). The Company reserves the right to restrict the number of questions and speakers depending on the availability of time for the AGM. Further, the sequence in which the shareholders will be called upon to speak will be solely determined by the Company.

5. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/ 022 - 4886 7000/022 - 2499 7000 or contact Mr. Sanjeev Yadav, Assistant Manager–NSDL at sanjeevy@nsdl.co.in

THE INSTRUCTIONS FOR REMOTE E-VOTING BEFORE/DURING THE AGM

The details of the process and manner for remote e-Voting are explained herein below:

Step 1: Access NSDL e-Voting system

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

Details on Step 1 are mentioned below:

A. Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode

In order to increase the efficiency of the voting process and in pursuance of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, e-Voting facility is being provided to all the demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/Depository Participants. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider ('**ESP**') thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.

Shareholders are advised to update their mobile number and e-mail-id in their demat accounts in order to access e-Voting facility.

Login method for individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	**A. NSDL IDeAS facility** **If you are already registered, follow the below steps:** 1. Visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a personal computer or on a mobile. 2. Once the home page of e-Services is launched, click on the '**Beneficial Owner**' icon under '**Login**' which is available under '**IDeAS**' section. 3. A new screen will open. You will need to enter your User ID and Password. After successful authentication, you will be able to see e-voting services under Value Added Services section. 4. Click on '**Access to e-voting**' appearing on the left-hand side under e-voting services and you will be able to see e-voting page. 5. Click on options available against Company name or **e-voting service provider – NSDL** and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS services, follow the below steps: a. Option to register is available at https://eservices.nsdl.com b. Select '**Register Online for IDeAS**' Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp c. Please follow steps given in points 1-5 **B. e-voting website of NSDL** 1. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile phone. 2. Once the home page of e-voting system is launched, click on the icon '**Login**' which is available under 'Shareholder/ Member' section. 3. A new screen will open. You will need to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. 4. After successful authentication, you will be redirected to NSDL website wherein you can see e-voting page. Click on options available against Company name or **e-voting service provider - NSDL** and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. C. Shareholders/Members can also download NSDL Mobile App '**NSDL Speede**' facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & E-mail as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 2. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at respective website.

Helpdesk for individual shareholders holding securities in demat mode for any technical issues related to login through Depositories i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or contact at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at or contact at 1800 22 55 33

B. Login Method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode

How to Log-in to NSDL e-Voting website?

1) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2) Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholder/ Member' section.

3) A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log-in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4) Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example, if folio number is S1******** and EVEN is 123896 for Ordinary (equity) shares then user ID is 123896S1********

5) Password details for shareholders other than Individual shareholders are given below:

   (a) If you are already registered for e-Voting, then you can use your existing password to log-in and cast your vote.

(b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

(c) How to retrieve your 'initial password'?

i. If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you by NSDL and open the attachment i.e. a .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

ii. If your e-mail ID is not registered, please follow steps mentioned in process for those shareholders whose e-mail IDs are not registered.

6) If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:

(a) Click on '**Forgot User Details/Password?**' (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com

(b) Click on '**Physical User Reset Password?**' (If you are holding shares in physical mode) option available on www.evoting.nsdl.com

(c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

(d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7) After entering your password, tick on Agree to 'Terms and Conditions' by selecting on the check box.

8) Now, you will have to click on 'Login' button.

9) After you click on the 'Login' button, Home page of e-Voting will open.

Details on Step 2 are mentioned below:

How to cast your vote electronically on NSDL e-Voting system and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see "EVEN" of all the companies in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select 'EVEN' of the Company, in case Ordinary (Equity) Shares – 123896 for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting"

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.

5. Upon confirmation, the message 'Vote cast successfully' will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

The instructions for e-Voting during the AGM are as under:

1. The procedure for remote e-Voting during the AGM is same as the instructions mentioned above for remote e-Voting since the Meeting is being held through VC/OAVM.

2. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote on such resolution(s) through e-Voting system at the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting

General Guidelines for Shareholders:

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through the '**Forgot User Details/Password?**' or '**Physical User Reset Password?**' option available on www.evoting.nsdl.com to reset the password.

2. In case of any queries/grievances pertaining to remote e-Voting (before or during the AGM), you may refer to the Frequently Asked Questions ('**FAQs**') for Shareholders and e-Voting user manual for Shareholders available in the 'Download' section of www.evoting.nsdl.com or call on 022 - 4886 7000 and 022 - 2499 7000 or send a request at evoting@nsdl.co.in or contact Mr. Amit Vishal, Assistant Vice President or Ms. Pallavi Mhatre, Senior Manager from NSDL at the designated e-mail ID: evoting@nsdl.co.in The address of NSDL is Trade World, 'A' wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, Maharashtra

Other Instructions:

i. The Board of Directors has appointed Mr. P. N. Parikh (Membership No. FCS 327) or failing him, Ms. Jigyasa Ved (Membership No. FCS 6488) or failing her, Mr. Mitesh Dhabliwala (Membership No. FCS 8331) of M/s Parikh & Associates, Practising Company Secretaries, as the Scrutinizer to scrutinize the remote e-Voting process as well as e-Voting during the AGM in a fair and transparent manner.

ii. The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting (votes cast during the AGM and votes cast prior to the AGM) and make, not later than two working days from the conclusion of the AGM, a consolidated Scrutiniser's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.

iii. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.tatasteel.com and on the website of NSDL www.evoting.nsdl.com immediately. The Company shall simultaneously communicate the results to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

By Order of the Board of Directors

Sd/-
Parvatheesam Kanchinadham
Company Secretary &
Chief Legal Officer (Corporate & Compliance)
Membership No. ACS: 15921

Mumbai
June 5, 2023

Registered Office:
Bombay House, 24, Homi Mody Street
Fort, Mumbai - 400 001.
Tel: +91 22 6665 8282
CIN: L27100MH1907PLC000260
Website: www.tatasteel.com
E-mail: cosec@tatasteel.com

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

The following Statement sets out all material facts relating to Item Nos. 5 to 10 mentioned in the accompanying Notice.

Item No. 5

In terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to undertake the audit of its cost records for products covered under the Companies (Cost Records and Audit) Rules, 2014, to be conducted by a Cost Accountant in practice.

In compliance with the above, the Audit Committee of the Company at its meeting held on May 2, 2023, considered the appointment of Messrs Shome & Banerjee, Cost Accountants (Firm Registration Number – 000001) as the Cost Auditors of the Company for FY2023-24. At the said meeting, the Audit Committee also considered the remuneration of ₹30 lakh (Rupees Thirty lakh) (plus applicable taxes and reimbursement of out-of-pocket expenses) payable to the Cost Auditors of the Company for FY2023-24.

In making the decision on the appointment and remuneration of the Cost Auditors, the Audit Committee considered, the Cost Auditors’ performance during the previous year(s) in examining and verifying the accuracy of the cost accounting records maintained by the Company. The Committee also noted that, the cost audit for FY2023-24 will *inter alia* cover three major plants and other divisions of Tata Steel, including Tubes, Bearings, Ferro Alloys and Minerals Division, Growth Shop, Power Business, etc.

The Board, on the recommendation of the Audit Committee, approved the appointment of Messrs Shome & Banerjee, Cost Accountants (Firm Registration Number – 000001) as the Cost Auditors of the Company for FY2023-24 at a remuneration of ₹30 lakh (Rupees Thirty lakh) (plus applicable taxes and reimbursement of out-of-pocket expenses) payable to Cost Auditors for FY2023-24.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board must be ratified by the Members of the Company.

The consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors of the Company for the Financial Year ending March 31, 2024.

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 5 of the Notice.

The Board recommends the Resolution set forth in Item No. 5 for approval of the Members.

Context for Item Nos. 6 to 9

In terms of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (‘**SEBI Listing Regulations**’), as amended, any transactions with a related party shall be considered material, if the transaction(s) entered into/to be entered into individually or taken together with the previous transactions during a financial year exceeds ₹1,000 crore or 10% of annual consolidated turnover of the company as per the last audited financial statements of the company, whichever is lower, and shall require prior approval of shareholders by means of an ordinary resolution. The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and at an arm’s length basis. The amended Regulation 2(1)(zc) of the SEBI Listing Regulations has also enhanced the definition of 'related party transaction' which now includes a transaction involving a transfer of resources, services or obligations between (i) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand, as well as (ii) a listed entity or any of its subsidiaries on one hand and any other person or entity on the other hand, the purpose and effect of which is to benefit any related party of the listed entity or any of its subsidiaries, regardless of whether a price is charged or not.

It is in the above context that, Resolution Nos. 6 to 9 are placed for approval of the Members of the Company.

Item No. 6

Background, details and benefits of the transaction

Tata Metaliks Limited (‘**TML**’), is mainly engaged in the production of pig iron and ductile iron pipes, with a production capacity of 6 LTPA of hot metal. TML has a production capacity of 2.55 LTPA of Ductile Iron Pipe ('**DIP**') and 3.45 LTPA of Pig Iron ('**PI**'). TML is amongst the leading producers of PI and DIP and its strategic location gives it a unique advantage in terms of proximity of raw material sources and fast-growing market in East and North India.

TML is a listed subsidiary of Tata Steel Limited ('**Tata Steel**'/ '**Company**'), and consequently, a related party of the Company in terms of Regulation 2(1)(zb) of the SEBI Listing Regulations. Tata Steel is also the promoter company of TML.

In order to cope up with the soaring commodity prices, the working capital requirement of TML has significantly increased. Given the financial requirements of TML, Tata Steel being the promoter company, proposes to extend its One Treasury initiative to TML by replacing the existing bank lines of TML by way of infusion of funds through revolving Inter-Corporate Deposits ('**ICDs**') of up to ₹200 crore to fund TML's working capital requirements and to extend Tata Steel's non-fund based banking facility of up to ₹600 crore to TML for their business and other general corporate purposes during FY2023-24. The non-fund based banking facility proposed to be extended to TML will be supported by the lenders of Tata Steel.

The proposed lending of surplus funds by Tata Steel to Tata Steel Group Company ('**TSGCs**') will help in ensuring efficient utilisation of cash, which in turn would bring synergies across TSGCs by sharing the pool of resources at arm's length.

The Company has obtained the approval of shareholders vide its Postal Ballot notice dated April 26, 2023 for operational transactions of up to ₹2,230 crore with TML to be entered during FY2023-24. The proposed financial transaction of up to ₹800 crore, is in addition to these operational transactions.

The Management has provided the Audit Committee with the details of various proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering into RPTs with TML for an aggregate value of upto ₹800 crore, to be entered during FY2023-24. The Committee has noted that the said transactions will be on an arms' length basis and in the ordinary course of business of the Company.

Details of the proposed transactions with TML, being a related party of the Company, including the information pursuant to the SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

SN	Description	Details
1.	Details of Summary of information provided by the Management to the Audit Committee	
a.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Tata Metaliks Limited ('**TML**'), is a listed subsidiary of Tata Steel Limited ('**Company**'/'**Tata Steel**') and consequently, a related party of the Company. The Company is a promoter of TML and holds 60.03% of equity shares in TML as on the date of this Notice.
b.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. Koushik Chatterjee, Executive Director & Chief Financial Officer of the Company is also the Chairman and Non-Executive Director of TML. His interest or concern or that of his relatives, is limited only to the extent of his directorship/ shareholding in the Company and TML.
c.	Nature, material terms, monetary value and particulars of contracts or arrangement	A. Providing ICDs of revolving nature to TML not exceeding ₹200 crore and the said ICDs will be provided in multiple tranches & at multiple times during FY2023-24. B. Providing Company's non-fund based banking facility to TML not exceeding ₹600 crore, extended by its lenders during FY2023-24.
d.	Value of Transaction	Up to ₹800 crore
e.	Percentage of annual consolidated turnover of Tata Steel considering FY2022-23 as the immediately preceding financial year	0.33%
2.	Justification for the transaction	Please refer to "**Background, details and benefits of the transaction**" which forms part of the statement to the resolution no. 6
3.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	
	(i) details of the source of funds in connection with the proposed transaction	The Company shall provide ICD's of revolving nature to TML aggregating to ₹200 crore from its internal accruals. The Company shall extend its non-fund based banking facility aggregating to ₹600 crore to TML.
	(ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments • nature of indebtedness; • cost of funds; and • tenure	Not Applicable

SN	Description	Details
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	1) Providing ICDs of revolving nature to TML, not exceeding ₹200 crore and the said ICDs will be provided in multiple tranches & at multiple times, during FY2023-24. 2) Providing Company's non-fund based banking facility to TML not exceeding ₹600 crore for business purpose, extended by its lenders during FY2023-24. The above ICDs/non-fund based facilities are under unsecured category.
	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	These funds will be utilised by TML for its working capital requirement and other general corporate purposes during FY2023-24.
4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered e-mail address of the shareholder	The proposed RPTs has been evaluated by a reputed external independent consulting firm in terms of pricing and arm's length criteria and the report confirms that the proposed RPTs are on arm's length basis. The report is available for inspection by the Members of the Company. They may follow the process for inspection of document as mentioned in 'Notes' section forming part of this Notice.
5.	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

Arm's length pricing

The related party transaction(s)/contract(s)/arrangement(s) mentioned in this proposal has been evaluated by a reputed external independent consulting firm and the firm has confirmed that the proposed terms of the contract/agreement meet the arm's length testing criteria. The related party transaction(s)/contract(s)/arrangement(s) also qualifies as contract under ordinary course of business.

A brief detail on the mode of determination of arm's length pricing of financial RPT is provided below:

Nature of Transaction	Pricing method
Financial transactions of ₹800 crore	• **Inter Corporate Deposits of revolving nature to TML not exceeding ₹200 crore -** The interest rate range will be determined basis applicable government securities/Commercial Papers/Bond or any other appropriate reference of relevant tenor for the similar rated entity plus premium adjustment for subordination. The pricing may also change in case of any movement in the credit profile of TML. The current indicative interest rate range for tenor up to 1 year is 7.77% p.a. to 8.25% p.a. • **Providing Company's non-fund based banking facility not exceeding ₹600 crore -** The market rate plus margin determined based on the benefit derived by TML from such facility, which is further split between the entities based on the benefit shared.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolutions under Item No. 6.

Except as mentioned above, none of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are, in any way, concerned or interested either directly or indirectly, financially or otherwise, in the Resolution mentioned at Item No. 6 of the Notice.

Basis the consideration and approval of the Audit Committee, the Board of Directors recommends the Ordinary Resolution forming part of Item No. 6 of this Notice to the Shareholders for approval.

Item No. 7

Background, details and benefits of the transaction

Tata Steel Minerals Canada Limited ('**TSMC**'), located in Canada, is a company having partnership between Tata Steel Limited ('**Company**'/'**Tata Steel**') (82%) and the Government of Quebec (18%). It is an indirect foreign subsidiary of Tata Steel primarily engaged in the business of production and mining of iron ore, crushing, washing, screening, and shipping the sinter and pellet fines to the steel making facilities along with feasibility study of the iron ore deposits.

T S Global Procurement Company Pte. Ltd. ('**TSGPL**'), located in Singapore, is an indirect wholly-owned foreign subsidiary of Tata Steel engaged primarily in the business of trading and distribution of raw materials such as coal, fluxes, coke, etc. TSGPL acts as a procurement service provider entity for Tata Steel and its group companies.

Tata Steel UK Limited, ('**TSUK**'), located in Europe, is an indirect foreign wholly-owned subsidiary of Tata Steel, which is primarily engaged in manufacturing of steel.

TSUK requires iron ore for its manufacturing unit in Europe which can be supplied by TSMC. TSUK has limited access to multi-user port i.e., Port of Sept-Îles located in the Province of Quebec, where TSMC operates its iron ore mines. Therefore, TSMC supplies iron ore to TSUK for its manufacturing units in Europe through TSGPL. In order to ease out the logistics, TSMC has secured an arrangement with IOC Sales Limited ('**IOC Sales**') (i.e., a third party who has a private captive port for its exclusive use for iron ore operations in Canada) to use its private port for sale of iron ore to TSGPL. Under this arrangement, TSMC sells the iron ore it produces to IOC Sales who in turn sells it to TSGPL which ultimately supplies the iron ore to TSUK.

As part of the Tata Steel Group Strategy, these companies enter into transactions under a Tripartite Agreement between TSMC, IOC Sales and TSGPL, which not only helps smoothen business operations of the companies, *inter-se*, but also, ensures consistent flow of desired quality and quantity of raw materials to the end-user i.e., TSUK without any interruptions.

The aforementioned transaction(s) assists in furthering business opportunities and synergy(ies) for TSMC, TSGPL and TSUK.

The Management provided the Audit Committee with the relevant details of the proposed RPTs including rationale, material terms and basis of pricing. Post discussions and deliberations, the Audit Committee granted approval for entering into RPTs between TSMC and IOC Sales, to benefit a related party i.e., TSUK via TSGPL, for an aggregate value of up to ₹1,200 crore to be entered during FY2023-24. The Committee has noted that the said transaction(s) will be on an arms' length basis and in the ordinary course of business of the Company.

Details of the proposed transactions between TSMC and IOC Sales, to benefit a related party of Tata Steel i.e., TSUK via TSGPL, including the information pursuant to the SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

SN	Description	Details
1.	Details of Summary of information provided by the Management to the Audit Committee	
a.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Tata Steel Minerals Canada Limited ('**TSMC**'), is an indirect foreign subsidiary of Tata Steel Limited ('**Tata Steel**'/'**Company**'). T S Global Procurement Company Pte. Ltd. ('**TSGPL**') is an indirect wholly-owned foreign subsidiary of Tata Steel. Tata Steel UK Limited ('**TSUK**'), is an indirect wholly-owned foreign subsidiary of Tata Steel. Consequently, both are related parties of Tata Steel. IOC Sales Ltd. ('**IOC Sales**') is a third party which facilitates the proposed RPTs between TSMC and TSUK via TSGPL. However, the proposed transaction between TSMC and IOC Sales is construed as RPTs (in terms of the provisions dealing with purpose and effect to benefit a related party under the SEBI Listing Regulations).
b.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. T. V. Narendran, Chief Executive Officer and Managing Director of the Company is also the Director of TSUK and TSMC. Mr. Koushik Chatterjee, Executive Director & Chief Financial Officer of the Company is a Director and Chairman of TSGPL and also a Director of TSUK. Mr. Deepak Kapoor, Independent Director of the Company is also a Director and Chairman of the Board of TSMC. Their interest or concern or that of their relatives, is limited only to the extent of their directorship/shareholding in the Company, TSGPL, TSMC and TSUK.
c.	Nature, material terms, monetary value and particulars of contracts or arrangement	TSUK requires iron ore for its manufacturing unit in Europe which can be supplied by TSMC. TSUK has limited access to multi-user port i.e., Port of Sept-Îles located in the Province of Quebec, where TSMC operates its iron ore mines. Therefore, TSMC supplies iron ore to TSUK for its manufacturing units in Europe through TSGPL. In order to ease out the logistics, TSMC has secured an arrangement with IOC Sales (i.e., a third party who has a private captive port for its exclusive use for iron ore operations in Canada) to use its private port for sale of iron ore to TSGPL. Under this arrangement, TSMC sells the iron ore it produces to IOC Sales who in turn sells it to TSGPL which ultimately supplies the iron ore to TSUK. The aforementioned transactions are proposed to be entered during FY2023-24 for an aggregate amount of up to ₹1,200 crore.
d.	Value of Transaction	Up to ₹1,200 crore

SN	Description	Details
e.	Percentage of annual consolidated turnover of Tata Steel considering FY2022-23 as the immediately preceding financial year	0.49%
f.	Percentage of annual turnover of TSMC on standalone basis considering FY2022-23 as the immediately preceding financial year	185%
2.	Justification for the transaction	Please refer to "**Background, details and benefits of the transaction**" which forms part of the statement to the resolution no. 7
3.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Not Applicable
	(i) details of the source of funds in connection with the proposed transaction	
	(ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments • nature of indebtedness; • cost of funds; and • tenure	
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	
	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	
4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered e-mail address of the shareholder	The proposed RPTs have been evaluated by a reputed external independent consulting firm in terms of pricing and arm's length criteria and the report confirms that the proposed RPTs are on arm's length basis. The report is available for inspection by the Members of the Company. They may follow the process for inspection of document as mentioned in 'Notes' section forming part of this Notice.
5.	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

Arm's length pricing

The related party transaction(s)/contract(s)/arrangement(s) mentioned in this proposal has been evaluated by a reputed external independent consulting firm and the firm has confirmed that the proposed terms of the contract/agreement meet the arm's length testing criteria. The related party transaction(s)/contract(s)/arrangement(s) also qualifies as contract under ordinary course of business.

The RPTs will be entered based on the market price of the relevant material and service not exceeding ₹1,200 crore. Where market price is not available, alternative method including reimbursement of actual cost incurred or cost plus mark-up as applicable, at the sole discretion of the independent consulting firm has been considered as per arm's length pricing criteria.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolutions under Item No. 7.

Except as mentioned above, none of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are, in any way, concerned or interested either directly or indirectly, financially or otherwise, in the Resolution mentioned at Item No. 7 of the Notice.

Basis the consideration and approval of the Audit Committee, the Board of Directors recommends the Ordinary Resolution forming part of Item No. 7 of this Notice to the Shareholders for approval.

Item No. 8

Background, details and benefits of the transaction

Tata Motors Limited ('**Tata Motors**') is a leading global automobile manufacturer with many offerings across commercial, passenger and electric vehicles.

Tata Motors is an associate company of Tata Sons Private Limited [Promoter company of Tata Steel Limited ('**Company**'/ '**Tata Steel**')] and is a part of the Promoter Group of the Company.

Accordingly, Tata Motors is a related party of the Company in terms of Regulation 2(1)(zb) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('**SEBI Listing Regulations**').

As a part of business operations, Tata Steel enters into various transactions with Tata Motors, directly as well as through a third party, viz. Poshs Metal Industries Private Limited ('**Poshs**').

Direct transactions with Tata Motors include sale of coil, sheets, plates, power, water etc. The Company also has transactions which qualify as purchase of goods and rendering of services with Tata Motors.

Tata Steel has a Vendor Servicing Model ('**VSM**') arrangement with Poshs. Through this arrangement, Poshs supplies coils, sheets, plates, coated products etc., to the ancillary entities of Tata Motors. The price at which these goods are supplied by Poshs to the ancillary entities of Tata Motors is negotiated between Tata Steel and Tata Motors.

Through the VSM, Tata Steel caters to the requirement of Tata Motors or its ancillary entities without increasing the in-house processing capacity at Tata Steel and in parallel, ensuring seamless supply chain to serve small customers. Poshs, the VSM partner is responsible for processing & packaging of coils supplied by Tata Steel, taking care of outbound freight, managing inventory, overheads, and receivables for Tata Steel.

These business transactions with third-party/ancillary entities of Tata Motors enables ease of business for both Tata Steel and Tata Motors.

The aforementioned transaction(s) assist in furthering business opportunities and synergy(ies) for both, Tata Steel and Tata Motors.

During FY2023-24, the Company proposes to enter into transaction(s) directly with Tata Motors for an aggregate amount of up to ₹690 crore and through third party, viz. Poshs for an aggregate amount of up to ₹350 crore.

The Management provided the Audit Committee with the relevant details of the proposed RPTs including rationale, material terms and basis of pricing. Post discussions and deliberations, the Audit Committee granted approval for entering into RPTs with Tata Motors and/or with Poshs, a third party and/or with any of the ancillary entities of Tata Motors, for an aggregate value of up to ₹1,040 crore to be entered during FY2023-24. The Committee has noted that the said transaction(s) will be on an arms' length basis and in the ordinary course of business of the Company.

Details of the proposed transactions with Tata Motors, a related party of the Company and Poshs, a third party, including the Information pursuant to the SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

SN	Description	Details
1.	Details of Summary of information provided by the Management to the Audit Committee	
a.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Tata Motors Limited ('**Tata Motors**') is a listed associate company of Tata Sons Private Limited (Promoter company of Tata Steel Limited (the '**Company**'/'**Tata Steel**')) as well as forms part of the Promoter Group of Tata Steel and consequently, is a related party of Tata Steel. Poshs Metal Industries Private Limited ('**Poshs**') along with other ancillary entities of Tata Motors are third parties to Tata Steel. However, since materials are supplied by Tata Steel through these entities to Tata Motors at a price negotiated between Tata Steel and Tata Motors, these transactions are construed as RPTs (in terms of the provisions dealing with purpose and effect to benefit a related party under the SEBI Listing Regulations). *(Refer Annexure 2 for list of ancillary entities)*
b.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. N. Chandrasekaran is the Non-Executive Director and Chairman of both, Tata Motors and Tata Steel and Mr. O. P. Bhatt is an Independent Director of both these companies. Their interests or concerns or that of their relatives, are limited only to the extent of their directorship/shareholding in Tata Motors and Tata Steel, respectively.

SN	Description	Details
c.	Nature, material terms, monetary value and particulars of contracts or arrangement	Tata Steel enters into various transactions with Tata Motors such as sale of coil, sheets, plates, etc., purchase of goods, rendering of services etc. and other transactions for the purposes of business to/from Tata Motors. Tata Steel has a Vendor Servicing Model arrangement with Poshs. Through this arrangement, Poshs supplies coils, sheets, plates, coated products etc., to the ancillary entities of Tata Motors. The price at which these goods are supplied by Poshs to the ancillary entities of Tata Motors is negotiated between Tata Steel and Tata Motors. The aforementioned transactions are proposed to be entered during FY2023-24 for an aggregate amount of up to ₹1,040 crore (directly with Tata Motors for an amount up to ₹690 crore and through third party, viz. Poshs, for an amount up to ₹350 crore).
d.	Value of Transaction	Up to ₹1,040 crore (directly with Tata Motors for an amount up to ₹690 crore and through third party, viz. Poshs, for an amount up to ₹350 crore).
e.	Percentage of annual consolidated turnover of Tata Steel considering FY2022-23 as the immediately preceding financial year	0.43%
2.	Justification for the transaction	Please refer to "**Background, details and benefits of the transaction**" which forms part of the statement to the resolution no. 8
3.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Not Applicable
	(i) details of the source of funds in connection with the proposed transaction	
	(ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments • nature of indebtedness; • cost of funds; and • tenure	
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	
	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	
4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered e-mail address of the shareholder	The proposed RPTs have been evaluated by a reputed external independent consulting firm in terms of pricing and arm's length criteria and the report confirms that the proposed RPTs are on arm's length basis. The report is available for inspection by the Members of the Company. They may follow the process for inspection of document as mentioned in 'Notes' section forming part of this Notice.
5.	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013, forming part of this Notice.

Arm's length pricing

The related party transaction(s)/contract(s)/arrangement(s) mentioned in this proposal has been evaluated by a reputed external independent consulting firm and the firm has confirmed that the proposed terms of the contract/agreement meet the arm's length testing criteria. The related party transaction(s)/contract(s)/arrangement(s) also qualifies as contract under ordinary course of business.

The RPTs will be entered based on the market price of the relevant material and service not exceeding ₹1,040 crore. Where market price is not available, alternative method including reimbursement of actual cost incurred or cost-plus mark-up, as applicable, at the sole discretion of the independent consulting firm has been considered as per arm's length pricing criteria.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolutions under Item No. 8.

Except as mentioned above, none of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are, in any way, concerned or interested either directly or indirectly, financially or otherwise in the Resolution mentioned at Item No. 8 of the Notice.

Basis the consideration and approval of the Audit Committee, the Board of Directors recommends the Ordinary Resolution forming part of Item No. 8 of this Notice to the Shareholders for approval.

Item No. 9

Background, details and benefits of the transaction

Tata Steel Downstream Products Limited ('**TSDPL**'), is a wholly-owned subsidiary of Tata Steel Limited ('**Company**'/'**Tata Steel**') and consequently, a related party of the Company in terms of Regulation 2(1)(zb) of the SEBI Listing Regulations. TSDPL is the first organized Steel Service Centre capable of processing high tensile steel in India.

Tata Motors Limited ('**Tata Motors**') is a leading global automobile manufacturer with many offerings across commercial, passenger and electric vehicles.

Tata Motors is an associate company of Tata Sons Private Limited (Promoter company of Tata Steel) and is a part of the Promoter Group of Tata Steel Limited. Accordingly, Tata Motors is a related party of the Company in terms of Regulation 2(1)(zb) of the SEBI Listing Regulations.

Tata Steel has a Vendor Servicing Model ('**VSM**') arrangement with TSDPL. Through this arrangement, TSDPL supplies coils, sheets, plates, coated products, etc., to the ancillary entities of Tata Motors. The price at which these goods are supplied by TSDPL to the ancillary entities of Tata Motors is negotiated between Tata Steel and Tata Motors.

Through the VSM, Tata Steel caters to the requirement of Tata Motors or its ancillary entities without increasing the in-house processing capacity at Tata Steel and in parallel, ensuring seamless supply chain to serve small customers. TSDPL, the VSM partner is responsible for processing & packaging of coils supplied by Tata Steel, taking care of outbound freight, managing inventory, overheads, and receivables for Tata Steel. These business transactions with third-party/ancillary entities of Tata Motors enables ease of business for TSDPL, Tata Steel and Tata Motors.

The aforementioned transaction(s) assists in furthering business opportunities and synergy(ies) for TSDPL, Tata Steel and Tata Motors.

The Management provided the Audit Committee with the relevant details of the proposed RPTs including rationale, material terms and basis of pricing. Post discussions and deliberations, the Audit Committee granted approval for entering into RPTs between TSDPL and the ancillary entities of Tata Motors, for an aggregate value of up to ₹3,200 crore to be entered during FY2023-24. The Committee has noted that the said transaction(s) will be on an arms' length basis and in the ordinary course of business of the Company.

Details of the proposed transactions between TSDPL and ancillary entities of Tata Motors to benefit a related party of Tata Steel, i.e., Tata Motors, including the information pursuant to the SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

SN	Description	Details
1.	Details of Summary of information provided by the Management to the Audit Committee	
a.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Tata Steel Downstream Products Limited ('**TSDPL**'), is a wholly-owned subsidiary of Tata Steel Limited ('**Tata Steel**'/'**Company**'). Tata Motors Limited ('**Tata Motors**') is a listed associate company of Tata Sons Private Limited (Promoter company of Tata Steel) as well as forms part of the Promoter Group of Tata Steel and consequently, both are related parties of Tata Steel. The ancillary entities of Tata Motors are third parties which facilitates the proposed RPTs between TSDPL and Tata Motors. *(Refer Annexure 3 for list of ancillary entities)* The proposed transaction between TSDPL and ancillary entities of Tata Motors are construed as RPTs (in terms of the provisions dealing with purpose and effect to benefit a related party under the SEBI Listing Regulations).

SN	Description	Details
b.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. N. Chandrasekaran, is the Non-Executive Director and Chairman of both, Tata Motors and Tata Steel, and Mr. O. P. Bhatt is an Independent Director of both these companies. Mr. Koushik Chatterjee, Executive Director & Chief Financial Officer of the Company is also the Non-Executive Director and Chairman of the Board of TSDPL. Their interest or concern or that of their relatives, is limited only to the extent of their directorship/shareholding in Tata Steel, Tata Motors and TSDPL.
c.	Nature, material terms, monetary value and particulars of contracts or arrangement	Tata Steel has a Vendor Servicing Model arrangement with TSDPL. Through this arrangement, TSDPL supplies coils, sheets, plates, coated products, etc., to the ancillary entities of Tata Motors. The price at which these goods are supplied by TSDPL to the ancillary entities of Tata Motors is negotiated between Tata Steel and Tata Motors. The aforementioned transactions are proposed to be entered during FY2023-24 for an aggregate amount of up to ₹3,200 crore.
d.	Value of Transaction	Up to ₹3,200 crore
e.	Percentage of annual consolidated turnover of Tata Steel considering FY2022-23 as the immediately preceding financial year	1.31%
f.	Percentage of annual turnover of TSDPL on standalone basis considering FY2022-23 as the immediately preceding financial year	43.28%
2.	Justification for the transaction	Please refer to "**Background, details and benefits of the transaction**" which forms part of the statement to the resolution no. 9
3.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Not Applicable
	(i) details of the source of funds in connection with the proposed transaction	
	(ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments • nature of indebtedness; • cost of funds; and • tenure	
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	
	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	
4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered e-mail address of the shareholder	The proposed RPTs have been evaluated by a reputed external independent consulting firm in terms of pricing and arm's length criteria and the report confirms that the proposed RPTs are on arm's length basis. The report is available for inspection by the Members of the Company. They may follow the process for inspection of document as mentioned in 'Notes' section forming part of this Notice.
5.	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

Arm's length pricing

The related party transaction(s)/contract(s)/arrangement(s) mentioned in this proposal has been evaluated by a reputed external independent consulting firm and the firm has confirmed that the proposed terms of the contract/agreement meet the arm's length testing criteria. The related party transaction(s)/contract(s)/arrangement(s) also qualifies as contract under ordinary course of business.

The RPTs will be entered based on the market price of the relevant material and service not exceeding ₹3,200 crore. Where market price is not available, alternative method including reimbursement of actual cost incurred or cost plus mark-up as applicable at the sole discretion of the independent consulting firm has been considered as per arm's length pricing criteria.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolutions under Item No. 9.

Except as mentioned above, none of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are, in any way, concerned or interested either directly or indirectly, financially or otherwise in the Resolution mentioned at Item No. 9 of the Notice.

Basis the consideration and approval of the Audit Committee, the Board of Directors recommends the Ordinary Resolution forming part of Item No. 9 of this Notice to the Shareholders for approval.

Item No. 10

The Nomination and Remuneration Committee ('**NRC**') oversees the succession planning for the Board of Directors ('**Board**') of the Company and towards this, it has adopted a methodical, meritocratic, fair and transparent process to ensure that it recommends the right candidate(s) to serve on the Board. The NRC had previously finalized the desired attributes for the selection of the Independent Director(s). Basis those attributes, the NRC reviewed the profiles of suitable prospects and concluded to invite selected candidate(s) for an open and a candid conversation. Post conversations with the prospective candidates, NRC was impressed with the credentials and profile of Dr. Shekhar C. Mande and he was identified as the most suitable candidate to be inducted as an Independent Director on the Board of the Company.

On May 27, 2023, basis recommendations of the NRC, the Board of the Company, in terms of Section 161 of the Companies Act, 2013 ('**Act**'), appointed Dr. Shekhar C. Mande (DIN: 10083454) as an Additional Director (Non-Executive, Independent) on the Board of the Company effective June 1, 2023.

Further, basis recommendations of the NRC and subject to the approval of the Members, the Board, in accordance with the provisions of Section 149 read with Schedule IV to the Act, and Regulation 16 of the SEBI Listing Regulations, appointed Dr. Mande as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) years commencing from June 1, 2023 through May 31, 2028 (both days inclusive).

Dr. Shekhar C. Mande is a structural and computational biologist and a well-known research scientist. He is a distinguished Professor at the Savitribai Phule Pune University, Pune. Prior to this, Dr. Mande served as the Director General of the Council of Scientific and Industrial Research (CSIR) and Secretary of the Department of Scientific and Industrial Research (DSIR), Government of India. He is one of India's leading experts in DNA fingerprinting and diagnostics. As Director of the National Centre for Cell Science (NCCS), an autonomous institute of the Department of Biotechnology, Government of India, Dr. Mande oversaw the launch of the Indian Human Microbiome Initiative in the North-East. In 2005, he was awarded the Shanti Swarup Bhatnagar Prize for Science and Technology – the most prestigious science award in India – in the category of Biological Sciences.

The Board noted that Dr. Mande's skills, background and experience are aligned to the role and capabilities identified by the NRC and that Dr. Mande is eligible for appointment as an Independent Director. The Board was satisfied that the appointment of Dr. Mande is justified as it foresees Dr. Mande, with his background and experience, adding significant value and strength in the areas of research & development ('**R&D**'), and science & technology. The Board was further satisfied with Dr. Mande's leadership capability in providing guidance to the Board and the Management in shaping a strong R&D organization for the Tata Steel Group in its pursuit of being amongst the top 5 technology companies in the steel industry, globally. The Board also was confident that Dr. Mande, with his demonstrated thought leadership, will add significant strength to the Board in the policy advocacy area in Science and Technology and within the Research Community globally.

The Company has received a Notice from a Member in writing under Section 160(1) of the Act proposing his candidature for the office of Director. The Company has also received from Dr. Mande (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment

& Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(1) and 164(2) of the Act, (iii) a declaration to the effect that he meets the criteria of independence as provided under Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, (iv) declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018 and NSE Circular No. NSE/CML/2018/24 dated June 20, 2018, that he has not been debarred from holding office of a Director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority.

Further, Dr. Mande has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company. Dr. Mande has confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

The profile and specific areas of expertise of Dr. Mande and other relevant information as required under SEBI Listing Regulations and Secretarial Standards are provided as an Annexure to this Notice.

In the opinion of the Board, Dr. Mande is a person of integrity and fulfils the conditions specified under the Act read with Rules made thereunder and the SEBI Listing Regulations for his appointment as an Independent Director of the Company.

The terms and conditions of appointment of Dr. Mande as an Independent Director would be made available for inspection to the Members on sending a request along with their DP/Client ID or Folio No. from their registered e-mail address to the Company at cosec@tatasteel.com Alternatively, the documents will also be made available at the Registered Office of the Company during office hours on all working days from the date of dispatch until the date of the Annual General Meeting of the Company.

None of the Director(s) and/or Key Managerial Personnel of the Company and/or their respective relatives, except Dr. Shekhar C. Mande, to whom the Resolution relates, are concerned or interested either directly or indirectly, financially or otherwise in the Resolution mentioned at Item No. 10 of the Notice.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of the Listing Regulations, the approval of the Members is sought for the appointment of Dr. Mande as an Independent Director on the Board of the Company, as a Special Resolution as set out above.

The Board recommends the Special Resolution set forth at Item No. 10 for the approval of the Shareholders.

By Order of the Board of Directors

Sd/-
Parvatheesam Kanchinadham
Company Secretary &
Chief Legal Officer (Corporate & Compliance)
Membership No. ACS: 15921

Mumbai
June 5, 2023

Registered Office:
Bombay House, 24, Homi Mody Street,
Fort, Mumbai-400 001.
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CIN: L27100MH1907PLC000260
Website: www.tatasteel.com
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Annexures to the Notice

ANNEXURE 1

Details of the Directors seeking appointment/re-appointment at the 116th Annual General Meeting

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS - 2 of the Secretarial Standard on General Meetings]

Profile of Mr. N. Chandrasekaran

(Non-Executive Chairman)

Mr. N. Chandrasekaran (DIN: 00121863) (aged 60 years) was appointed as a Member of the Board effective January 13, 2017, and as Chairman of the Board effective February 7, 2017.

Mr. N. Chandrasekaran is the Chairman of Tata Sons Private Limited, the holding company and promoter of all Tata Group companies.

Mr. Chandrasekaran joined the Board of Tata Sons in October 2016 and was appointed as a Chairman in January 2017. He also chairs the Board of several group operating companies, including, Tata Motors, Tata Power, Air India, Tata Chemicals, Tata Consumer Products, The Indian Hotels Company and Tata Consultancy Services (TCS) – of which he was the Chief Executive Officer from 2009-17.

His appointment as the Chairman of Tata Sons, followed a 30-year business career at TCS, which he joined from university. Mr. Chandrasekaran rose through the ranks at TCS to become the CEO and Managing Director of the leading global IT solution and consulting firm. Under his leadership, TCS generated total revenues of US$16.5 billion in FY2015-16 and consolidated its position as the largest private sector employer in India and the country's most valuable company.

Since he has taken over as Chairman, Mr. Chandrasekaran has been driving transformation of the group towards digital, sustainability and supply chain resilience. The Group has forayed into new businesses including electronics manufacturing, consumer internet platform and mobile technology for 5G in India.

In addition to his professional career at Tata, Mr. Chandrasekaran is on the International Advisory Council of Singapore's Economic Development Board. He is the Chairman of Indian Institute of Management, Lucknow as well as the President of the Court at Indian Institute of Science, Bengaluru. He is the member of the Mitsubishi's International Advisory Committee and the Co-Chair of the India - US CEO Forum. He is also on the Board of Governors of New York Academy of Sciences and has been elected as an international member of the United States National Academy of Engineering (NAE).

Mr. Chandrasekaran was conferred with the Padma Bhushan, one of the highest civilian awards in India, in the field of trade and industry in 2022. Recently, he was conferred the Chevalier de la Légion d'honneur, the highest civilian award of France, in recognition of his contribution towards strengthening the trade relationship between India and France. He has also been conferred the President Eisenhower Global Award for Leadership by the Business Council for International Understanding. Mr. Chandrasekaran has been awarded several Honorary doctorates by leading Universities in India and internationally, including an Honorary Doctor of Letters from Macquarie University, Australia, Doctor Honoris Causa by Nyenrode University, The Netherlands, Honorary Doctor of Science by the Aligarh Muslim University, and Doctor of Letters from the Regional Engineering College, Trichy, Tamil Nadu.

Mr. Chandrasekaran holds a Bachelor's degree in Applied Science. He also holds a Master's degree in Computer Applications from Regional Engineering College, Trichy, Tamil Nadu, India.

Particulars of experience, attributes or skills that qualify Mr. Chandrasekaran for Board membership

Mr. Chandrasekaran having been the CEO & MD of TCS and currently serving as the Chairman of Tata Sons Private Limited, brings with him valuable experience in managing and overseeing strategic, operational and financial transformation for a large, complex enterprise, such as Tata Steel. The Company, the Board and the Management will immensely benefit by leveraging his demonstrated leadership capability, high level of business and financial acumen, customer centricity, innovation, managing & developing human resources.

Further, the Company will also benefit from his broad knowledge of the steel industry and operational issues faced by the Company.

Mr. Chandrasekaran also brings rich experience in government affairs, sustainability, societal and governance matters, which are vital for the long-term sustainability of the Company.

Terms and conditions of re-appointment

Mr. Chandrasekaran has been appointed as a Non-Executive Director of the Company and is liable to retire by rotation.

Board Meeting Attendance and Remuneration

During FY2022-23, Mr. Chandrasekaran attended all seven (7) Board Meetings that were held.

Mr. Chandrasekaran, shall be paid sitting fees for attending the meetings of the Board and Committees thereof. The details of total remuneration paid to Mr. Chandrasekaran for FY2022-23 is provided in the Corporate Governance Report.

Disclosure of Relationship *inter-se* between Directors, Manager and other Key Managerial Personnel

There is no *inter-se* relationship between Mr. N. Chandrasekaran, other Members of the Board and Key Managerial Personnel of the Company.

Shareholding in the Company

Mr. N. Chandrasekaran holds 20,00,000 Ordinary (Equity) Shares of the Company.

Bodies Corporate (other than Tata Steel Limited and Foreign Companies) in which Mr. N. Chandrasekaran holds Directorships and Committee positions

Directorships

Tata Sons Private Limited

Tata Consultancy Services Limited

Tata Motors Limited

The Indian Hotels Company Limited

The Tata Power Company Limited

Tata Consumer Products Limited

Tata Chemicals Limited

Air India Limited

TCS Foundation (Section 8 Company)

Tata Digital Private Limited

Chairperson of Board Committees

Tata Sons Private Limited

CSR & ESG Committee

Risk Management Committee

Tata Consultancy Services Limited

Corporate Social Responsibility Committee

Executive Committee of the Board

The Tata Power Company Limited

Executive Committee of the Board

Air India Limited

Corporate Social Responsibility & Sustainable Development Committee

Member of Board Committees

Tata Sons Private Limited

Nomination and Remuneration Committee

Tata Consultancy Services Limited

Nomination and Remuneration Committee

Tata Motors Limited

Nomination and Remuneration Committee

The Indian Hotels Company Limited

Nomination and Remuneration Committee

Tata Consumer Products Limited

Nomination and Remuneration Committee

The Tata Power Company Limited

Nomination and Remuneration Committee

Air India Limited

Nomination and Remuneration Committee

Listed Entities from which Mr. N. Chandrasekaran has resigned as Director in past 3 years: None

Profile of Dr. Shekhar C. Mande

(Independent Director)

Dr. Shekhar C. Mande (DIN: 10083454) (aged 61 years) was appointed as an Independent Director on the Board of the Company effective June 1, 2023. Dr. Mande also serves as a Director on the Board of Pune Knowledge Cluster Foundation. Dr. Shekhar C. Mande is a structural and computational biologist and a well-known research scientist.

He is a distinguished Professor at the Savitribai Phule Pune University, Pune. Prior to this, Dr. Mande served as the Director General of the Council of Scientific and Industrial Research (CSIR) and Secretary of the Department of Scientific and Industrial Research (DSIR), Government of India. He is one of India's leading experts in DNA fingerprinting and diagnostics. As Director of the National Centre for Cell Science (NCCS), an autonomous institute of the Department of Biotechnology, Government of India, Dr. Mande oversaw the launch of the Indian Human Microbiome Initiative in the North-East. In 2005, he was awarded the Shanti Swarup Bhatnagar Prize for Science and Technology – the most prestigious science award in India – in the category of Biological Sciences.

He has executed various research projects at national and international level. Further, he has been a part of multiple peer reviewed journal publications in the area of science and technology.

Dr. Mande is a Ph.D. from The Indian Institute of Science, Bangalore in Molecular Biophysics. He also holds Masters and Bachelor's degree in physics from Nagpur University.

Particulars of experience, attributes or skills that qualify Dr. Mande for Board membership

Dr. Mande has extensive experience and exposure in the areas of science & technology, and research & development. Dr. Mande brings with him, in-depth knowledge and skill in shaping, nurturing and leading a strong research and development organization. With his exceptionally distinguished record of accomplishments, Dr. Mande is well poised to add significant value and strength to the Board in the areas of science & technology, and research & development.

Skills and capabilities required for the role and the manner in which Dr. Mande meets such requirements

The NRC had identified, amongst others, strength in the areas of research & development and science & technology as the skills and capabilities for the role. Dr. Mande is a global thought leader and has deep insights and exposure in the areas of science, technology and research. Considering his educational background and rich experience across institutions (national and international), Dr. Mande meets the requirements as laid down by the NRC.

Terms and conditions of Appointment

Dr. Mande will serve for a term of 5 (five) years commencing June 1, 2023 through May 31, 2028 (both days inclusive).

Board Meeting Attendance and Remuneration

Dr. Mande was appointed on the Board of Directors of the Company effective June 1, 2023. Post his appointment, no Board meeting was held. Dr. Mande shall be paid a sitting fee of ₹40,000/- per meeting (or as revised by the Board from time to time) for attending Board/Committee Meetings. Dr. Mande is eligible for profit related commission, as may be approved by the Board, based on the recommendation of the NRC.

Bodies Corporate (other than Tata Steel Limited and Foreign Companies) in which Dr. Shekhar C. Mande holds Directorships and Committee positions

Directorship:

Pune Knowledge Cluster Foundation (Section 8 Company)

Chairperson/Member of Board Committees

None

Disclosure of Relationship *inter-se* between Directors, Manager and other Key Managerial Personnel

There is no *inter-se* relationship between Dr. Shekhar C. Mande, other members of the Board and Key Managerial Personnel of the Company.

Shareholding in the Company

Dr. Shekhar C. Mande does not hold any equity shares of the Company.

Listed Entities from which Dr. Shekhar C. Mande has resigned as Director in past 3 years: None

ANNEXURE 2

List of Ancillary Entities of Tata Motors for Transaction through Poshs Metal Industries Private Limited

SN	Name of Ancillary Entities
1.	Japtech Industries
2.	Dynamic Industries
3.	Sharda Industries
4.	Platemasters
5.	Gloria Engineering Industries
6.	Mungi Engineers Private Limited
7.	Swapnil Auto Engineering Private Limited
8.	Tata Toyo Radiator Limited
9.	Tata Ficosa Automotive Systems Private Limited
10.	Japtech Engicorp
11.	Any Other Ancillary Entities forming part during the year

ANNEXURE 3

List of Ancillary Entities of Tata Motors for Transaction through Tata Steel Downstream Products Limited

SN	Name of Ancillary Entities
1.	Accropoly Metal Industries Private Limited
2.	Adithya Automotive Applications Private Limited
3.	Ag Auto Private Limited
4.	Akshat Industries
5.	Alf Engineering Private Limited
6.	Amba Auto Industries Private Limited
7.	Amichand Technological Private Limited
8.	Anusaya Auto Press Parts Private Limited
9.	Arvind Engineering Works Limited
10.	Asa Automotive
11.	Auto Profiles Limited
12.	Autocomp Corporation Panse Private Limited
13.	Autoline Industries Limited
14.	Automat Engineering Private Limited
15.	Automobile Corporation Goa Limited
16.	Automotive Stampings & Assemblies Limited
17.	Aztec Engineers Private Limited
18.	Badve Engineering Limited
19.	Belrise Industries Limited
20.	Berrys Auto Ancillaries Private Limited
21.	Bhalotia Auto Products Private Limited
22.	Bhalotia Engineering Works Private Limited
23.	Bharat Engineering & Body Building Company Private Limited
24.	Bhawani Alloys & Engineering Company
25.	Bhawani Industries
26.	Black Diamond Motors Private Limited
27.	Caparo Engineering India Limited
28.	Chaphekar Engineering Private Limited
29.	Chromewell Engineering Private Limited
30.	Cordoba Engineering Private Limited
31.	Cypress Auto Private Limited
32.	Dali & Samir Engineering Private Limited
33.	Devchhaya Industries
34.	Dikshant Industries
35.	Dilip Press Metal & Agrotech Private Limited
36.	Dynamic Industries
37.	Emdet Jamshedpur Private Limited
38.	Emkay Automobile Industries Limited
39.	Estro Engineers
40.	G.S. Enterprises
41.	Gargs Engineers Limited
42.	Gatiman Auto Private Limited
43.	General Engineering Corporation
44.	Gloria Engineering Company
45.	Gloria Engineering Industries
46.	Glorious Engineering Company
47.	Highco Engineers Private Limited
48.	Hyva India Private Limited
49.	Indico Motors Private Limited
50.	Irs Components
51.	Jagjit Auto Ancillaries Private Limited
52.	Jai Radhamadhav Industries
53.	Jcbl Limited
54.	Jindal Industries
55.	Jmag Automotive Industries
56.	Jost India Auto Component Private Limited
57.	Jupiter Wagons Limited
58.	Kailash Vahn Private Limited
59.	Kamal Coach Works Private Limited
60.	Kedar Ram & Sons
61.	Kross Limited
62.	M. M. Works
63.	M/S Ashico Industries
64.	M/S Citizen Exports
65.	M/S Dorabji Auto
66.	M/S Empathy Pharmaceuticals Engineering Division
67.	M/S Ganga Industries
68.	M/S Hira Industries
69.	M/S Hundal Industries
70.	M/S Kalra Industries
71.	M/S Karunko
72.	M/S Khurana Industries
73.	M/S Klt Automotive And Tublilar Products Limited
74.	M/S L D Joshi & Company
75.	M/S M. B. Auto Hi-Tech
76.	M/S Mahaveer Enterprises
77.	M/S National Automotive Components Private Limited
78.	M/S National Engineering Works
79.	M/S Nu Sriyam Hightech
80.	M/S Ons Engineers
81.	M/S Panorama Automotive Industries Private Limited
82.	M/S Perfect Engineering
83.	M/S Phoenix Engineering
84.	M/S Prb Associates
85.	M/S Proto-D Engineering
86.	M/S Puritech
87.	M/S Radheshyam Tool And Design
88.	M/S Roy Brothers

SN	Name of Ancillary Entities
89.	M/S S. S. Plastics
90.	M/S Sai Industries
91.	M/S Shanu Enterprises
92.	M/S Shri Laxmi Industries
93.	M/S Sumit Enterprises
94.	M/S Syndicate Auto Components
95.	M/S Tatanagar Steel Products
96.	M/S V. S. Enterprises
97.	M/S Vishwakarma Engg. Works
98.	M/S Well Pack Industries
99.	M/S. Bawa Engineering Works
100.	M/S. K. S. Industries
101.	M/S. M.B. Enterprises
102.	M/S. Prakash Industries
103.	M/S. R. K. Udyog
104.	M/S. Ranbir Polymer Industries
105.	Mahindra Cie Automotive Limited
106.	Marelli Talbros Chassis Systems Private Limited
107.	Metafab Industries Private Limited
108.	Metagrrel Tubes Private Limited
109.	Micro Auto Industries
110.	Micro Industries
111.	Mitter Fasteners
112.	Multitech Auto Private Limited
113.	Mungi Engineers Private Limited
114.	Nac Industries Private Limited
115.	National Industrial Apparels Private Limited
116.	Neel Metal Products Limited
117.	Netplast Private Limited
118.	Omax Autos Limited
119.	Platemasters
120.	Pragati Engineering Audyogik Sahayog Samiti Limited
121.	Pravat Fabricators Private Limited
122.	Pritam Automech Private Limited
123.	Proto D Industries Private Limited

SN	Name of Ancillary Entities
124.	Pushkar Techno Private Limited
125.	Raj Industries
126.	Rsb Transmissions India Limited
127.	Rucha Engineerings Private Limited
128.	S M Rolling Works
129.	Samarth Engineering Company Private Limited
130.	Sardul Auto Works Private Limited
131.	Sharada Industries
132.	Shivani Locks Private Limited
133.	Shivanya Auto Industry
134.	Singhel Engineering.
135.	Somic Zf Components Private Limited
136.	Spine Engineering
137.	Sssmehta Enterprises And Industries Private Limited
138.	Stallion Auto Parts Private Limited
139.	Star Auto Industries Private Limited
140.	Suprabha Industries Limited
141.	Suresh Press Works
142.	Surin Automotive Private Limited
143.	Takshi Auto Components Private Limited
144.	Tata International Vehicle Applications Private Limited
145.	Technico Industries Limited
146.	Transport Engineering Solutions India Private Limited
147.	Umr Tech Private Limited
148.	Uprate Auto Components Private Limited
149.	Utkal Autocoach Private Limited
150.	Venkatesh Automobile Private Limited
151.	Vijayshree Autocom Limited
152.	Vishwaraj Engineering Private Limited
153.	Vpm Auto Industries
154.	Vrm Metazine Private Limited
155.	Wabco India Limited
156.	Youth India Auto Components Private Limited
157.	Zf Commercial Vehicle Control Systems India Limited
158.	Any Other Ancillary Entities forming part during the year

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