

ANNEXURE 3

Annual Report on Corporate Social Responsibility Activities [Pursuant to Section 135 of the Companies Act, 2013]

I. OVERVIEW OF THE CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

Our CSR initiatives are guided by our CSR Policy ('Policy') adopted on September 17, 2014. The Policy is available on the Company's website at www.tatasteel.com. Our CSR activities are aligned to the Tata Group focus initiatives namely Education, Health, Livelihood, Rural and Urban infrastructure. We also undertake community-centric interventions in the areas of sports, disaster relief, environment and ethnicity.

II. COMPOSITION OF CSR AND SUSTAINABILITY COMMITTEE OF THE BOARD

At the helm of our CSR governance structure is the Corporate Social Responsibility and Sustainability Committee of the Board that comprises of Mr. Ishaat Hussain (Chairman), Mr. O. P. Bhatt, Mr. D. K. Mehrotra, Mr. Koushik Chatterjee and Mr. T. V. Narendran.

III. CSR ADVISORY COUNCIL

We have a 12-member CSR Advisory Council comprising of eminent personalities from academia and the development sector. The members of the Advisory Council provide macro policy-level inputs to the apex CSR and Sustainability Committee and guide the Company's approach towards CSR.

IV. CSR DELIVERY ARMS

In terms of the Companies Act, 2013, companies are allowed to carry out their CSR activities through registered trusts and/or societies. We carry out our community centric interventions through a number of CSR delivery arms including the following:

Tata Steel Rural Development Society ('TSRDS'), a registered society under Societies Registration Act, 1860. The principal aim and objective of the society is to undertake, promote, sponsor, assist or aid directly any activity/project/programme for the promotion and growth of the rural economy, rural welfare, socio-economic development and upliftment of the people in rural areas.

Tribal Cultural Society ('TCS'), a registered society under Societies Registration Act, 1860. The principal objective of the society is to promote and undertake cultural activities, cultural education and training of various tribes.

Tata Steel Skill Development Society ('TSSDS'), a registered society under Societies Registration Act, 1860. The principal aim and object of the society is to provide facilities for technical and other skill enhancement trainings within the nation.

Tata Steel Family Initiatives Foundation ('TSFIF'), a registered trust under Indian Trusts Act, 1882. The principal objective of the trust is to undertake projects/programmes on reproductive health, prevention of drug or alcohol addiction and empowerment of women through literacy and income generation.

Tata Steel Zoological Society ('TSZS'), a registered society under Societies Registration Act, 1860. The principal objective of the society is to provide natural habitats to various animals suitable for their conservation and propagation. It also acts as a facilitator to spread the message of nature conservation by building awareness and conducting educational programmes.

V. TATA STEEL FOUNDATION

In order to strengthen our CSR deployment and governance system, the Board of Directors, on December 16, 2015, approved the formation of a Section 8 Company. On August 16, 2016, Tata Steel Foundation ('TSF'), a Section 8 Company, was incorporated under the Companies Act, 2013. The Board of Directors of TSF comprises of Mr. Ishaat Hussain, Mr. T.V. Narendran and Mr. Koushik Chatterjee.

The broad objectives of TSF are as follows:

1. To undertake various developmental and CSR programmes, including those provided in Schedule VII of Section 135 of the Companies Act, 2013, either on its own or on behalf of any other person or organization
2. To undertake CSR projects jointly with other companies including foreign companies
3. To borrow or raise money and garner support from national and international agencies
4. To make contributions to any non-profit organization with objectives similar to those of the Company
5. To apply the profits solely towards the promotion of its objectives

VI. FINANCIAL DETAILS

Particulars	(₹ crore)
Average net profit of the Company for the last 3 financial years	5,789.77
Prescribed CSR Expenditure (2% of the average net profits)	115.80
Details of CSR Expenditure during the financial year:	
Total amount to be spent for the financial year	115.80
Amount spent	193.61
Amount unspent	Nil

Manner in which amount spent during the financial year is given as an annexure to this report. Details of projects undertaken during the year along with the impact of our CSR activities are discussed in the Community Development Section of this Integrated Report.

VII. RESPONSIBILITY STATEMENT

We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the Corporate Social Responsibility and Sustainability Committee monitors the implementation of CSR Projects and activities in compliance with our CSR objectives.

sd/-

Ishaat Hussain

Chairman of CSR and Sustainability Committee
(DIN: 00027891)

sd/-

T. V. Narendran

Managing Director
(DIN: 03083605)

Mumbai

May 16, 2017

Annexure to the Corporate Social Responsibility Annual Report

Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No	CSR project or activity identified	Sector in which the project is covered	Location of project (District & State)	Amount outlay (Budget)	Amount Spent on the projects or programs	Cumulative expenditure till the reporting period	Amount spent Direct or through implementing agency
1	Promoting health care including preventive health care and sanitation	Health	Jharkhand - East Singhbhum, West Singhbhum, Ranchi, Dhanbad, Ramgarh, Gumla Odisha - Ganjam, Jajpur, Kendujhar, Sundargarh, Bhubaneswar West Bengal - Kolkata Maharashtra - Mumbai	69.27	58.75	58.75	Direct, TSRDS, TCS, TSFIF
	Total			69.27	58.75	58.75	
2	Making available safe drinking water	Drinking Water	Jharkhand - East Singhbhum, West Singhbhum, Dhanbad, Ramgarh Odisha - Ganjam, Jajpur, Kendujhar, Sundargarh	13.54	9.39	9.39	Direct, TSRDS
	Total			13.54	9.39	9.39	
3	Promotion of education including special education	Education	Jharkhand - East Singhbhum, West Singhbhum, Dhanbad, Ramgarh Odisha - Ganjam, Jajpur, Kendujhar, Sundargarh	58.37	73.71	73.71	Direct, TSRDS, TCS, TSF
	Total			58.37	73.71	73.71	
4	Employment enhancing vocational skills especially to women, children, differently abled	Livelihood	Jharkhand - East Singhbhum, West Singhbhum, Dhanbad, Ramgarh Odisha - Ganjam, Jajpur, Kendujhar, Puri, Sundargarh	20.41	20.39	20.39	Direct, TSRDS, TCS, TSSDS
5	Livelihood enhancement projects						
	Total			20.41	20.39	20.39	

(₹ crore)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No	CSR project or activity identified	Sector in which the project is covered	Location of project (District & State)	Amount outlay (Budget)	Amount Spent on the projects or programs	Cumulative expenditure till the reporting period	Amount spent Direct or through implementing agency
6	Environmental sustainability, protection of flora & fauna, agroforestry, animal welfare, resource conservation, maintaining quality of soil, air, water	Environment	Jharkhand - East Singhbhum, West Singhbhum, Dhanbad, Ramgarh Odisha - Jajpur, Kendujhar, Sundargarh Maharashtra - Mumbai New Delhi	2.85	2.90	2.90	Direct, TSRDS, TSZS
	Total			2.85	2.90	2.90	
7	Protection and restoration of national heritage, promotion of art, culture, handicrafts, setting up public libraries etc.	Ethnicity	Jharkhand - East Singhbhum, West Singhbhum, Ramgarh, Dhanbad Odisha - Kendujhar, Jajpur	6.60	3.89	3.89	TSRDS, TCS
	Total			6.60	3.89	3.89	
8	Promotion of Rural, Nationally recognised, Paralympic and Olympic sports especially training	Sports	Jharkhand - East Singhbhum, West Singhbhum, Dhanbad, Ramgarh Odisha - Ganjam, Jajpur, Kendujhar, Sundargarh	5.71	3.37	3.37	Direct, TSRDS
	Total			5.71	3.37	3.37	
9	Setting up homes, hostels, old age homes, day care centres for women, orphan, elderly	Rural & Urban Infrastructure	Jharkhand - East Singhbhum, West Singhbhum, Dhanbad, Ramgarh Odisha - Ganjam, Jajpur, Kendujhar, Sundargarh	16.63	11.99	11.99	Direct, TSRDS
10	Rural development projects (infrastructure and other developments)						
	Total			16.63	11.99	11.99	
	Total Direct expenses of projects & programmes (A)			193.38	184.39	184.39	
	Overhead expenses (restricted to the 5% of total CSR expenditure) (B)			9.67	9.22	9.22	
	Total (A) + (B)			203.05	193.61	193.61	