TATA

June 4, 2022

The Secretary, Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.
Maharashtra, India.
Scrip Code: **500470/890144***

The Manager, Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051.
Maharashtra, India.
Symbol: **TATASTEEL/TATASTLPP***

Dear Madam, Sirs,

Sub: Integrated Report & Annual Accounts for Financial Year 2021-22 of Tata Steel Limited ('the Company')

This is in furtherance to our letter dated May 3, 2022 wherein we had informed that the 115th Annual General Meeting ('**AGM**') of the Company will be held on **Tuesday, June 28, 2022** at **3.00 p.m.** (**IST**).

The AGM is being held via two-way Video Conference/Other Audio-Visual Means. This is in compliance with the General Circulars issued by the Ministry of Corporate Affairs dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021 and December 14, 2021.

Please find enclosed herewith the 7th Integrated Report & 115th Annual Accounts of Tata Steel Limited for the Financial Year 2021-22 along with the Notice of the 115th AGM ('**Integrated Report'**). The Integrated Report is available on the website of the Company at https://www.tatasteel.com/media/15928/tata-steel-ir-2021-22.pdf

The Integrated Report is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrars and Transfer Agent/Depositories. This is in compliance with the Circulars dated May 12, 2020, January 15, 2021 and May 13, 2022 issued by the Securities and Exchange Board of India.

Further, dividend, if approved by the Members of the Company at the AGM, will be paid on and from Saturday, July 2, 2022.

This disclosure is being submitted pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

This is for your information and records.

Thanking you.

Yours faithfully,
Tata Steel Limited

Parvatheesan

Parvatheesam Kanchinadham
Company Secretary &
Chief Legal Officer (Corporate & Compliance)

Encl: As above

Securities in scrip code 890144 and symbol TATASTLPP stand suspended from trading effective February 17, 2021

TATA STEEL

#WeAlsoMakeTomorrow

TATA

Responsible Growth. Sustainable Future.

Integrated Report & Annual Accounts 2021-22

115th Year

Responsible Growth. Sustainable Future.

In our nearly 12-decade journey, we have demonstrated a spirit of resilience and an ability to grow in the face of an evolving environment. However, even after being witness to seminal world events, we were surprised by the speed and extent of change in the last two years and the intensity of its impact. Yet, our approach remained consistent as it stayed agile, reflecting our philosophy of growing responsibly, growing together and ensuring a sustainable future.

In all respects, FY 2021-22 was a remarkable year – we reported our best ever financial performance and demonstrated significant progress on all strategic priorities as well as our sustainability ambitions. Even as we focussed on improving production, efficiency, go-to-market strategy and share of value-added products, we continued to invest in technologies to reduce emissions, drive resource efficiency, aid the global transition to a low-carbon future, and build a safer workplace.

To us, that is responsible growth.

We have set ourselves a target of doubling our capacity during this decade. Strong cash flows enable us to deleverage the balance sheet, invest in our ambitions and create a headroom for future growth. We are undertaking several initiatives aimed at de-risking the business, especially across procurement and supply chain, and continue to leverage digitalisation to unlock greater value for all stakeholders.

That is how we build a sustainable future.

We remain committed to our purpose, building a better future through world-class steel products, in a responsible and sustainable way.

Our best ever year is thus only a beginning, even after so many years.

FY 2021-22, a record year for Tata Steel

31.03 MnT
Crude steel production

₹41,749 crore
Profit After Tax

₹2,43,959 crore
Turnover

₹15,232 crore
Debt repaid

Tata Steel consolidated numbers FY 2021-22

Contents

REPORT PROFILE

About the report

Our seventh annual integrated report provides a holistic analysis of our strategic vision, performance, governance and value creation. It provides a concise overview of our overall performance and prospects to assist the reader in making an informed decision on our ability to create value in the short, medium and long term, and on the future viability of our business.

Reporting principle

The financial and statutory data presented in the Integrated Report & Annual Accounts 2021-22 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. This Report is prepared in accordance with the Integrated Reporting <IR> framework of the International Integrated Reporting Council (IIRC) (now known as Value Reporting 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 Reporting issued by the Securities and Exchange Board of India (SEBI) and World Steel Association (worldsteel).

Scope and boundary

This Report describes our business model, strategy, significant risks, opportunities and issues, our overall performance and related outcomes and prospects for the year under review. Further to our financial performance, we also present information relating to our non-financial (social and environmental) and governance performance.

This Report predominantly covers information with respect to Tata Steel's plants located at Jamshedpur (Jharkhand), Kalinganagar and Meramandali (Odisha), Raw Materials Division and Profit Centres. However, certain sections of this Report include KPIs of our major steel-making subsidiaries.

Independent assurance

Assurance on financial statements has been provided by independent auditors Price Waterhouse & Co. Chartered Accountants LLP. 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 the International Standards on Assurance Engagements (ISAE) 3000 (revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. The subject matter, criteria, procedures performed and assurance conclusions are presented in the assurance reports available on our website. The reports issued by Price Waterhouse & Co. Chartered Accountants LLP is available on our website at www.tatasteel.com or can be accessed at https://bit.ly/3tBer2n.

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. Report 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 FY 2018-19, Tata Steel updated its Environmental, Social and Governance (ESG) material issues and incorporated them into its long-term plans.

E Environmental | S Social | G Governance

Management responsibility

To optimise governance oversight, risk management and controls, the contents of this Report have been reviewed by the Senior Executives of the Company, including the Chief Executive Officer & Managing Director; Executive Director & Chief Financial Officer; and the Company Secretary & Chief Legal Officer (Corporate & Compliance).

Reporting period

We publish our integrated report annually. This Report covers the performance of Tata Steel and its subsidiaries, associates and investments for the financial year starting from April 1, 2021 to March 31, 2022. For KPIs, comparative figures for the last three to five years have been incorporated in this Report to provide a holistic view.

Our stakeholders

- Investors and Lenders
- Employees
- Customers
- Vendor Partners
- Community
- Media
- Government / Regulatory Bodies
- Industry Bodies

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.

Our Chairman, N. Chandrasekaran, was conferred the Padma Bhushan, one of India's highest civilian awards, in the field of Trade and Industry.

PERFORMANCE SNAPSHOT

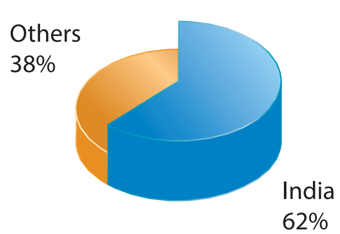
Setting new benchmarks

We delivered superior performance despite heightened complexities in the face of COVID-19 as well as ongoing geopolitical tensions. Our India business showed broad-based growth across chosen segments due to sustained focus on customer relationships, distribution network and portfolio of brands supported by an agile business model. Our Europe operations delivered robust performance on the back of a strong business environment and the transformation programme undertaken by the Company.

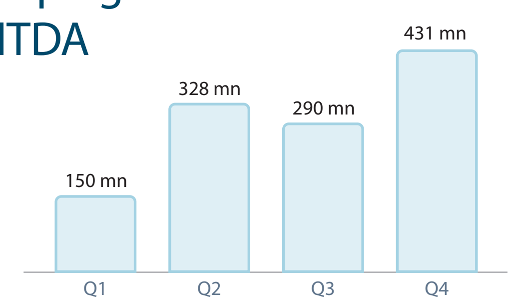
Inspiring performance

	Tata Steel (Standalone)	Tata Steel (India Operations)	Tata Steel (Consolidated)
Crude steel production (MnT)	18.38 ↑13%	19.06 ↑13%	31.03 ↑9%
Deliveries (MnT)	17.62 ↑6%	18.27 ↑6%	29.52 ↑4%
Turnover (₹ crore)	1,29,021 ↑53%	1,35,823 ↑53%	2,43,959 ↑56%

India constituted 62% of deliveries (MnT) in FY 2021-22



Europe generated ~£1.2 billion EBITDA



	Tata Steel (Standalone)	Tata Steel (India Operations)	Tata Steel (Consolidated)
Reported EBITDA (₹ crore)	51,456 ↑88%	52,745 ↑85%	63,830 ↑107%
Reported EBITDA per tonne (₹)	29,199 ↑78%	28,863 ↑75%	21,626 ↑100%
Reported profit after tax (₹ crore)	33,011 ↑93%	33,641 ↑91%	41,749 ↑410%
Cash generated from operations – before tax (₹ crore)	53,226 ↑40%	55,113 ↑39%	56,283 ↑25%

Financial Statements of FY 2021-22 with the comparable period for Tata Steel (Standalone) and Tata Steel (India Operations) have been re-stated on account of amalgamation of Tata Steel BSL Limited and Bamnipal Steel Limited into and with Tata Steel Limited.

Key Highlights - Tata Steel (Standalone)

Steady performance in sustainability

1. Recognised as Steel Sustainability Champion by World Steel Association for the 5th year in a row
2. >98% solid waste utilisation

Ensuring safety of our people

1. Trained >41,200 workforce on various safety standards at Safety Leadership Development Centre
2. 97% employees (including contract employees) have been fully vaccinated

Creating value for our shareholders

1. ₹51/- dividend recommended per fully paid-up Ordinary (equity) share and ₹12.75 for partly paid-up Ordinary (equity) share
2. 10:1 share sub-division proposed

Tata Steel (Standalone) - Tata Steel Limited
Tata Steel (India Operations) – Tata Steel (Standalone) + Tata Steel Long Products Limited (TSLP)
Tata Steel (Consolidated) – Tata Steel (India Operations) + Tata Steel (Europe Operations) + Tata Steel (South-East Asia Operations) + Rest of the World

Numbers pertain to FY 2021-22. The percentage increase/decrease is compared to FY 2020-21

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

Delivering stellar financial performance

At Tata Steel, we further strengthened our balance sheet by generating strong cash flows while continuing to pare down debt. This is also reflected in our investment grade credit rating. We delivered the highest ever EBITDA and PAT. Our European operations too made improved EBITDA contribution of ~£1.2 billion. We believe Tata Steel today is in a strong position to fund its growth ambitions and continue with its deleveraging strategy while rewarding shareholders at the same time. Our record proposed dividend and share sub-division indicate our focus on capital returns.

~40%

Increase Y-o-Y in cash flows from operations

₹51/- per share

Highest ever dividend proposed

About Tata Steel

CORPORATE PORTRAIT

Going beyond boundaries

Tata Steel, with its geographically diversified presence, touches millions of lives every day. We are one of the handful of steel players who are fully integrated – from mining to manufacturing to marketing of finished products. We are continuously working towards scaling new heights and reinforcing our leadership in the global steel industry.

Focussing on innovation, technology, sustainability and people, we strive to become the most respected and valuable steel company globally. We are strengthening our position in the adjacent materials space through our Services & Solutions and New Materials Business, which explores opportunities in materials beyond steel. Our Steel Recycling Business is a definitive step towards embedding circular economy principles in our operations. Steel produced through the recycled route entails lower carbon emissions, lower resource consumption and lower energy utilisation, which helps us fulfil our commitment to reducing the environmental impact of our operations.

Amongst Top 10

Steel companies in Dow Jones Sustainability Index Corporate Sustainability Assessment 2021

34 MnTPA

Annual crude steel production capacity globally

Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA

Sustainability CHAMPION worldsteel 2022

Member of
Responsible™ Steel standards & certification

Vision

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

We make a difference through:

- Our People
- Our Conduct
- Our Offerings
- 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.

OPERATIONAL EXPANSE

Delivering strength and endurance at scale

Tata Steel is the 10th largest steel producer in the world with an annual crude steel production capacity of 34 MnTPA. We are one of the world's most geographically diversified steel producers. Together with our subsidiaries, associates and joint ventures, our operations are spread across five continents with an employee base of over 65,000. Our steel manufacturing and downstream facilities are in India, the UK, the Netherlands and Thailand, while our raw material mines are in India and Canada.

Steel Manufacturing Facilities

EUROPE

Port Talbot, Wales, United Kingdom | **IJmuiden, Netherlands**

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 Mainland Europe (the Netherlands). Both operating facilities produce premium flat steel products and services for customers in Europe and around the world.

Port Talbot
5 MnTPA

IJmuiden
7 MnTPA

INDIA

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

MERAMANDALI
Tata Steel Meramandali plant in Dhenkanal, Odisha is one of India's largest flat steel production plants equipped with steelmaking and finishing facilities.

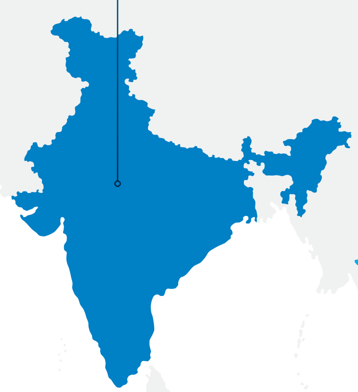
5.6 MnTPA

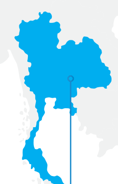
KALINGANAGAR
Commissioned in 2016, the Kalinganagar plant attained production levels at its rated capacity of 3 MnTPA in less than two years. A capacity expansion to 8 MnTPA (Phase II) is currently underway, which will augment our product portfolio with new value-added products while driving operational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

3 MnTPA

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





THAILAND

NTS Plant, Chonburi Province | **SCSC Plant, Rayong Province**
SISCO Plant, Saraburi Province

Tata Steel (Thailand) Public Company Limited (TSTH) is one of the largest and most diverse long steel manufacturer in Thailand using recyclable steel scrap as raw material.

1.7 MnTPA

The numbers indicate crude steel production capacity.

Raw material assets

Tata Steel sources most of the required raw materials from its 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 nearly 21% of clean coal requirements for steel manufacturing facilities in India, while the rest is imported.

Iron ore

- Sourced from OMQ (Ore Mines and Quarries) Division
- Comprises four iron ore mines located at Noamundi (Jharkhand) and Joda, Katamati and Khondbond (Odisha)
- Iron ore is supplied to Jamshedpur, Kalinganagar and Meramandali facilities

32 MnTPA
Iron ore production

Manganese mines

- Tata Steel operates three manganese mines (Joda West, Bamebari and Tiringpahar).
- With assured manganese ore availability from Tata Steel mines, Ferro Alloys & Minerals Division (FAMD) of Tata Steel produces ferro-manganese to meet 100% requirement of our Jamshedpur, Kalinganagar, Meramandali and Gamharia facilities in India.
- Tata Steel is the lowest cost producer of manganese alloys thereby helping our Indian steel plants maintain high quality of steel at least cost.

Tata Steel Minerals Canada

- It is a partnership between Tata Steel and the Government of Quebec, Canada for mining and processing of high-grade iron ore and supplies mainly for our facilities in Europe.
- It has ~130 MnT of hematite iron ore resources straddled across the provinces of Quebec, Newfoundland and Labrador in the remote subarctic region of Eastern Canada.

Rail Loop, Tata Steel Minerals Canada

Coking coal

- Sourced from two groups of mines: Jharia Group and West Bokaro Group
- Jharia has a leasehold area of 5,500 acres, containing five underground mines clubbed into two groups—Sijua group (Bhelatand and Sijua underground coal mines) and Jamadoba group (Digwadih, 6&7 pits and Jamadoba underground coal mines)
- West Bokaro has a leasehold area of 4,300 acres, with two open-cast sites and a coal washing, processing and dispatch capacity of 7 MnTPA

10 MnTPA
Coal washing and processing capacity

Chromite mines

- Tata Steel Mining Limited, a wholly-owned subsidiary of Tata Steel, operates three chromite mines in Odisha (Saruabil, Kamarda and Sukinda mines).
- Tata Steel Mining is one of the largest producers of ferro chrome in the world and exports worldwide apart from being a dominant supplier in the Indian market.

PRODUCT PORTFOLIO

Expanding portfolio to meet diverse needs

Tata Steel India

AUTOMOTIVE

Market sub-segments	Products and brands
Auto OEMs (B2B)	Hot Rolled (HR), Cold Rolled (CR), Coated Coils & Sheets, Bearings
Auto Ancillaries (B2B, B2ECA)	HR, CR, Coated Steel Coils & Sheets, Precision Tubes, Tyre Bead Wires, Spring Wires, Bearings, Tata Steelium, Tata Steelium Neo (CR), Tata Astrum (HR), Galvano (Coated)

CONSTRUCTION

Market sub-segments	Products and brands
Individual House Builders (B2C)	Tata Tiscon (rebars), Tata Pravesh (steel doors and windows), Tata Shaktee (roofing sheets), Tata Pipes (plumbing pipes), Tata Structura (tubes), Tata Wiron (wires)
Corporate and Government Bodies (B2B) (B2G)	HabiNest (prefabricated houses), AquaNest (water kiosks), EzyNest (modular toilets), MobiNest (office cabins), Nestudio (rooftop houses), CanvaNest (EV charging station), Smart EzyNest (smart toilets for smart cities), Tata Pipes
Infrastructure (B2B, B2ECA)	TMT Rebars (higher diameter rebars and corrosion-resistant steel) HR, Tata Structura (tubes), Tata Astrum for Crash Barrier, PC Strands (LRPC)**
Housing and Commercial (B2B)	Tiscon Readybuild (cut and bend bars), Tata Structura (tubes), PC Strands (LRPC)**, Tata Nirman (LD *** slag- fine aggregates), Tata Aggreto (processed LD slag- coarse aggregates), Ground Granulated Blast Furnace Slag (binder in concrete), WAMA – GC for walling, GalvaRos for Heating Ventilation and Air-Conditioning (HVAC) and False Ceiling segments, Colornova for doors and window frames, Galvanova

INDUSTRIAL AND GENERAL ENGINEERING

Market sub-segments	Products and brands
Panel and Appliances, Fabrication and Capital Goods, Household Goods, Furniture, Solar (B2ECA, B2C)	Tata Steelium & Tata Steelium Neo (CR), Galvano (Coated), Tata Astrum (HR), Tata Structura (tubes), Tata Astrum (for fabrication), GalvaRoS, Galvanova & Colornova (Coated) for Appliance segment, Galvanova (AlZn) & Tata Astrum Solar for Solar segment, Tata Kosh (coated sheets), Tata Steelium Super.
Liquid Petroleum Gas (LPG) Cylinders (B2B)	HR
Welding (B2B)	Wire rods
Transmission Power and Distribution (B2B, B2ECA)	Tata Astrum (for fabrication)
Process Industries (Cement, Power) (B2B)	Tata Tiscrome (ferro chrome), Tata Ferromag (ferro-manganese), boiler tubes, Tata Pipes, Tata Ferroshots (secondary steel), Blast Furnance Slag (cement), Metallics (secondary steel), Coal Tar (chemical industry)

AGRICULTURE

Market sub-segments	Products and brands
Agri Equipment (B2B)	Bearings, Tata Astrum (HR), Tata Steelium (CR), Tata Astrum Super
Fencing, Farming and Irrigation (B2C)	Galvanised iron (GI), wires, agricultural and garden tools, Tata Pipes (conveyance tubes)

Notes:

B2B – Business to Business; ***B2C*** – Business to Consumer; ***B2G*** – Business to Government; ***B2ECA*** – Business to Emerging Corporate Account;
*****OEM***: Original Equipment Manufacturer; ****LRPC***: Low-relaxation Pre-stressed Concrete; *****LD***: Linz-Donawitz

Tata Steel Europe

AUTOMOTIVE

Market sub-segments	Products and brands
Auto OEMs (B2B)	Hot rolled (HR), Direct rolled (DR), Cold-rolled (CR), Metallic Coated Coils and Sheets, Tubes (precision); Serica, MagiZinc Auto, Ympress, Ymagine, XPF, HyperForm
Auto Ancillaries (B2B, B2ECA)	HR, DR, CR, Metallic Coated Coils and Sheets, Tubes (structural and precision), Electro-plated steel Serica, MagiZinc Auto, XPF, HyperForm, Contiflo, HILUMIN, Advantica

CONSTRUCTION

Market sub-segments	Products and brands
Individual House Builders (B2C)	Catnic (lintels, profiles, roof and cladding system), Catnic, Catnic Urban
Corporate and Government Bodies (B2B) (B2G)	Catnic (lintels, profiles, roof and cladding system), Building Systems UK (panels and profiles), SAB Profil (panels and profiles), Fischer Profile (panels and profiles), Montana (panels and profiles) Catnic, Catnic Urban, Trimapanel, Trimawall, Comflor, Roofdek, SAB Profil, Colorcoat, Fischertherm, Fischerfireproof, Montanatherm, Montapanel, Swiss Panel, Holorib
Infrastructure (B2B)	HR, DR, CR, Metallic Coated Coils and Sheets, Tubes (structural, conveyance, precision and energy), Highway Systems (safety fence and parapets), Solar Frames, MagiZinc, Ymagine, Ympress, Durbar, Contiflo, Celsius, Hybox, Strongbox, Vetex, Protect 365
Housing and Commercial (B2B)	Tubes (structural and conveyance), SAB Profil (panels and profiles), Fischer Profile (panels and profiles), Montana (panels and profiles) Catnic, Catnic Urban, MagiZinc, SAB Profil, Colorcoat, Fischertherm, Fischerfireproof, Montanatherm, Montapanel, Swiss Panel, Holorib, Celsius, Hybox, Strongbox, Install, Inline, inflow, Infire.
Profilers and building system manufacturers (B2B)	HR, DR, CR, Metallic Coated, Organic Coated Coils and Sheets MagiZinc, Colorcoat, Advantica

INDUSTRIAL AND GENERAL ENGINEERING

Market sub-segments	Products and brands
Panel and Appliances, Fabrication and Capital Goods, Household Goods, Furniture, Solar (B2B)	HR, DR, CR, Metallic Coated Coils and Sheets, Electro-plated steel, Tubes (precision), MagiZinc, Ymagine, Ympress, Ympress Laser, Ymvit, Durbar, Celsius, Contiflo, Hybox, Strongbox, HILUMIN, HILAN, NICOR, HI-BRITE, Advantica, Motiva, RADECOL
Heavy Vehicles (B2B)	HR, CR, Metallic Coated Coils and Sheets, Tubes Valast, MagiZinc, Ymagine, Ympress, Hybox
Consumer and Industrial Packaging (B2B)	CR, Tinplate, ECCS, Laminated steel Coils and Sheets, Protact, TCCT
Process Industries (B2B)	HR, Coils and Sheets, Ymagine, Ympress

AGRICULTURE

Market sub-segments	Products and brands
Agri Equipment (B2B)	HR, Coils and Sheets, Tube (structural and precision) Ympress, Contiflo, Hybox, Hybox TT, Strongbox
Fencing, Farming and Irrigation (B2B)	HR, Metallic Coated Coils & Sheets, Tubes (structural and precision) Ympress, Contiflo, Hybox, Strongbox, Forcas

Notes: ***B2B*** – Business to Business; ***B2C*** – Business to Consumer; ***B2G*** – Business to Government; ***B2ECA*** – Business to Emerging Corporate Account

Tata Steel Thailand

AUTOMOTIVE

Market sub-segments	Products and brands
Auto OEMs (B2B)	Wire rods

CONSTRUCTION

Market sub-segments	Products and brands
Individual House Builders (B2C)	Tata Tiscon (rebars), Stirrups
Infrastructure (B2B)	Tata Tiscon (rebars), Tiscon Readybuild (cut and bend)
Housing and Commercial (B2B)	Tata Tiscon (rebars), Tiscon Readybuild (cut and bend bars), Stirrups, Structurals (angles and channels)

INDUSTRIAL AND GENERAL ENGINEERING

Market sub-segments	Products and brands
General Engineering	Wire rods
Welding (B2B)	Wire rods
Transmission Power and Distribution (B2B)	Structurals (angles and channels)

Steelpark Automotive Service Centre, the UK

INTRODUCING OUR CAPITALS

Our engines of value creation

Our multi-capital integrated approach defines our decision-making and disclosure practices. Communicating our business objectives using this approach helps our stakeholders identify the most significant levers for value creation and preservation.

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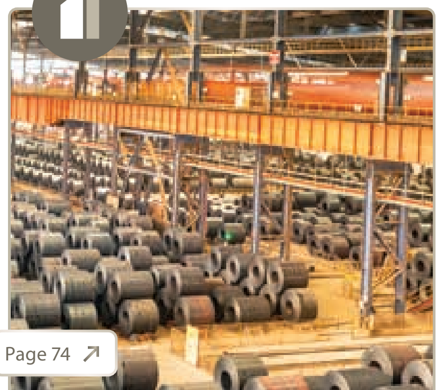
Financial Capital

At Tata Steel, our aim is to provide optimum returns to the providers of our financial capital. Our business processes are aligned to maximise surplus from business operations, relevant monetisation of assets and investments.

KPIs	FY 2021-22
Turnover (₹ crore)	1,29,021
EBITDA (₹ crore)	51,456
Return on average net worth (%)	29.93



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Manufactured Capital

We are continuously adopting the Best Available Technologies (BAT) to maintain and upgrade facilities in our integrated steel operations. This helps us in efficiency improvement, ensuring safety, sustainability and reliability of our processes, products and solutions.

KPIs	FY 2021-22
Hot metal production (MnT)	18.90
Crude steel production (MnT)	18.38
Deliveries (MnT)	17.62

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Intellectual Capital

Research and innovation are key drivers for our operational efficiency, resource optimisation, sustainability and new product development. We continuously evaluate the existing needs and anticipate the future needs of our customers and implement this understanding in our product development strategy. We also collaborate with experts, academia, technology providers, research institutions, etc. to drive our R&D efforts.

KPIs	FY 2021-22
R&D spend (₹ crore)	213
Patents granted (nos.)	121
New products developed (nos.)	62

The KPIs mentioned above are for Tata Steel (Standalone).

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Human Capital

Our human capital is our key business imperative. To drive performance excellence, we invest heavily in employee welfare and engagement activities. We regularly undertake skill development initiatives to align employees' skillset with evolving organisational requirements. We ensure a work culture that promotes safety, health, diversity, competency enhancement and overall well-being of our employees.

KPIs	FY 2021-22
Employee productivity (tcs*/employee/year)	854
Training (person-days)	4,13,542
Diversity mix of workforce (%)	18
LTIFR (index)	0.59

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Natural Capital

Our raw material comprises various natural resources - iron ore, coal and other minerals. Besides, land and water are indispensable for our operations. We are conscious of our ecological footprint and are working relentlessly to optimise the use of the natural resources, restrict emissions and encourage circular economy.

KPIs	FY 2021-22
CO_2 emission intensity (tCO_2/tcs)	2.43
Dust emission intensity (kg/tcs)	0.39
Solid waste utilisation (%)	>98
Effluent discharge intensity (m^3/tcs)	0.52
Specific freshwater consumption (m^3/tcs)	2.71

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Social and Relationship Capital

Our communities, customers and suppliers are critical to our business continuity and social licence to operate. We believe in building long-term, transparent and trust-based relationships with them through continuous stakeholder engagement and innovation.

KPIs	FY 2021-22
Lives reached through CSR (Mn)	2.87
Customer satisfaction index (Steel) (Score out of 100)	83.3
Suppliers trained through Vendor Capability Advancement Programme (VCAP) (nos.)	450
Critical suppliers assessed on Responsible Supply Chain Policy (nos.)	258

The KPIs mentioned above are for Tata Steel (Standalone); * tonnes of crude steel

BUSINESS MODEL (TATA STEEL LIMITED)

Driving excellence

INPUTS

FINANCIAL CAPITAL

Net worth (₹ crore)	1,25,434
Net debt (₹ crore)	33,494

MANUFACTURED CAPITAL

Installed capacity - Crude Steel (MnTPA)	
Jamshedpur	11.00
Kalinganagar	3.00
Meramandali	5.60
Steel processing centres - Own (nos.)	38

INTELLECTUAL CAPITAL

Collaborations/Memberships (Technical Institutes) (nos.)	35
Patents filed (nos.)	125
R&D spend (₹ crore)	213

HUMAN CAPITAL

Employees on Roll[1] (nos.)	35,927
Investment in employee training and development (₹ crore)	159
Employee training (person-days)	4,13,542

NATURAL CAPITAL

Energy Intensity (GJ/tcs)	23.62
Specific freshwater consumption (m^3/tcs)	2.71
Capital spend on environment (₹ crore)	554
Raw Material Consumption[2] (MnT)	~44

SOCIAL AND RELATIONSHIP CAPITAL

Pan-India dealers (nos.)	15,566
Pan-India distributors (nos.)	273
Customer-facing processes (nos.)	11
Customer service teams (nos.)	25
Active supplier base (nos.)	6,264
CSR spend (₹ crore)	406

VALUE CREATION APPROACH

OUR VISION

We aspire to be the global steel industry benchmark for value creation and corporate citizenship

OUR VALUES

- INTEGRITY
- EXCELLENCE
- UNITY
- RESPONSIBILITY
- PIONEERING

STRATEGIC OBJECTIVES

- SO1 Leadership in India
- SO2 Consolidate position as global cost leader
- SO3 Attain leadership position in adjacent businesses
- SO4 Leadership in sustainability

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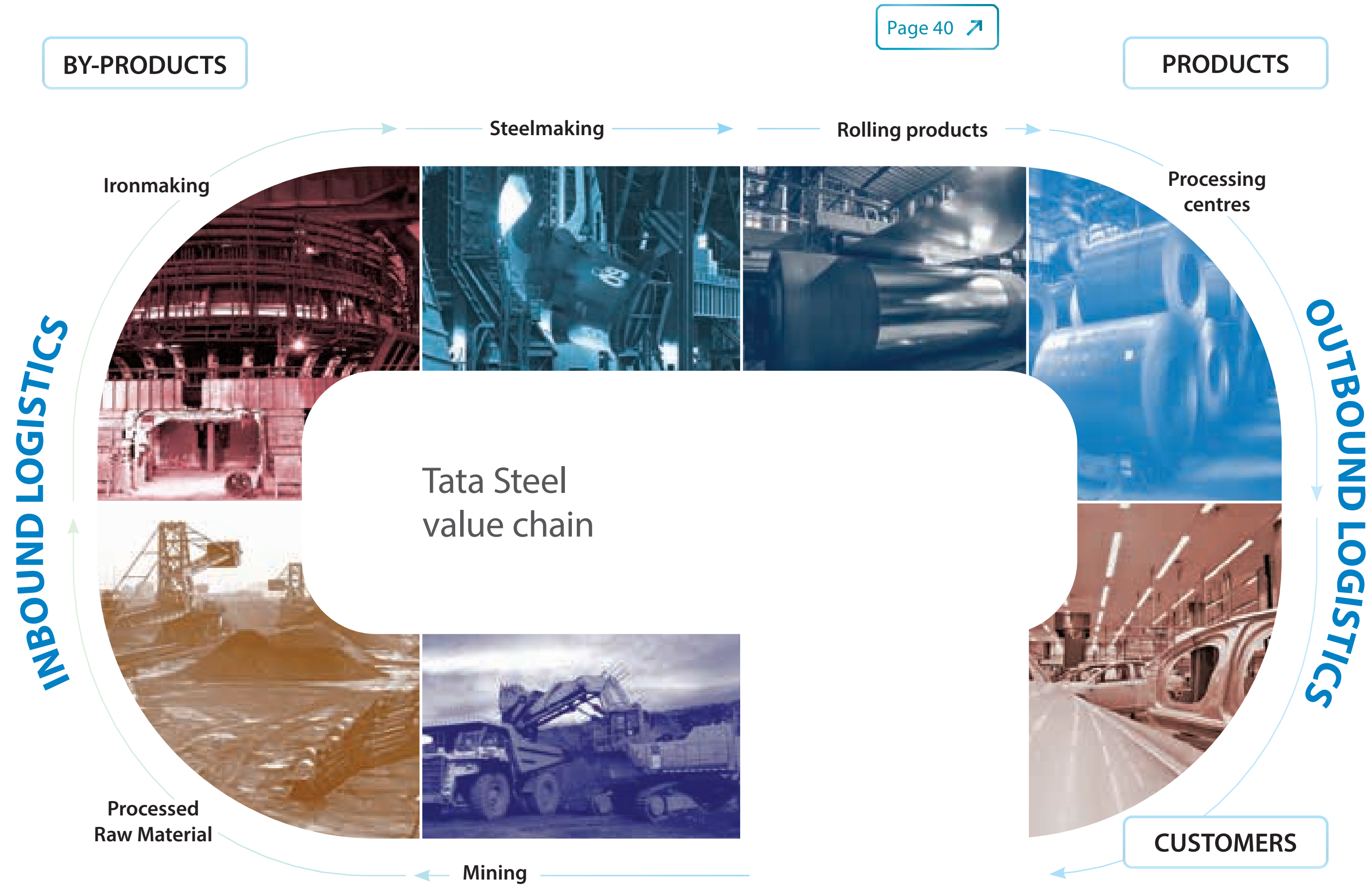


OUTPUTS

FY 2021-22 HIGHLIGHTS

18.38 MnT
Crude steel production

18.90 MnT
Hot metal production

17.62 MnT
Deliveries

11.79 MnT
Enriched/value-added product sales

~15 MnT
By-products generated

OUTCOMES

FINANCIAL CAPITAL

Turnover (₹ crore)	1,29,021
EBITDA (₹ crore)	51,456
Savings through Shikhar25 projects (₹ crore)	5,463

MANUFACTURED CAPITAL

Hot Metal Production (MnT)	
Jamshedpur	10.83
Kalinganagar	3.47
Meramandali	4.59

INTELLECTUAL CAPITAL

Patents granted (nos.)	121
New products developed (nos.)	62

HUMAN CAPITAL

Health index (Score out of 16) (nos.)	13.05
Diversity - % women in the workforce[3]	6.90
Employee productivity - Own (tcs/employee/year)[4] (nos.)	854
Diversity Mix[5] (%)	18
LTI (nos.)	165
LTIFR (Index)	0.59
Workforce covered through formal trade unions (%)	79.6

NATURAL CAPITAL

CO_2 emission intensity (tCO_2/tcs)	2.43
Dust emission intensity (kg/tcs)	0.39
Solid waste utilisation (%)	>98
Effluent discharge intensity (m^3/tcs)	0.52
SOx emission intensity (kg/tcs)	1.65
NOx emission intensity (kg/tcs)	0.87
Total sites covered under biodiversity management plans (%)	61.9

SOCIAL AND RELATIONSHIP CAPITAL

Suppliers assessed based on safety (nos.)	1,022
Customer satisfaction index (Steel) (out of 100)	83.3
Net Promoter Score (out of 100) - Tata Tiscon	91.0
Net Promoter Score (out of 100) - Tata Shaktee	93.4
Suppliers trained through VCAP[6] (nos.)	450
Business associates trained on TCoC (nos.)	2,114
Critical suppliers assessed on Responsible Supply Chain Policy (nos.)	258
Quality/customer complaints (PPM)	408
Lives reached through CSR initiatives (Mn)	2.87
Customer Loyalty score (out of 100)	88.1

[1] Employees on Roll - No. of permanent employees of Company (officers + non-officers) except those on deputation + doctors on contract

[2] Includes major raw materials i.e. coal and iron ore.

[3] 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 as per EOR report (includes doctors on contract)

[4] Employee productivity is defined as amount of crude steel produced (in tonnes) per employee in the given year. Employee count here is segregated based on Works/Services functions

[5] Diversity Mix (% of individuals who are Affirmative Action (AA)/Women/Persons with Disabilities (PWD)/Lesbian, Gay, Bisexual, Transgender, Queer (LGBTQ+) over EOR)

[6] VCAP - Vendor Capability Advancement Programme

Taking giant strides towards a greener future

Tata Steel continues to deploy industry-leading solutions to reduce its carbon footprint. We commissioned India's first plant for CO_2 capture from blast furnace gas at Jamshedpur and conducted a first-of-its-kind trial for continuous injection of Coal Bed Methane (CBM) in blast furnace to reduce emissions. Further, we became the first steel producer globally to join the Sea Cargo Charter (SCC) to reduce Scope 3 emissions in ocean trade. We also deployed our first biofuel-powered ship to transport imported raw materials and pioneered the deployment of electric vehicles (EVs) for transportation of finished steel in India.

India's first plant

For CO_2 capture from Blast Furnace gas commissioned in Jamshedpur

First bio-fuel powered ship

Deployed for transporting imported raw materials

Leadership

BOARD OF DIRECTORS

Shaping our growth

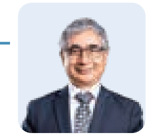
N. Chandrasekaran

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.

M

Director since: January 2017



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

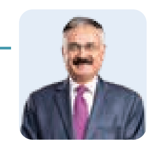
Noel Naval Tata

Vice Chairman, Non-Executive

He has been associated with the Tata Group for over 38 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 2022.

C

Director since: March 2022



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.

M C M

Director since: April 2017

Mallika Srinivasan

Independent Director

A thought leader and a strategist, she is recognised for entrepreneurship, commitment to excellence and contribution to Indian agriculture machinery business and academia. She is the Chairman and Managing Director of TAFE – Tractors and Farm Equipment Limited, a ₹10,000 crore tractor major. She serves on the Board of AGCO Corporation – USA, and is the Chairperson of the Public Enterprises Selection Board, Department of Personnel & Training under the Ministry of Personnel, Government of India.

C M

Director since: May 2012

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.

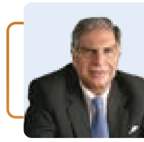
C M

Director since: August 2018

Board Committees

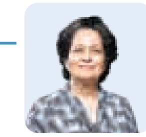
- Audit
- Corporate Social Responsibility & Sustainability
- Stakeholders' Relationship
- Nomination and Remuneration
- Risk Management
- Safety, Health and Environment

(C) Chairperson (M) Member



Ratan N. Tata

Chairman Emeritus



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

T. V. Narendran

CEO & Managing Director

He has over 34 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 spearheaded the Company in achieving best ever business performance in FY 2021-22. 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 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

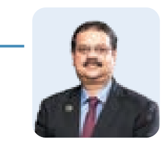
David W. Crane

Independent Director

A prominent energy industry executive, both in the traditional and clean energy sectors, he has been a long-term climate advocate, committed to leading the energy industry's transition to clean energy. He has 13 years of aggregate experience as CEO of three publicly traded energy companies, International Power, NRG Energy, and NRG Yield (now Clearway Energy). He also serves as a leader of 'B Team', a select group of business executives and society leaders convened to demonstrate that corporate leadership can be harnessed to solve global societal issues.

M M

Director since: October 2021



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, Value Reporting Foundation, Task force on Nature-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

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

Board snapshot

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

Composition	
Executive	2
Non-Executive	3
Independent	6

Parvatheesam Kanchinadham

Company Secretary & Chief Legal Officer (Corporate & Compliance)

1. Board composition as on May 3, 2022
2. Detailed profiles of the Board available at https://www.tatasteel.com/corporate/our-organisation/leadership/

CHAIRMAN'S MESSAGE

Leading with resilience

> During the financial year, the Company achieved the highest ever consolidated EBITDA of ₹63,830 crore, a growth of 107%, translating into an EBITDA per tonne of ₹21,626 and a healthy EBITDA margin of 26%.

N. Chandrasekaran
Chairman

Dear Shareholders,

It gives me immense pleasure to write to you at the end of an eventful year for Tata Steel. I hope this letter finds you and your families well and safe.

We began the year amidst the deadliest wave of the pandemic, which took a severe toll on lives and livelihoods, not just in the country but the world over. As the world navigated through the disruptions brought by the pandemic, economic activity continued to experience several instances of volatility and uncertainty.

After a 3.5% contraction in CY 2020, world GDP rebounded at an estimated 5.5% in CY 2021, reaching a new high in the first quarter. The improved economic performance was the result of rapid vaccinations, relaxation in curbs caused by the pandemic, massive fiscal support, robust consumer spending and improved business activity. The Indian economy too, quickly overcame the pandemic's headwinds. India's GDP is estimated to have expanded 8.7% in FY 2021-22 against a contraction of 6.6% in FY 2020-21.

As we continued to navigate through the pandemic with resilience, the war in Ukraine has triggered another crisis that has brought before us numerous other challenges in the form of strained geopolitical and trade relations.

The ongoing geopolitical conflict, re-imposition of lockdown in China on account of fresh COVID-19 cases, global inflation and continuing supply shortages are expected to adversely impact global GDP growth in 2022. The World Bank expects global growth to decelerate from an estimated 5.5% to 3.2% Commodity and energy prices are expected to remain high in the wake of the conflict and sanctions, thereby resulting in an increase in global inflation.

While there exist risks of high input costs, the growth of the Indian steel industry is likely to remain stable as domestic demand is expected to remain robust and global supply-demand dynamics may present export opportunities.

FY 2021-22 was a pivotal year for the Company. We demonstrated extraordinary resilience, agility and adaptability, which allowed us to record best-ever EBITDA performance despite continued uncertainties. The Company was able to accelerate business restructuring, innovation and growth.

During the financial year, the Company achieved the highest ever consolidated EBITDA of ₹63,830 crore, a growth of 107%, translating into an EBITDA per tonne of ₹21,626 and a healthy EBITDA margin of 26%. The Company generated free cash flow of ₹27,185 crore and reduced its net debt by 32% to ₹51,049 crore in FY 2021-22.

On the back of this performance, I am happy to report that the Board of Directors have recommended a dividend of ₹51/- per fully paid up equity share and ₹12.75 per partly paid-up equity share of the Company, which translates to a highest ever dividend payout of 510% per share. The Board of Directors has also recommended a sub-division of the equity shares in the ratio of 10:1.

Bandra Worli Sea Link, Mumbai (Tata Steel's state-of-the-art durable LRPC strands and Tiscon reinforcement bars were used in the construction)

The continued steel cycle upswing saw the Company scaling its business, by way of both organic capital expansion and inorganic acquisitions.

The most significant of these is the proposed acquisition of Neelachal Ispat Nigam Limited through its subsidiary Tata Steel Long Products Limited, for a total consideration of ₹12,100 crore. This proposed acquisition is expected to provide significant opportunity for Tata Steel to develop a state-of-the-art long products complex in the next few years that will leverage synergies with the shared infrastructure of Tata Steel in that area. Some of the other acquisitions during the year were in the areas of mining, ferro alloys and advanced ceramics. The year also saw the Company successfully amalgamate Bamnipal Steel Limited and Tata Steel BSL Limited into and with Tata Steel.

The continued steel cycle upswing saw the Company scaling its business, by way of both organic capital expansion and inorganic acquisitions.

As part of its business restructuring exercise, the Company successfully divested its stake in NatSteel Holdings Pte Limited, Singapore for an equity value of ₹1,275 crore.

Meanwhile, the Company continued to accelerate its capex allocation for the 6 MnTPA Pellet Plant, the 2.2 MnTPA Cold Roll Mill Complex along with the 5 MnTPA expansion at Kalinganagar. The 6 MnTPA Pellet plant will be commissioned in Q3 FY23, followed by the Cold Roll Mill Complex and the 5 MnTPA expansion, which will drive cost savings and product mix enrichment.

Benches made of Fibre Reinforced Polymer (FRP) composites

The Company has also made progress in the New Materials Business. Tata Steel has the objective to build its business in knowledge and intellectual property intensive and non-cyclical new materials. The Company is exploring Composites, Graphene and Advanced Ceramics as areas of growth. During the year, the Company, through its subsidiary, started working towards building a world-class facility to produce medical materials with a focus on healthcare.

In Europe, Tata Steel achieved a complete separation of its UK and Netherlands operations in October 2021. Under the new structure, Tata Steel UK and Tata Steel Netherlands will operate as two independent companies pursuing separate strategic paths.

Tata Steel continues to invest significantly in new technologies for digital transformation, with the objective to render a more agile organisation that better responds to changing market dynamics and to make our businesses more resilient.

The pandemic has acted as a catalyst for accelerating our digital transformation efforts across various spheres of our business to ensure workforce safety, business continuity, sustainability and agile decision-making.

Towards this end, this year, we piloted digitising our factories by creating 'Digital Twins', a simulated digital replica of factories through real-time data analytics, thereby opening up possibilities for data-driven 'Smart Factories' in the future.

The Company has also taken significant strides to adopt efficient clean energy technologies and circular economy projects which underpin our transition to becoming a climate neutral organisation. The most notable project in this area was the commissioning of the 5 TPD CO_2 capture plant at Jamshedpur to extract CO_2 directly from blast furnace gas, a first in India by a steel company.

5 MnTPA expansion work underway at Tata Steel Kalinganagar

In acknowledgement of Tata Steel's efforts and commitment towards principles of sustainability, the World Steel Association has once again recognised Tata Steel and Tata Steel Europe as Sustainability Champions for the fifth consecutive year. Tata Steel was also inducted as a member of worldsteel's New Sustainability Charter which looks to generate positive impacts on people, planet and the prosperity of society.

Our CSR initiatives and outreach activities continued to reflect our endeavour to operate as a socially conscious and responsible organisation which strives to build resilient and empowered communities.

Towards fulfilling these aspirations, Tata Steel's programs across the thematic areas of Education, Nutrition, Health, Livelihood, Water resource management and Women & Youth empowerment reached 2.87 million lives and our employees contributed to over 51,000 hours of volunteering work.

During the repeated waves of the pandemic, Tata Steel made every possible effort to serve the community by providing sustenance supplies, counselling and livelihood support. Tata Steel supplied over 80,000 tonnes of liquid medical oxygen, provided vaccination at doorstep and distributed masks and Rapid Antigen Testing (RAT) kits to communities where it operates.

The Company introduced the Social Security COVID-19 Family Protection Scheme for the families of all the employees, who lost their lives due to the pandemic to ensure an honourable standard of living for their families.

With the bulk of our population covered by vaccination, the risk of large-scale infections and mortality appears low. However, with ramped up health and medical oxygen infrastructure and institution of comprehensive safety measures, Tata Steel remains prepared to ensure effective and rapid response to any fresh surge.

In conclusion, the Indian economy is expected to remain resilient despite the ongoing geopolitical conflict which is likely to undermine the world GDP growth. India is expected to remain one of the world's fastest growing large economies. The government's resolve towards faster infrastructure development through supportive policy reforms is expected to catalyse growth.

Best ever financial performance and a dominant market position provides Tata Steel solid foundations to capitalise on improved infrastructure activity, simplify and transform its business structure, accelerate digital and green innovations and embark on the next level of sustained growth.

I would like to thank Dr. Peter Blauwhoff and Mr. Aman Mehta for their contributions to the Board of the Company. I also welcome Ms. Farida Khambata, Mr. David Crane and Mr. Noel N. Tata on the Board of the Company.

I thank all our employees for their commitment and engagement towards building a strong, agile and responsible organisation. I also express my sincere gratitude to all stakeholders for their continued trust and support and wish that you continue to accompany us in our journey to meet our ambitions for the future.

Warm regards,

N. Chandrasekaran
Chairman

MANAGEMENT SPEAK

Advancing with agility, stability and sustainability

T. V. Narendran (R)
Chief Executive Officer and Managing Director

Koushik Chatterjee (L)
Executive Director and Chief Financial Officer

Q. Thank you for this interaction on the Integrated Report for FY 2021-22. The year gone by saw significant macroeconomic volatility. How did Tata Steel approach the challenges?

Indeed, the world witnessed significant volatility and vulnerability on a broad range of issues covering the second wave of the pandemic, the commodity upcycle and the Russia-Ukraine war. All of these have had an impact on people, planet, supply chains and business uncertainties across all corporations globally. The way we have looked at it is to enhance our risk management systems and scenario planning processes, stick to the fundamentals, build agility around our decision-making process, focus on our business and community priorities especially during the pandemic, with COVID care and vaccinations.

Q. Last year was a year of remarkable performance for Tata Steel. Can you provide an overview of the performance of Tata Steel in FY 2021-22?

Well, in a manner of speaking, the performance for FY 2021-22 reflected at one level the many years of hard work put in by all our colleagues driving continuous improvement, cost take-out, agile decision-making, restructuring, inorganic growth and downstream focus on value-added products. All of this made us fit for the upcycle and in spite of huge volatility of raw materials and steel prices, geopolitical uncertainties and supply chain disruptions, we were able to register our best ever financial performance. So, it's a tribute to all the employees of the Company across all geographies, and to all our stakeholders of the Company who have always supported and been with the Company at all times.

It is indeed gratifying to report that Tata Steel's consolidated revenue surged 56% to ₹2,43,959 crore and profit after tax increased 410% to ₹41,749 crore. The consolidated crude steel production was at 31.03 MnT, while the total deliveries stood at 29.52 MnT.

Driving Excellence at Tata Steel Kalinganagar

In India, the steel business including Tata Steel Long Products generated revenues of ₹1,35,823 crore, up 53% Y-o-Y. The EBITDA margin for our India operations was around 39% with an EBITDA per tonne of ₹28,863. The crude steel production crossed 19 MnT for the first time, increasing ~13% on a Y-o-Y basis.

Our Europe business delivered its best ever yearly performance since the acquisition. As European economies recovered from the pandemic, the supply-demand conditions improved, and with improved operating performance, implementation of cost take-out and improvement programs, the business reported strong financial performance with the EBITDA well in excess of a billion pounds. Revenues from our Europe operations for the year were at ₹90,023 crore and the business generated its highest ever EBITDA since its acquisition of ₹12,164 crore.

Considering the year's financial performance and based on the overall review of the business, the Tata Steel Board has recommended a dividend of ₹51/- per fully paid-up equity share (510% of face value) and proportionate ₹12.75 per partly paid-up equity share, making it the highest ever dividend pay-out in any year for Tata Steel. As part of the overall value creation for the shareholders, the Board has also approved a share sub-division in the ratio of 10:1.

Q. Deleveraging continued to be your focus area for FY 2021-22. Will this continue in FY 2022-23 as well?

Re-shaping the balance sheet has been an enterprise strategy and priority for the Company in the last four years. We had publicly stated that we will de-lever at least one billion dollars per annum and post the acquisition of Bhushan Steel and the Usha Martin Steel Business, we prioritised the de-leveraging ahead of capital allocation on capex and growth. It was a very critical strategic agenda for the Company and in the last two years, we have reduced our net debt by over ₹50,000 crore. Tata Steel's free cash flow was ₹27,185 crore in FY 2021-22 (₹23,748 crore in FY 2020-21) after taking into account the increase in working capital by ₹9,618 crore due to significant increase in the value of both raw material and finished products, consolidated capex spend of ₹10,522 crore and income tax paid of ₹11,902 crore.

We were able to achieve our deleveraging target of US$1 bn within the first six months and prepaid nearly ₹15,000 crore of debt during the year. We reduced our consolidated net debt from ₹75,389 crore at the start of the year to ₹51,049 crore as at March 2022. Consequently, our credit metrics have touched some critical milestones, for example, the net debt to EBITDA was lower than 1x (0.8x at the year end) and the net debt to equity was at 0.52x on a consolidated basis. This was well acknowledged by the rating agencies and we have been upgraded to investment grade 'BBB-' credit rating with a positive outlook by S&P.

Moving forward, Tata Steel is committed to balancing its priorities of allocating significant capital towards value-accretive projects and businesses while also continuing to strengthen its balance sheet through deleveraging. A strong balance sheet with healthy cash flows will enable us to fuel our future growth ambitions and weather any economic uncertainties.

Q. What are your capex plans for the Company in FY 2022-23?

Our long-term vision is to grow in India, keeping pace with the growth of demand in the country. Based on our assessment of the opportunities in the Indian market, we will calibrate our growth plans and timing for implementation. We are currently focussed on completing our expansion project in Kalinganagar to create a state-of-the-art 8 MnTPA site. During FY 2022-23, we will be commissioning the Pellet Plant, which is 70% complete, and the phase-wise commissioning of the Cold Rolling Mill Complex, starting with the pickling line and the cold rolling mill. Both are margin expansionary projects as part of the overall expansion project in Kalinganagar. This expansion in Kalinganagar is focussed on higher value-added products including plates, coated products, advanced high strength steels and products for newer applications.

During FY 2022-23, Tata Steel will focus on growing its steelmaking capacity in India, adding to our downstream value-added products, strengthening our supply chain through necessary investments in logistics and infrastructure, investments in newer ventures and services & solutions, and defining a de-carbonised future for our Europe business. Apart from the above, we are working on a number of downstream projects which will continue adding value to our product portfolio. We are ready to commission the first phase of doubling our ductile iron pipes facilities in Tata Metaliks in Kharagpur. Some of the other notable ones where we will be allocating capital spend includes setting up a 0.5 MnTPA Special Bar and Wire Rod-Combi Mill in Jamshedpur which is focussed on the automotive market. We are also starting capital spend on doubling the tinplate capacity by expanding the plant by 0.3 MnTPA.

"During FY 2022-23, one of the largest capital allocations will be on the acquisition of Neelachal Ispat Nigam Limited (NINL), within the first quarter of the financial year. NINL is particularly important given its proximity to Tata Steel's Kalinganagar site and its potential to become the long products business hub in the future."

During FY 2022-23, one of the largest capital allocations will be on the acquisition of Neelachal Ispat Nigam Limited (NINL), within the first quarter of the financial year. NINL is particularly important given its proximity to Tata Steel's Kalinganagar site and its potential to become the long products business hub in the future. Although the plant has been non-operational for some time, we expect to start operations in about six months from the transaction closure in a phased manner and will endeavour to ramp-up to its rated billet making capacity of 1.1 MnTPA within 12 months, subject to receiving regulatory clearances.

Our strategy and timing of expansion of steel capacity in India will be based on the underlying demand projections, regulatory conditions, balance sheet prudence and value enrichment of the product portfolio.

Q. Tata Steel has also ventured into New Materials Business. How do you see the future of this business?

In the New Materials business, we are diversifying our product offering beyond steel by introducing new materials in three major verticals – Composites, Graphene and Medical Materials & Devices. We have already put in place a graphene production capacity of 100 TPA and now we are investing in the production of medical materials at scale, which has significant market opportunity in India. The first medical material of choice is Hydroxyapatite – a calcium phosphate-based ceramic-used in orthopaedic coating on implants, dental implants, bone fillers, cosmetics as well as consumer products. We believe that our strengths of strong materials research and development, branding and marketing & sales reach, provide us an opportunity to deliver world-class quality of bio-ceramics through a reliable supply chain to customers at a competitive cost and scale.

Q. How do you see the Russia-Ukraine conflict impact Tata Steel's overall business?

The war has certainly created supply constraints of steel, especially in Europe as Russia and Ukraine were among the largest exporters of finished steel to Europe before the conflict. Till recently, Russia has been the second largest supplier of PCI (Pulverised Coal Injection) coal globally after Australia. It is well-known that Russia represented the largest share of energy (thermal coal and natural gas) exports to Europe. As a result of the conflict, therefore, there have been significant supply disruptions and upward price pressures and volatility in steel prices, coking coal, iron ore, freight and natural gas. As the conflict lingers, it will have second order macro-economic effects on growth rates, inflation and monetary policy in various countries.

Integrated Sinter Plant Operations Centre (iSPOC) initiative to enable remote operations of Sinter Plant at Jamshedpur Works

Q. What is Tata Steel doing to advance its Corporate Sustainability Practices?

For Tata Steel, sustainability is the core of its corporate DNA since inception 115 years ago. It has become more formalised in recent years. We also work on prioritising the United Nations Sustainable Development Goals (SDGs). We have prioritised 15 SDGs based on how we impact them and, in turn, how these SDGs impact us.

Within the SDGs, we are focussed on the targets for greenhouse gas (GHG) emission, specific fresh-water consumption and circular economy. We are also striving to enhance our green product portfolio. Last year, our products under Rebar and Tube categories earned their GreenPro Ecolabel Certification.

In the thought leadership space, we are active in a number of global platforms including in the TCFD and the recently launched Taskforce on Nature-related Financial Disclosures (TNFD), working towards improvement of disclosure practices and nature positive outcomes. As a responsible corporate, we support the United Nations Global Compact (UNGC) and strive to integrate its 10 principles in all facets of our business. Tata Steel has also earned the distinction of becoming the first steel producer in the world to join the Sea Cargo Charter (SCC) to reduce Scope 3 GHG emissions in ocean trade.

In pursuance of our decarbonisation targets, Tata Steel commissioned the 5 tonnes per day (TPD) CO_2 capture plant to extract CO_2 directly from blast furnace gas and introduced electric vehicles in our fleet for transportation of steel. Addressing water sustainability through Reduce, Reuse, Recycle framework, Tata Steel commissioned a 3,000 KLD water treatment plant at Noamundi mines to ensure clean water for the community.

Tata Steel's commitment to investing in circular economy saw us fully commission a 0.5 MnTPA steel recycling plant at Rohtak, Haryana which will contribute to conserving valuable resources and reducing landfills.

> Our efforts have won us the Great Place to Work® recognition for the fifth time in Manufacturing and we have featured amongst the top 30 companies in India for our people first approach, diversity and inclusion, and agile working model initiatives.

Both, Tata Steel UK and Tata Steel Netherlands have been developing detailed plans for transition to low CO_2 technologies in line with our ambition to produce CO_2 neutral steel by 2050 in Europe. In Tata Steel Nederland, we plan to gradually phase out our blast furnaces and coal over the next 10 years by replacing them with a combination of Direct Reduced Iron (DRI) technology based on hydrogen, and electric furnaces.

We are pioneering sustainability across our supply chain through partnerships for responsible sourcing and distribution. For our supply chain sustainability efforts, Tata Steel was recognised as 'Supplier Engagement Leader' 2021 by CDP for effectively taking actions to measure and reduce environmental risks across its supply chain.

We are happy to share that in recognition of our efforts, Tata Steel has been recognised as the Steel Sustainability Champion for the fifth year in a row by worldsteel and is also a member of worldsteel's New Sustainability Charter, thus, reaffirming our commitment towards achieving industry leadership in sustainability.

Q. The global reporting landscape is rapidly evolving with investors and regulators looking for deeper insights on sustainability related risks and opportunities of companies. How is Tata Steel responding to this need?

Tata Steel has been an early adopter of sustainability reporting. We were the first company in India to start publishing Global Reporting Initiative (GRI) based Sustainability Report in 2001, and in FY 2015-16 we adopted the International Integrated Reporting Framework as one of the first companies in India to do so.

We have also been participating in Dow Jones Sustainability Indices (DJSI) assessment since 2012, where we feature amongst the top 10 steel companies in the world. We have also been participating in CDP's Climate Change, Supply Chain and Water disclosures since 2006, 2012 and 2014 respectively.

Going forward, Tata Steel fully recognises that investors increasingly consider financial and ESG information in their investment decision-making. The global reporting landscape is also rapidly evolving with alignment of various disclosure standards globally under the IFRS Foundation and we recognise the importance of the newly set up International Sustainability Standards Board (ISSB) that will harmonise non-financial reporting globally. We are fully engaged in supporting the development of national and global disclosure regime and their adoption in due course. Tata Steel will stay committed to enhancing transparency in non-financial reporting in the future.

Q. You have always shared that People and Community are your foremost priority. How do you demonstrate your commitment towards them?

Yes, our people are indeed our most valuable resource and will remain the topmost priority. At Tata Steel, our vision is to build a workplace where we embrace differences in individuals and create an inclusive culture. In our journey towards equity, inclusion and diversity, we are working across our processes of recruitment, sensitisation, retention, and development, besides making relevant investments in infrastructure. Our endeavour is to create an environment that fosters a culture of trust, integrity, empathy and respect for every individual.

In a landmark initiative, we onboarded transgender persons as Heavy Earth Moving Machinery and Crane operators at our mines. We have also widened opportunities for employment of women across all sections of our mines.

Our efforts have won us the Great Place to Work® recognition for the fifth time in Manufacturing and we have featured amongst the top 30 companies in India for our people-first approach, diversity and inclusion, and agile working model initiatives.

Tata Steel recently also joined the Global Parity Alliance (GPA) by the World Economic Forum as one of its founding members to accelerate diversity, equity and inclusion (DE&I) at the workplace and beyond.

A core tenet for us is to be partners in progress for communities which are the least served and underrepresented. Last year, we contributed ₹406 crore towards CSR expenditure and our programmes reached about 2.87 million beneficiaries. We continued our work in the areas of healthcare, education, livelihood and providing access to drinking water. We revamped the medical care infrastructure across our operating locations to better deal with health emergencies in the future.

Our signature healthcare program, Maternal and Newborn Survival Initiative (MANSI) bagged the BRICS Solutions for SDGs Award under Good Health and Wellbeing category (SDG 3).

We also developed and adopted a business and human rights policy which recognises individuals and communities as holders of human rights and confirmed our commitment towards upholding human rights as an integral aspect of doing business.

The community continues to be at the core of our enterprise strategy. The scale of our community engagement throughout the various waves of the pandemic is a testament to our commitment to always working with society, local stakeholders and the region or countries we work in, as a responsible corporate citizen. Our agile and meaningful response to the pandemic reached more than 1.82 million people through a 10-point #combatcovid19 programme, to (a) address information, awareness and material deficits, (b) create income opportunities to bridge livelihood deficits and (c) strengthen public systems to last beyond the pandemic. These have been over and above the yeoman efforts of Tata Main Hospital, Jamshedpur and the network of other hospitals, creating a dedicated COVID-19 treatment and care infrastructure, including 19 oxygen plants in remote locations of Eastern India.

Tata Steel introduced the social security COVID-19 family protection scheme for the families of all the employees, who lost their lives due to the pandemic, to ensure an honourable standard of living for their families.

Our employee volunteering efforts continue to resonate with the local communities, and we will continue to strive to make a real difference with our initiatives.

Augmenting capabilities of Sahiyyas Sathis, part of Tata Steel's flagship health programme, Maternal and Newborn Survival Initiative (MANSI)

Building a diverse and inclusive workplace

We joined the World Economic Forum's Global Parity Alliance to accelerate our diversity, equity and inclusivity (DE&I) agenda. We continued to undertake focussed interventions to achieve greater gender diversity through initiatives like Women@Mines and onboarding more transgender employees across various roles and sites. In recognition, Tata Steel was certified 'Great Place to Work' and was amongst India's Best Workplaces in Manufacturing for 2022 for the fifth time. We were also ranked amongst the Top 30 companies for our people first approach and pioneering initiatives on DE&I and Agile Working Model.

Great Place to Work®

Certified five years in a row

Amongst Top 30 companies

Ranked for our people-related activities

Strategy

VALUE CREATION IMPERATIVES

Deploying growth levers

Our stakeholders comprise providers of financial capital as well as other capitals. Our value creation model leverages our core competencies and focusses on creating a best-in-class integrated value chain. At Tata Steel, we not only pursue financial outcomes but also invest in sustainability and preservation of natural resources, technological development and the well-being of our employees as well as communities to be future-ready.

Contributing to global goals

Through our process of managing our capitals and creating value, we make significant contribution to the United Nations Sustainable Development Goals (UN SDGs). Our priorities for sustainable development are aligned to those of India as well as the steel industry. As a responsible corporate citizen, we have mapped our capitals to the 17 SDGs.

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SUSTAINABLE DEVELOPMENT GOALS

Imperatives for value creation

Structural

- Balance the portfolio in favour of the growing Indian market for steel products and services
- Achieve technology and knowledge-based differentiation in the chosen segment
- Growth in long products portfolio
- Driving synergies from acquisitions
- Attain leadership position in adjacent businesses
- Create a sustainable business in Europe
- Reduce carbon intensity in India operations and absolute carbon emissions in Europe operations

Financial

- Focus on deleveraging, fund profitable growth in India
- Structural cost reduction through focus on raw material security and logistics infrastructure
- Drive operational efficiencies and cost effectiveness through structured continuous improvement programmes (Shikhar25)
- Consolidate position as a global cost leader

Cultural

- Attract top talent by becoming an employer of choice
- Focus on safety leadership and zero harm
- Leverage digital technology and mindset to enhance efficiency and enable business transformation
- Focus on R&D and technology to achieve technology leadership in the steel industry
- Build a culture and capability of breakthrough innovation
- Foster a culture of agility

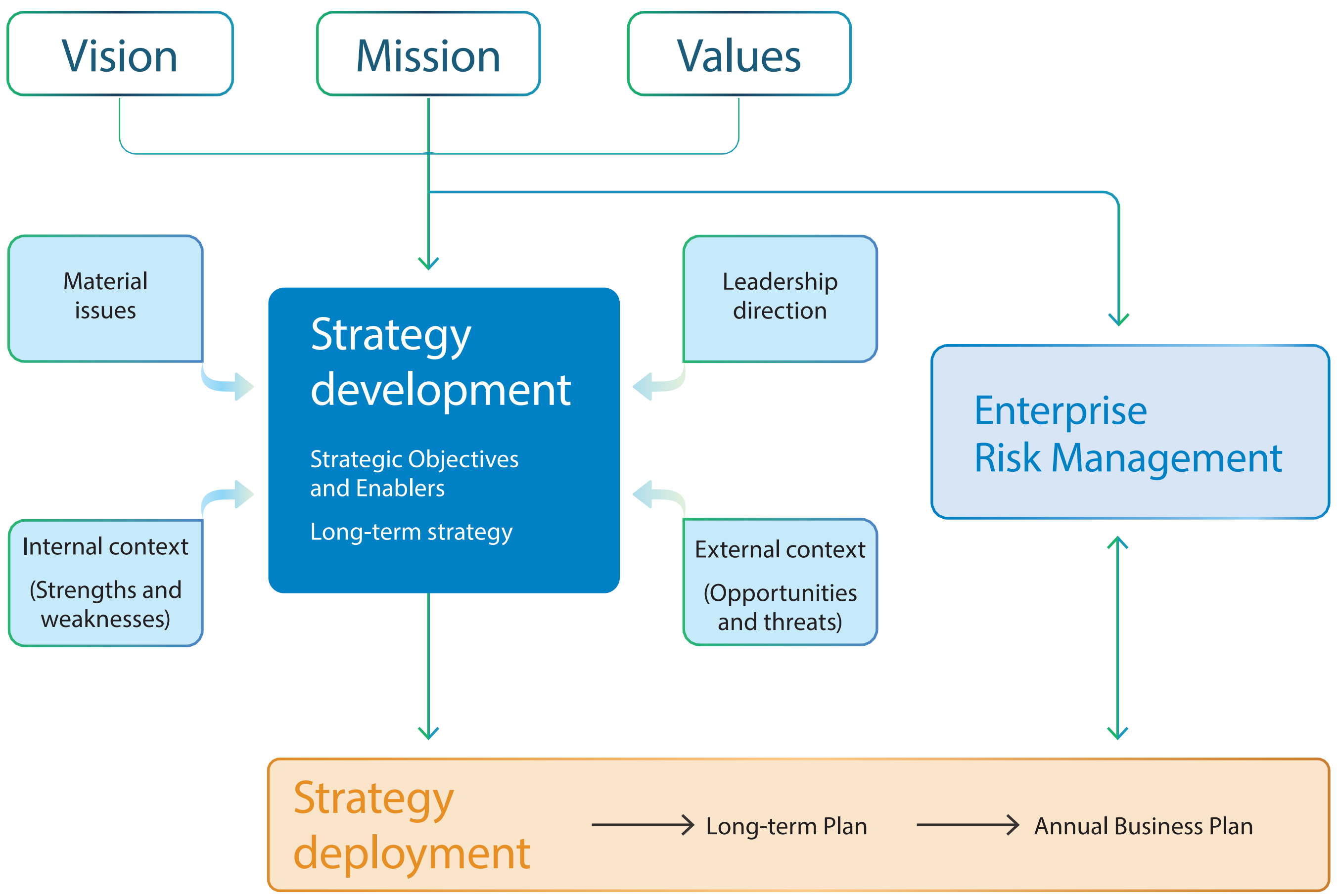
The STIHL Treetop Walkway, UK
(Tata Steel's Celsius® 355 Structural, Hollow Section was utilised in the build)

STRATEGY PLANNING

Outlining a blueprint for tomorrow

Our strategy planning process is guided by the Vision, Mission and Values of the organisation, along with the strategic direction provided by the Board and Senior Leadership Team. As part of the process, we examine both the external and internal business environment and factor in potential risks and opportunities that could disrupt the industry. Materiality assessment provides insights into the changing needs of all our stakeholders.

Our long-term and annual business plans are formulated as an outcome of the integrated strategy planning process. The overall strategy and plans are cascaded down to individual divisions/departments with clearly defined responsibilities across all levels.

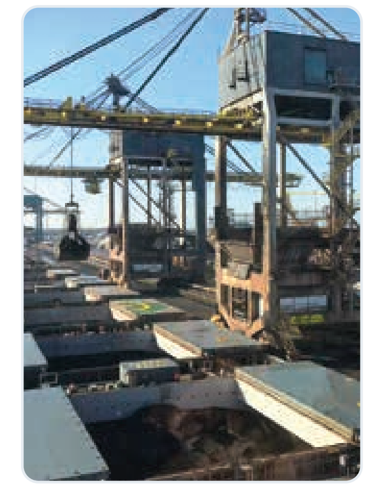


Strategic Roadmap 2030

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

Strategic Objectives

SO1 Leadership in India



SO2 Consolidate position as global cost leader

SO3 Attain leadership position in adjacent businesses

SO4 Leadership in sustainability

Strategic enablers SE

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

STRATEGIC OBJECTIVES

Strengthening future readiness

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. We have identified four Strategic Objectives (SOs) to create sustainable and profitable growth.

SO1
Leadership in India

SO2
Consolidate position as global cost leader

SO3
Attain leadership position in adjacent businesses

SO4
Leadership in sustainability

Strategic Objectives	Focus areas	Key performance indicators	Goals
SO1 Leadership in India	› Increase capacity of India operations through organic and inorganic growth	› Crude steel capacity	› 40 MnT capacity by 2030
	› Attain and retain leadership 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 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	› <1.8 tCO_2/tcs by 2030
	› Benchmark in specific water consumption	› Specific freshwater consumption: m^3/tcs	› <1.5 m^3/tcs by 2030 › Aim for water neutrality by 2030
	› Value creation using Circular Economy business models	› Capacity of Steel Recycling Business (SRB): MnTPA	› >5 MnTPA by 2030
		› Value created from Industrial By-products Management Division (IBMD) business	› Increase EBITDA of by-product business by 2.4 times by 2030 (over 2020)

OUR ESG GOALS

Committed to purpose-led growth

In line with our vision of being the steel industry benchmark in Corporate Citizenship we have set the following Environmental, Social & Governance (ESG) ambitions for the organisation, which drive our initiatives across the Company.

Environmental

Climate Change

Achieve CO_2 emission intensity of <2 tCO_2/tcs for Tata Steel India by FY25

- Achieve CO_2 emission intensity of <1.8 tCO_2/tcs for Tata Steel India by FY30
- Achieve carbon neutrality at Tata Steel UK and Netherlands by 2050

Dust emission

Achieve specific dust emission intensity of 0.43 kg/tcs for Tata Steel India by FY25

Achieve benchmark dust emission intensity by adopting best available technologies by FY30

Product Sustainability

Cover 100% of steel making and downstream sites under Life Cycle Assessment by FY25

Disclose environment performance of 100% of products by FY30

Water

Achieve specific freshwater consumption of 2 m^3/tcs across all steel making sites by FY25

- Achieve specific freshwater consumption of <1.5 m^3/tcs across all sites by FY30
- Progress towards water neutrality by FY30

Biodiversity

Cover 100% sites under Biodiversity Management Plans (BMP) by FY25

Aim for no net loss of biodiversity by FY30

Circular Economy

Achieve material efficiency of 99% at all steel making sites by FY25

- Sustain material efficiency at 100% at all steel making sites by FY30
- Increase Industrial By-products Management Division (IBMD) EBITDA by 2.4 times over FY20 by FY30
- Build recycling business in steel and other materials by FY30

Short-term goal | Long-term goal

Social

Safety

Achieve Zero Harm by 2030

Workforce Diversity and Inclusion

Achieve 25% diversity in workforce by 2025

Local community development

Reach >10 million lives through CSR initiatives by 2030

Short-term goal | Long-term goal

Awareness programme on agriculture, with a Self-Help Group (SHG) in Noamundi

Governance

Gas storage Port Talbot, the UK

Short-term goal | Long-term goal

ResponsibleSteel Certification

Achieve 'Certified Site' certification for all steel making sites in India by FY25

Achieve 'Certified Steel' certification for all sites in India by FY30

Supply Chain

Coverage of 100% critical supply chain partners for ESG risk assessment and collaborate for risk mitigation by FY25

Integrate ESG performance of partners in procurement decision-making by FY30

CONTRIBUTION TO UN SDGs

Sustainable growth aligned with a shared goal

SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs) are a universal call to action launched by the United Nations (UN) to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030.

Since the launch of the SDGs, Tata Steel is committed to contributing to the achievement of SDGs through its operations, products, people and community welfare practices. As a responsible corporate citizen, we have conducted an internal assessment to arrive at the list of prioritised SDGs and relevant targets for the Company based on national/regional context, current impact and opportunity to create greater impact.

The prioritised SDGs for Tata Steel as a result of this assessment are mentioned below:

Dimna Lake View, Jamshedpur

The SDGs are integral to the identification of our material issues, which in turn, feeds into our strategic planning process, resulting in the formulation of our Strategic Objectives (SOs) and Strategic Enablers (SEs). These SOs and SEs are realised through the process of managing our Capitals (financial, intellectual, manufactured, human, natural, social & relationship) and thereby contribute to the achievement of the UN SDGs as depicted in the chart below:

Prioritised SDG linkage with our Capitals through Tata Steel's SOs/SEs and outcomes

1 NO POVERTY

No. of SDG targets relevant for Tata Steel out of the total targets for SDG 1: 3/7

Linkage with Tata Steel SO/SE: SE

Linked Capital

Initiatives

Community development initiatives:
- Agricultural livelihoods
- Skill development
- Entrepreneurship

Outcomes

Community development outcomes:
- Increase in aggregate household income

2 ZERO HUNGER

No. of SDG targets relevant for Tata Steel out of the total targets for SDG 2: 4/8

Linkage with Tata Steel SO/SE: SE

Linked Capital

Initiatives

Community development initiatives:
- Nutritional kitchen gardens
- MANSI+
- Agricultural livelihoods
- Skill development
- Entrepreneurship

Outcomes

Community development outcomes:
- Reduction in number of stunted / wasted children
- Increase in healthy food intake through kitchen gardens
- Increase in aggregate household income

3 GOOD HEALTH AND WELL-BEING

No. of SDG targets relevant for Tata Steel out of the total targets for SDG 3: 4/13

Linkage with Tata Steel SO/SE: SE

Linked Capital

Initiatives

Community development initiatives:
- MANSI+
- RISHTA
- Focussed programmes on cataract, leprosy, HIV AIDS and awareness on vector-borne diseases
- Outreach healthcare services

Outcomes

Community development outcomes:
- Reduced Neonatal Mortality Rate, Infant Mortality Rate, Child Mortality Rate, increase in age of marriage
- Decrease in major disease prevalence

Capitals

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

Strategic Objectives (SO)

- SO1 - Leadership in India
- SO2 - Consolidate position as global cost leader
- SO3 - Attain leadership position in adjacent businesses
- SO4 - Leadership in sustainability

Strategic Enablers (SE)

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

4 QUALITY EDUCATION

No. of SDG targets relevant for Tata Steel out of the total targets for SDG 4: 8/10

Linkage with Tata Steel SO/SE: SE

Linked Capital

Initiatives

Company specific initiatives:
- Focus on vendor capability development and skilling

Community development initiatives:
- Education signature programme
- Masti Ki Pathshala
- Skill development
- Entrepreneurship

Outcomes

Community development outcomes:
- Increase in aggregate household income
- % women in workforce
- Diversity in workforce
- Universalisation of elementary education and zero child labour

5 GENDER EQUALITY

No. of SDG targets relevant for Tata Steel out of the total targets for SDG 5: 4/9

Linkage with Tata Steel SO/SE: SE

Linked Capital

Initiatives

Company specific initiatives:
- MOSAIC - Diversity & Inclusion (D&I) initiatives, Women of Mettle, Women@ Mines, LGBTQ+ policy, Tejaswini and other programmes

Community development initiatives:
- DISHA
- Entrepreneurship
- Development Corridor
- RISHTA

Outcomes

Company specific outcomes:
- Diversity in workforce
- % women in workforce
- % women in managerial positions
- No. of sexual harassments cases received and resolved

Community development outcomes:
- No. of women leaders developed
- No. of women engaged through Self-Help Groups
- No. of gram panchayats with functioning governance systems
- Increase in age of marriage

6 CLEAN WATER AND SANITATION

No. of SDG targets relevant for Tata Steel out of the total targets for SDG 6: 8/8

Linkage with Tata Steel SO/SE: SO4, SE

Linked Capital

Initiatives

Company specific initiatives:
- Zero effluent discharge projects
- BOTP effluent recycling
- Storm run off recovery
- City sewage recycling

Community development initiatives:
- Ground water recharge initiatives (Lift irrigation, rainwater harvesting, watersheds)
- Drinking water systems

Outcomes

Company specific outcomes:
- Fresh water consumption
- Effluent discharge intensity
- Wastewater treatment facilities

Community development outcomes:
- No. of ponds constructed
- Volume of ground water recharged
- Irrigation potential created
- No. of drinking water facilities constructed

7 AFFORDABLE AND CLEAN ENERGY

No. of SDG targets relevant for Tata Steel out of the total targets for SDG 7: 2/5

Linkage with Tata Steel SO/SE: SO4

Linked Capital

Initiatives

Company specific initiatives:
- Renewable energy projects
- Shikhar25 program to improve energy efficiency
- Use of natural gas to replace coal

Outcomes

Company specific outcomes:
- Specific energy consumption
- Capacity of renewable energy projects
- CO_2 emission intensity

BOTP: Biological Oxygen Treatment Plant

8 DECENT WORK AND ECONOMIC GROWTH

No. of SDG targets relevant for Tata Steel out of the total targets for SDG 8: 7/12

Linkage with Tata Steel SO/SE: SO2, SO4, SE

Linked Capital

Initiatives

Company specific initiatives:
- Employee productivity improvement initiatives
- Sales growth initiatives
- Initiative to reduce coke rate, increase raw material yield etc. on improving material consumption rates
- Solid waste management practices
- Steel Recycling Business (SRB)
- Employee welfare and Diversity & Inclusion programs
- Initiatives under 6 safety strategies

Community development initiatives:
- Skill development
- Education Signature Programme
- Masti Ki Pathshala
- Livelihoods (Agriculture, Skill development, Entrepreneurship)
- Disability-linked initiatives (SABAL)

Outcomes

Company specific outcomes:
- Turnover
- Employee productivity
- Economic value distributed
- Coke rate
- Capacity of SRB
- Raw material consumption
- Material efficiency
- LTI, LTIFR, Fatalities
- % workforce covered through formal trade unions

Community development outcomes:
- Youth completed/placed or self-employed through skill development courses
- Universalisation of elementary education and zero child labour
- Increase in aggregate household income through livelihood programme
- Linkage of Persons with Disability (PWDs) to government schemes

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

No. of SDG targets relevant for Tata Steel out of the total targets for SDG 9: 4/8

Linkage with Tata Steel SO/SE: SO3, SO4, SE

Linked Capital

Initiatives

Company specific initiatives:
- Port infrastructure
- Sales growth initiatives
- Annual recruitment of personnel
- Long-term decarbonisation projects
- Energy efficiency initiatives
- Adoption of Best Available Technologies (BAT)
- Raw material quality improvement
- Scrap-based growth (EAF) in India
- Collaborations with technology providers, start-ups and academia
- R&D projects
- New Materials Business (NMB)
- Total Quality Management and Shikhar25

Community development initiatives:
- Development Corridor
- Public infrastructure development

Outcomes

Company specific outcomes:
- Rail, road and sea transportation volumes
- CO_2 emissions – absolute and intensity
- Specific energy consumption
- Turnover
- Number of permanent employees and contract workforce
- Economic value distributed
- R&D spend
- R&D and technology professionals
- Patents granted
- Value created from waste

Community development outcomes:
- No. of public infrastructure requirements of communities fulfilled

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

Strategic Objectives (SO)
- SO1 - Leadership in India
- SO2 - Consolidate position as global cost leader
- SO3 - Attain leadership position in adjacent businesses
- SO4 - Leadership in sustainability

Strategic Enablers (SE)
- Best place to work for in Manufacturing in India
- Top 5 in technology in steel industry globally
- Digital leader in steel industry globally
- Foster a culture which makes Tata Steel future-ready

LTI: Loss Time Injury; ***LTIFR***: Loss Time Injury Frequency Rate; ***EAF***: Electric Arc Furnace; ***AA***: Affirmative Action.

SDG 10 Reduced Inequalities

No. of SDG targets relevant for Tata Steel out of the total targets for SDG 10: 2/10

Linkage with Tata Steel SO/SE: SE

Linked Capital

Initiatives

Company specific initiatives:
- MOSAIC - D&I initiatives, Women of Mettle, Women@Mines, LGBTQ+ policy, Tejaswini and other programmes

Community development initiatives:
- Livelihoods (Agriculture, Skill development, Entrepreneurship)
- Education Signature Programme
- Masti Ki Pathshala
- Samvaad Ecosystem
- Disability-linked initiatives (SABAL)

Outcomes

Company specific outcomes:
- Diversity in workforce
- No. of women in the workforce
- No. of sexual harassments cases received and resolved

Community development outcomes:
- Increase in aggregate household income
- No. of women SHGs
- Universalisation of elementary education and zero child labour
- No. of tribal communities and population of tribals reached
- Linkage of PWDs to government schemes

SDG 11 Sustainable Cities and Communities

No. of SDG targets relevant for Tata Steel out of the total targets for SDG 11: 8/11

Linkage with Tata Steel SO/SE: SO4, SE

Linked Capital

Initiatives

Company specific initiatives:
- Upgradation of facilities like electrostatic precipitator, Bag filters and other Air Pollution Control Equipment (APCE)

Community development Initiatives:
- Samvaad Ecosystem

Outcomes

Company specific outcomes:
- Emission intensity – Dust, SOx, NOx

Community development outcomes:
- No. of tribes touched through Samvaad Ecosystem

SDG 12 Responsible Consumption and Production

No. of SDG targets relevant for Tata Steel out of the total targets for SDG 12: 8/11

Linkage with Tata Steel SO/SE: SO4

Linked Capital

Initiatives

Company specific initiatives:
- Initiatives to reduce coke rate, increase raw material yield, etc. on improving material consumption rates
- Solid waste management practices
- Steel Recycling Business
- Publication of annual Integrated Report and disclosures through website
- Responsible Supply Chain Policy (RSCP), awareness and assessments with supply chain partners
- Use of ICP in capex project evaluation
- Renewable energy projects
- Sustainability campaigns and awareness drives

Outcomes

Company specific outcomes:
- Material efficiency
- Coke rate
- Raw material consumption
- Solid waste utilisation
- Capacity of Steel Recycling Business (SRB)
- No. of supply chain partners assessed on Responsible Supply Chain Policy
- Capacity of renewable projects
- Publication of annual Integrated Report

ICP: Internal Carbon Pricing

SDG 13 Climate Action

No. of SDG targets relevant for Tata Steel out of the total targets for SDG 13: 3/5

Linkage with Tata Steel SO/SE: SO4, SE

Linked Capital

Initiatives

Company specific initiatives:
- Long-term decarbonisation projects
- Energy efficiency initiatives
- Adoption of Best Available Technologies Raw material quality improvement
- Scrap-based growth (EAF) in India
- Collaborations with technology providers, start-ups and academia
- Climate change physical risk assessment
- Disaster management plan
- Deployment of Responsible Supply Chain Policy
- Sustainability campaigns and awareness drives

Community development Initiatives:
- Ground water recharge initiatives

Outcomes

Company specific outcomes:
- Absolute CO_2 emissions
- CO_2 emission intensity
- No. of collaborations on decarbonisation

Community development outcomes:
- Volume of ground water recharged

SDG 15 Life on Land

No. of SDG targets relevant for Tata Steel out of the total targets for SDG 15: 8/12

Linkage with Tata Steel SO/SE: SO4

Linked Capital

Initiatives

Company specific initiatives:
- Development and implementation of Biodiversity Management Plans (BMPs)

Outcomes

Company specific outcomes:
- No. of BMPs developed

SDG 17 Partnerships for the Goals

No. of SDG targets relevant for Tata Steel out of the total targets for SDG 17: 2/19

Linkage with Tata Steel SO/SE: SO4, SE

Linked Capital

Initiatives

Company specific initiatives:
- Collaborations with technology providers, start-ups and academia
- Collaborations with NGOs and other social agencies for community development initiatives

Outcomes

Company specific outcomes:
- No. of collaborations with technical institutes and other external agencies

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

Strategic Objectives (SO)
- SO1 - Leadership in India
- SO2 - Consolidate position as global cost leader
- SO3 - Attain leadership position in adjacent businesses
- SO4 - Leadership in sustainability

Strategic Enablers (SE)
- Best place to work for in Manufacturing in India
- Top 5 in technology in steel industry globally
- Digital leader in steel industry globally
- Foster a culture which makes Tata Steel future-ready

EAF: Electric Arc Furnace; ***CCU***: Carbon Capture and Utilisation.

OPPORTUNITIES

Attractive growth potential

The Indian economy is likely to become the third largest economy by 2030, and the steel industry will play a pivotal role in this growth journey. With large raw material reserves, a strong base of technically skilled workforce and one of the fastest growing markets globally, India offers visible structural advantages for the steel industry to flourish. The country's low per capita steel consumption versus global average provides significant headroom for growth.

Well positioned to capitalise on opportunities

The National Steel Policy 2017 seeks to create a globally competitive steel industry in India with 300 MnTPA steelmaking capacity and 158 kg per capita steel consumption by FY 2030-31. Government-led investment in infrastructure, rapid urbanisation, rising preference for personal mobility, growth in capital goods sector and the government's focus on making India 'Atmanirbhar' are expected to stimulate steel demand in India. With a leadership position in key market segments, world-class production facilities and cost leadership, we plan to double our capacity to 40 MnTPA by 2030, to capitalise on this vast opportunity and contribute towards the nation's development agenda.

Addressing evolving customer needs

Customer needs are evolving and the channel deployed to reach the customer is changing. Digital platforms are gaining more traction even in the industrial sectors such as steel. Growing urbanisation will see demand for steel focussed on modularisation, amenable to the fast pace of construction and better aesthetics. With changing demographics and higher affordability, the nature of steel consumption in automotive, white goods and other consumer goods industries is fast evolving. We aspire to be the supplier of choice for discerning customers, driven by a culture of customer-obsession and ability to provide the best products and service experience.

Sustainability driving new business models

Climate change is a challenge for a 'hard-to-abate' sector such as steel. However, it also provides opportunities. With sustainability gaining centre stage globally, and significant investments being directed towards green technology, we have identified focussed intervention across hydrogen fuel technology, carbon capture and use, and reduction in specific water consumption, among others. Tata Steel Jamshedpur is a national benchmark in CO_2 emission, with other sites improving every year. Specific plans are in place to improve sustainability performance across locations. We also ventured into steel recycling with the first plant commissioned in Rohtak, to capitalise on increased scrap availability and demand in India, and move towards circular steel manufacturing models.

CO_2 emission intensity

National benchmark - Created by Tata Steel Jamshedpur (as per worldsteel methodology)

Adopting technologies of tomorrow

Tata Steel strives to be a technology and innovation leader in the steel industry, leveraging in-house capabilities and building external ecosystems. Through VIVA (Ventures, Innoventure and Alliances), we have been able to build on opportunities provided by the external ecosystem and accelerate our journey towards achieving technology leadership. The Innovent Team focusses on innovation for customers with a deep understanding of their emerging needs. Our collaborations with start-ups have resulted in pilots in carbon capture and use. We plan to engage on more such opportunities across the steel value chain.

Carbon capture

Pilot projects are being driven in collaboration with start-ups

Digitalisation strengthening competitive edge

The future of work and the future of consumption are evolving, accelerated by the pandemic. Remote operations and digital commerce are the new normal. Digital is no longer just an enabler but is key for creating and unlocking value. Tata Steel is also taking steps to scale Industry 4.0 technologies in its operations. During FY 2021-22, three operating sinter plants in Jamshedpur were merged into a far-site single operation control centre, a first in India. On the D2C front, we have significantly scaled up the Aashiyana and DigEca platforms for our individual home builders and small businesses, respectively.

Three sinter plants

at Jamshedpur merged into far-site single operational control centre

Creating new revenue streams with adjacent businesses

Technology and megatrends are creating market opportunities for new materials and applications in existing and emerging sectors. Tata Steel with its portfolio of adjacent businesses is best suited to leverage this trend and, in the process, create new revenue streams that complement the steel business. We are building new businesses in high-potential and technology intensive new materials such as, fibre reinforced polymer composites, medical materials, and graphene. Our Services and Solutions portfolio includes Pravesh and Nest-In, which provide home solutions and steel-based modular construction solutions, respectively.

Nest-In

Unique modular construction solutions offered by Tata Steel

Becoming future-ready culturally

At Tata Steel, we have undertaken several 'industry-first initiatives' over the past decades to inculcate a culture of ethics, safety, continuous improvement, environment consciousness and giving back to the community. Our focus on diversity and LGBTQ+ policies are first-of-its kind. We are also fostering a culture of agility, innovation, health and wellness. Building environmental consciousness is another culture element which we are actively working towards.

Diversity and LGBTQ+

First-of-its kind policies created

RISK MANAGEMENT

Deploying a proactive and structured approach

We operate in a dynamic environment which not only provides opportunities but also exposes the business to various risks. To proactively identify and manage key risks for achieving our strategic objectives, we have put in place a well-defined Enterprise Risk Management (ERM) framework.

Financial Risks

Rising inflation and subsequent increase in cost of financing could adversely impact capex plans. We are also exposed to currency volatility. Further, development in climate change regulations and disclosure standards could reduce access to capital and increase the cost of funding.

Mitigation measures

- Strong cash flow generation
- Aggressive balance sheet deleveraging
- Robust capital allocation strategy
- Strong hedging policy
- Consistent reduction in our carbon footprint

Macroeconomic & Market Risks

Steel demand is affected by high inflation. Re-imposition of mobility restrictions amidst the spread of new variants may also affect demand and supply chains. Fast-paced technological changes and shifting customer preferences may necessitate change in strategy.

Mitigation measures

- Undertook numerous steps to deal with the challenges in the operating environment arising out of COVID-19
- Invested in building a strong marketing franchise with well-regarded brands and a large network of distributors and dealers across the country

Regulatory Risks

Evolving regulatory framework may have material impact on operations. Deviation in compliance and adherence may also adversely impact reputation.

Mitigation measures

- Constant monitoring of the regulatory landscape
- A policy of zero tolerance to non-compliance
- Robust compliance management systems to ensure awareness and compliance
- Policy advocacy undertaken to advocate best available practices, simplify guidelines to reduce cost of doing business and improve ease of doing business
- Technology is being utilised to track compliance, timelines with suitable escalations, action plans and reviews

Operational Risks

Disruption to Tata Steel's manufacturing processes caused due to various factors such as equipment failures, natural disasters, epidemics or pandemics or extreme weather events, etc. could adversely affect operations and customer service levels.

Mitigation measures

- Adopting advanced maintenance practices to improve plant availability and reliability
- The Maintenance Technology Roadmap (MTR) is well in progress for transitioning to predictive maintenance-based practices
- Digital initiatives undertaken to optimise inventory and improve process efficiencies
- Disaster plan and related SOPs to proactively respond to natural disasters, epidemics or extreme weather events
- Institutionalised business continuity management

Safety Risks

Inconsistent adherence to process and workforce safety requirements, safety laws and regulation may have adverse impact on business continuity and operation. COVID-19 contagion poses risk to workforce health & safety.

Mitigation measures

- Committed to zero harm
- Experiential learning and focus on dissemination of safety standards among workforce
- Campaigns on various safety topics
- Launched POD system – a multi-layer protection to break the transmission circuit of COVID-19 virus at the workplace

Community Risks

An erosion of trust with communities will slow down societal impact and lead to consequent loss of reputation or business continuity.

Mitigation measures

- Anchor one of the deepest and most diverse societal development efforts based on a combination of programmes and platforms reaching more than 2.8 million lives
- Created a portfolio of initiatives aimed at addressing societal challenges

Commodity Risks

Volatility in raw material prices significantly impacts the input costs. Geopolitical events, pandemic or changing weather could affect commodity prices.

Mitigation measures

- Sound hedging policies
- Captive/domestic raw materials provide guard against volatility and supply chain disruption
- Assessment of the risk of single geography/proprietary sourcing and relevant mitigations are undertaken

Supply Chain Risks

Weather disruptions or geopolitical instability puts a threat on material availability. Political instability coupled with intermittent waves of pandemic is not only a threat to raw material supplies but also has an adverse impact on ship and container freights availability.

Mitigation measures

- Formed 'One Supply Chain' division
- Use of digitalisation and optimisation
- Adoption of hedging strategies
- Invested in private freight train schemes
- Adopting a three-pronged strategy of Service Reliability, Infrastructure Resilience and Cost Optimisation for a future-ready Green Supply Chain

Information Security Risks

Transition to remote working models and accelerated adoption of digital technologies have increased vulnerability to cyber-attacks. Non-compliance to IT legislations and regulations may lead to business disruption and imposition of penalties.

Mitigation measures

- Several investments made in digital transformation
- Multi-layered network topology
- Adoption of next-generation Security Operations Centre (SOC) controls and technologies to safeguard IT data and applications
- Engaged with best-in-class service providers for SOC services
- End of Life (EOL) systems are being replaced
- Policies and procedures are put in place to ensure data privacy

For detailed discussion on risks and mitigation strategies Page 194

Leveraging digital to drive delight

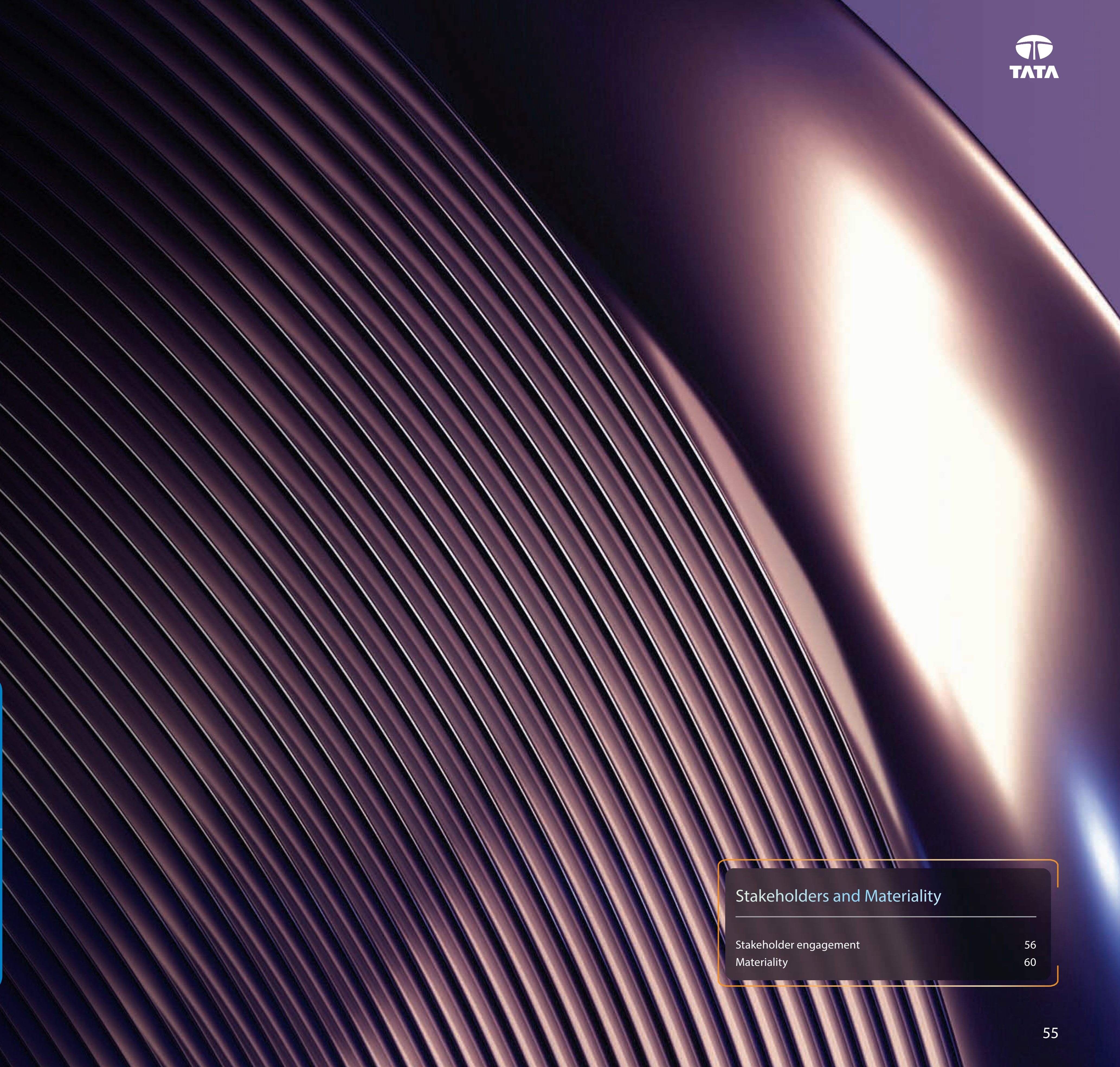
We continue to develop innovative digital solutions to support our business. We developed 'Digital Twins' for sinter plants equipped with artificial intelligence techniques to achieve benchmark CO_2 emissions. We also scaled up our Aashiyana and DigEca platforms for individual home builders (IHBs) and small businesses, respectively. Tata Steel Aashiyana – early engagement and inspiration platform for IHBs grew 100% Y-o-Y in gross merchandise value (GMV) across seven Tata brands.

₹1,468 crore

GMV on Tata Steel Aashiyana

Digital Twin

The replica of sintering process conceptualised as a first-in-world solution to reduce stack emission



Stakeholders and Materiality

STAKEHOLDER ENGAGEMENT

Aligning aspirations with business goals

At Tata Steel, we view our stakeholders as partners in our journey to deliver long-term value. Effective stakeholder engagement is thus key to delivering on our strategic objectives. We seek to balance the needs, interests and expectations of stakeholders with those of the business through an integrated and inclusive process.

In FY 2018-19, we conducted a pan-India stakeholder engagement exercise to revisit the Environmental, Social and Governance (ESG) issues that are material to value creation amid the evolving global sustainability landscape.

We periodically engage with our stakeholders either through focussed groups or individually using a wide range of tools, medium and platforms.

Key Stakeholders

Investors and Lenders

Value proposition

- Consistent returns on investments
- Highly profitable and best-in-class assets in India
- Focus on deleveraging and funding profitable growth in India
- Better disclosures, transparency and credibility of financials

Importance of the relationship

Providers of financial capital essential to fund growth

How we engage

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

Emphasis areas

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

Customers

Value proposition

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

Importance of the relationship

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

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 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

Vendor Partners

Value proposition

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

Importance of the relationship

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

How we engage

- Vendor meet
- Vendor satisfaction survey
- Vendor Capability Advancement Programme
- Vendor Grievance Redressal Committee
- Supplier Day
- Vendor Sustainability Assessment
- 'Speak Up' Toll-free number
- 'Swagat Program' – for smooth and faster onboarding of new vendors
- 'PROCARE' Helpdesk Service for addressing issues/queries
- Leadership Meetings: CEO to CEO connect with Strategic Suppliers
- Vendor Sustainability Meet

Emphasis areas

- Health, safety and human rights
- Carbon emission, water, air pollution, waste management and renewable and clean energy
- Embed sustainability in supply chain and promote responsible sourcing and circular economy
- Innovation and Technology

Government & Regulatory Bodies

Value proposition

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

Importance of the relationship

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

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

- Improving ease and cost of doing business by reducing the compliance burden for the industry
- Achieving leadership in sustainability to move forward on the path of sustainable development
- Focus on technology and innovation, demand creation and enrichment of product portfolio, capacity expansion, etc.

Employees

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, experience and engagement.

Importance of the relationship

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

How we engage

- Monthly online meet with the CEO and 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

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

Community

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

Importance of the relationship

Conducive working environment ensuring social support, amity and peace; avoid hostility, community agitations and protests

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 & 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

Value proposition

- Disclosing and sharing relevant information and updates with the public

Importance of the relationship

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

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
- Familiarisations 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 & technology
- Focus on operating and financial performance
- Business developments
- Steel Industry outlook/dynamics - global and domestic

Industry Bodies

Value proposition

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

Importance of the relationship

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

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 & 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.

MATERIALITY

Prioritising issues key to value creation

We have been constantly working on improving and delivering on the ESG priorities identified by us through the findings of the pan-India materiality exercise that we conducted in FY 2018-19. The findings have been indicative of the future trends, potential business risks, and new business opportunities, and have been collated with inputs from stakeholders viz. customers, investors, suppliers, shipping and logistics partners, media, industry associations, government and regulatory bodies, employees including contract employees and union leaders and community representatives.

The findings of our materiality exercise have been classified into 'Focus' (high priority), 'Track' (medium priority) and 'Discuss' (low priority) categories, based on stakeholder impact and contribution to business success in the short, medium, and long terms. The senior leadership has revisited the material economic issues through various stakeholder engagement processes and business reviews. These ESG priorities are integral to our vision of being the 'global steel industry benchmark in value creation and corporate citizenship'.

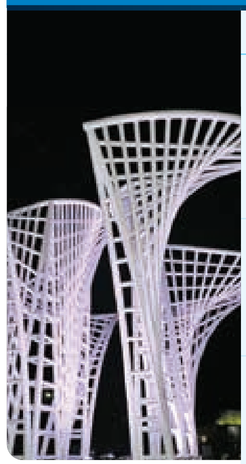
Addressing 'Focus' issues

Tata Steel's strategic planning process incorporates the economic, environmental, social, and governance material issues relevant for the long-term growth and financial success of the Company. These issues are critical in defining and executing our strategic objectives. We strengthen stakeholder engagement and maintain a comprehensive track of their opinions and business concerns. Strategies and progress against these issues are reviewed periodically by the respective owners, senior management and the Board.

Our material issues along with linked Strategic Objectives/Strategic Enablers and Capitals are mentioned in the tables below:

Economic

SO1 SO2 SO3



Material issues	Measures	Linked Key Performance Indicators (KPIs)
Business growth	› Focus on organic and inorganic growth › Scaling of adjacent businesses › Entering into new market segments	› Crude steel production capacity › Revenue from the New Materials Business, Service & Solutions, commercial mining business › Revenue from high-end and downstream products and solutions
Long-term profitability	› Attain and retain leadership in chosen segments › Raw material security › Enhance operational efficiency › Shikhar25 cost management initiatives	› Market share in chosen segments › Captive coal (%) and captive iron ore (%) › EBITDA › Savings through Shikhar25 initiatives
Product and service quality	› Product and process innovation › Value engineering and customer service teams › Innovative routes to market	› Number of new products and services › Customer Satisfaction Index › Quality complaints › Revenue from sales on digital platforms

Capitals

Financial capital
Natural capital
Human capital
Intellectual capital
Manufactured capital
Social and Relationship capital

Strategic Objectives

SO1 Leadership in India
SO2 Consolidate position as global cost leader
SO3 Attain leadership position in adjacent businesses
SO4 Leadership in sustainability

Sir Dorabji Tata Biodiversity Park, West Bokaro

Environmental

SO2 SO4 SE

Material issues	Measures	Linked KPIs
CO_2 emission	› Initiated the first-of-its-kind trial for continuous injection of coal bed methane (CBM) gas in one of the blast furnaces at Jamshedpur Works › Successfully completed trial use of biofuel in ship to transport cargo (~1,60,000 tonnes of coal) from Gladstone, Australia to Dhamra, India › Commissioned 5 TPD CO_2 capture plant at Jamshedpur, a first in India by a steel company to extract CO_2 directly from blast furnace gas › Flagged off the first batch of electric vehicles at our Pilkhuwa stockyard, for transportation of steel	› GHG emission intensity › Total GHG emissions for all major geographies
Air pollution	› Upgradation of existing air pollution control equipment and installation of state-of-the-art dust control technology, e.g., technology amendments and augmentation in coke oven batteries through implementation of de-dusting and pushing emission control systems	› Dust emission intensity › SOx emission intensity › NOx emission intensity
Water consumption and effluent discharge	› Jamshedpur Works declared water positive based on a third-party water balance study › 3,000 KLD (kilolitres per day) water treatment plant commissioned at Noamundi	› Specific freshwater consumption › Effluent discharge intensity

Strategic Enablers (SE)

› Best place to work for in Manufacturing in India
› Top 5 in technology in steel industry globally
› Digital leader in steel industry globally
› Foster a culture which makes Tata Steel future-ready

Environmental *(contd.)*

SO2 SO4 SE

Material issues	Measures	Linked KPIs
Energy efficiency	› Achieved higher oxygen supply to blast furnaces and gas recovery from steel melting shops › Increased power generation by higher utilisation of by-product gases to power plants	› Specific energy consumption
Renewable and clean energy	› 25-year power purchase agreement signed with Tata Power to develop grid-connected solar plants (41 MW) in Jharkhand and Odisha	› Renewable purchase obligation › Power generated through renewable sources
Waste management	› First steel company in India to export steel melting shop (SMS) slag to Bangladesh for cement making › LD[1] (steel melting shop) slag utilisation at Jamshedpur and Kalinganagar sustained at 100% › Tata Aggreto, the processed LD slag, achieved highest ever sales of 275 KT in FY 2021-22 as against previous best of 195 KT in FY 2020-21. Tata Aggreto has been extensively used as a replacement of natural aggregates in construction of national highways and city roads	› LD slag utilisation › Solid waste utilisation › Revenue from by-products
Supply chain sustainability	› Completed third-party assessment of 406 critical supply chain partners (including both upstream and downstream) on the Responsible Supply Chain Policy and opportunities for improvement identified for corrective action	› Number of supply chain partners made aware on Tata Steel Responsible Supply Chain Policy › Number of supply chain partners assessed on Tata Steel Responsible Supply Chain Policy › Number of vendor partners engaged in specific projects
Biodiversity	› Biodiversity Management Plans (BMPs) for Jamshedpur and Kalinganagar developed (BMPs developed for 13 locations cumulatively till FY 2021-22) › Over 5.37 lakh saplings of native species planted across locations in FY 2021-22	› Total sites covered under BMPs
Circular economy	› Achieved highest ever end-of-life steel (clean) scrap charging in steel melting shops › Steel Recycling Business (SRB): – The first year of full-scale operations from Rohtak unit completed – First-of-its-kind FerroHaat mobile application, developed to onboard suppliers for scrap supply	› Capacity of SRB › Clean steel scrap charging in steel melting shops

[1] ***LD***: Linz-Donawitz

Social

SE

Material issues	Measures	Linked KPIs
Occupational Health and Safety (OHS)	› Build safety leadership capability at all levels to achieve zero harm › Improve competency and capability for hazard identification and risk management › Achieve zero harm to contract employees by strengthening deployment of Contractor Safety Management Standard › Reduction in safety incidents on road and rail to ensure zero fatalities inside plant premises › Excellence in Process Safety Management (PSM) › Establishment of industrial hygiene and improvement in occupational health	› Lost Time Injury (LTI) › Lost Time Injury Frequency Rate (LTIFR) › Fatalities › Health Index
Labour relations	› Introduction of COVID Family Protection Scheme (Social Security scheme) › Vaccination of all types of employees and their families to ensure employee well-being › Focussed initiatives to improve employee productivity	› Performance in Employee Engagement Survey › Employee productivity
Drinking water	› Enabling community-led access to safe drinking water for identified households	› Number of drinking water structures constructed/ repaired › Drinking water projects › Number of lives reached
Local sourcing of labour	› Recruiting indigenous (SC/ST) people in the workforce › Improving vendors' share of business from SC/ST communities by training them to match the Company's requirements for various products and services	› Number of local suppliers › Business volume of local suppliers › % of Affirmative Action (AA) community in the workforce
Talent retention	› Established Step-Up platform (internal talent marketplace) to provide cross functional exposure to employees › Creating an inclusive workspace to attract and retain diverse talent including women, Affirmative Action (AA) and people from LGBTQ+ community › Development of workforce capability through various programmes	› Employee Turnover Rate › Percentage of women in the workforce › Investment in employee training and development

Governance

SO1 SO2 SO3 SO4 SE

Material issues	Measures	Linked KPIs
Technology, product and process innovation	› Focus on technology, digital and disruptive innovation overlaid on a culture of continuous improvement › Addressing environmental concerns by developing and implementing breakthrough technologies progressively at larger scale › Building a sustainable business portfolio, which is resilient against steel business cyclicality	› Number of patents received › Number of new products developed › Number of start-ups engaged › Number of alliances created › Number of breakthrough projects
Going beyond compliance and setting trends for future regulations	› Setting up SRB for foray into organised scrap play in India › Adoption of best available technologies and implementing projects for resource efficiency and reducing carbon footprint › Strengthened collaborations with technical institutes, technology start-ups and academia for technology leadership, climate change and other environmental issues › Diversity and inclusion policies for women in workforce, PWDs and LGBTQ+ community – e.g.: women in all shifts in mines, etc.	› Capacity of SRB › Performance on various environmental parameters – air, water, waste › Number of collaborations with external partners › Diversity Mix of workforce
Greater sustainability disclosures	› Consistent improvement in our disclosures through the <IR> framework, worldsteel indicators and UNGC communication on progress › Engagement with ESG rating agencies for improving disclosure practices and enhance access to sustainable finance › Updating the Company's website periodically to enhance transparency and meet stakeholder requirements	› Scores and achievements in: – CDP – DJSI assessment – worldsteel recognitions › ESG ratings

Governance *(contd.)*

SO1 SO2 SO3 SO4 SE

Material issues	Measures	Linked KPIs
Stakeholder engagement	› Enhancement of specialised channels, such as public meetings, vendor-focussed committees, 'Speak Up' toll-free number, and platforms, such as conferences and construction conclaves and similar events › Setting up special COVID care helplines and medical facilities	› Performance in various surveys conducted periodically for stakeholder categories, including: – Customer Satisfaction Survey – Vendor Satisfaction Survey
Responsible advocacy to enable Tata Steel to become the global steel industry benchmark	› Providing thought leadership on public policies to ensure the Indian steel industry is globally competitive	› Number of policy papers for improving the ease and cost of doing business
Technical knowledge transfer and capacity building for relevant partners	› Collaboration with suppliers through Supplier Relationship Management Programme › Conduct Vendor Capacity Advancement Programmes (VCAP) for suppliers › Engagement with customers through Early Vendor Involvement (EVI) and Value Analysis and Value Engineering (VAVE) initiatives › Awareness sessions for suppliers, Steel Processing Centres (SPCs) and distributors on ethics, health & safety, Responsible Supply Chain Policy and other relevant issues	› Number of VCAP sessions conducted › Number of awareness sessions conducted › Number of supply chain partners made aware on Responsible Supply Chain Policy › Number of EVI and VAVE projects

PWD:Persons with Disabilities; ***LGBTQ+***: Lesbian, Gay, Bisexual, Transgender, Queer

Imbibing a culture of innovation

At Tata Steel, we continue to develop innovative solutions and breakthrough technologies across the steel value chain, by leveraging our R&D strengths and collaborating with research and industrial organisations. We filed our highest new patents during the year and signed MoUs with the Council of Scientific and Industrial Research (CSIR), Indo-German Science and Technology Centre (IGSTC) and the Indian Navy. Our MaterialNEXT platform incubates young minds in the advanced materials space while the 'Mat-e-reality' convention was launched to promote technology thought leadership. Further, Tata Steel and HSBC successfully executed a blockchain-enabled, paperless trade transaction – a global first in the industry.

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New patent applications by Tata Steel (Standalone)

Blockchain-enabled

First trade transaction executed in collaboration with HSBC

Value Creation

Financial Capital

At Tata Steel, our aim is to provide optimum returns to the providers of our financial capital. Our business processes are aligned to maximise surplus from both business operations and relevant monetisation of assets and investments.

39.88%
EBITDA/Turnover

29.59%
Return on Average Capital Employed

29.93%
Return on Average Net Worth

₹270.33
Basic Earnings Per Share

MATERIAL ISSUES ADDRESSED

Strategic Linkage SO1 SO2 SO3

- Business growth
- Long-term profitability

Note: Figures pertain to Tata Steel (Standalone) post amalgamation of Tata Steel BSL Limited.

Performance

Growth

Key developments

- Acquisition of 93.71% stake in Neelachal Ispat Nigam Limited ('NINL') through Tata Steel Long Products Limited ('TSLP') for ₹12,100 crore. NINL has a capacity of 1.1 MnTPA along with iron ore mines
- Augmentation of Ferro Alloys Processing capacities:
  - Asset acquisition of Stork Ferro and Mineral Industries Private Limited with a production capacity of ~53 KTPA located at Balasore, Odisha for ₹155 crore (excluding applicable taxes)
  - Acquisition of 90% stake in Rohit Ferro-Tech Limited for an amount of ~₹617 crore in terms of the resolution plan approved by the Hon'ble National Company Law Tribunal, Kolkata Bench. This acquisition was carried out through the Company's wholly-owned subsidiary Tata Steel Mining Limited

Profitability

Key emphasis

- Completion of the amalgamation of Tata Steel BSL with Tata Steel Limited to achieve comprehensive synergy benefits
- Cost synergies through access of captive iron ore and coal to all steel manufacturing units of Tata Steel
- Enhanced capital allocation to ensure speedy completion of the additional 5 MnTPA expansion at Tata Steel Kalinganagar and commence operations at NINL
- Continued focus on EBITDA improvement initiatives (Shikhar25 - operational improvement programs)
- Leveraging digital technologies continually, in order to drive business transformation

Tata Steel Consolidated

Turnover

₹2,43,959 crore
(↑56% Y-o-Y)

EBITDA

₹63,830 crore
(↑>2x Y-o-Y)

Net increase in cash and cash equivalents

₹10,099 crore

Managing our financial capital

We have a robust financial management process that assesses the requirement of funds for sustainable business operations as well as for investments towards business sustainability and growth opportunities.

The funds required over business surplus and retained earnings are met by raising funds as per market conditions to reduce finance cost and having flexible terms, in line with the cyclical nature of the steel industry.

We work towards aligning our debt maturity profile to the long gestational nature of steel projects and maintaining a flexible capital structure, in line with the business needs. This results in savings on interest cost and ensures the desired liquidity levels. Foreign exchange risks are actively managed with adequate hedging.

The funds generated are allocated to strategic investments in subsidiaries, joint ventures and in capital assets. The surplus funds are invested in short-term instruments. Deleveraging is one of our key focus areas. Internal cash flows generated from operations are used to reduce our debts as per our annual targets.

Further, our operational KPIs are compared with internal and external benchmarks to achieve best production, higher productivity and yields. The Company ensures that business operations are un-interrupted and are at an optimum level. We continuously undertake cross-functional improvement programmes under Total Quality Management (TQM) and Shikhar25 for operational efficiency, product mix optimisation, waste reduction and recycling, energy efficiency and procurement optimisation. Our innovative marketing initiatives and various ongoing digital programmes provide better customer connect, reach and higher realisations. These initiatives result in margin maximisation through cost optimisation, for the generation of positive cash from business operations.

We ensure that we have the appropriate level of capital for growth projects, and ample liquidity to support and protect our operations in all economic scenarios. In line with past strategies, the Company aims to balance its growth ambitions while keeping a healthy balance sheet.

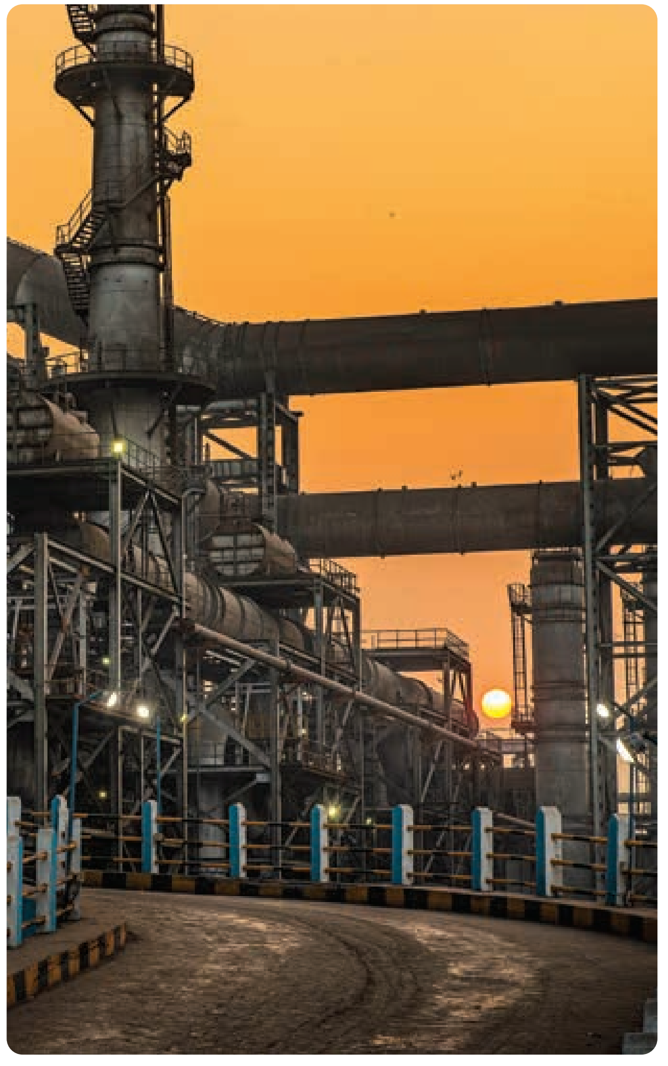
Managing capital inputs and liquidity

The year under review witnessed stability in the economic condition with fewer business interruptions, improvement in market sentiments as the economy progressed on the path of recovery after severe interruptions due to the pandemic in FY 2020-21. Major inputs to the financial capital were as follows:

1. Internal accruals generated a free cash flow of ₹30,516 crore (after considering capex and dividend) which was primarily utilised for investments in Group companies, for funding NINL acquisition and for working capital support to our European operations
2. Short-term funds were raised from banks to the tune of ₹4,800 crore to support working capital and economise on interest costs
3. Gain recognised in financial statements from the amalgamation of Tata Steel BSL Limited with Tata Steel Limited - capital reserve of ₹1,761 crore (non-cash)
4. The operational improvement programs (Shikhar 25) have earned benefits to the business to the tune of ₹5,463 crore

₹50,307 crore
Cash Operating Profit
(Tata Steel Standalone)

₹65,900 crore
Cash Operating Profit
(Tata Steel Consolidated)



Blast Furnace, Tata Steel Meramandali Works

Managing capital outcomes

The COVID-19 pandemic in FY 2020-21 necessitated a sharp focus on cash flows. The cash flow focus in our business processes has helped in optimising our working capital through better inventory management, faster collection from debtors and extended credit period from suppliers.

- The debt levels reduced marginally by the end of FY 2021-22. The Company had gross debt outstanding of ₹37,065 crore as on March 31, 2021 which has now reduced to ₹36,525 crore as on March 31, 2022. The cash generated was used for funding inorganic growth opportunities along with internal growth funding for capex.
- The Company has restarted its capital expenditure program across various business units like the Cold Rolling Mill and Pellet Plant in Tata Steel Kalinganagar, which are expected to be operationalised shortly and will be margin-accretive to the existing business. The Company incurred a capital expenditure of about ₹6,288 crore from the cash generated from the business.
- The acquisition of NINL is being financed through a combination of internal accruals and bridge loans which are expected to be paid down through internal generation of cash in Tata Steel over the next few quarters.
- Financing the acquisition of Rohit Ferro-Tech Limited by Tata Steel Mining Limited (TSML) with ~₹617 crore, through equity investment and inter-corporate loan to TSML.
- The Company entered into Asset Transfer Agreement with Stork Ferro and Mineral Industries Private Limited for a cash consideration of ₹155 crore (excluding applicable taxes).
- In FY 2021-22, international rating agency S&P upgraded Tata Steel's Corporate Family Rating multiple times to 'BBB-' from 'BB'. With these upgrades, Tata Steel has become investment grade rated entity in the international market. Moody's also upgraded the rating by one notch to 'Ba1'. All the domestic rating agencies also upgraded Tata Steel's rating by one notch to 'AA+'.
- Higher declaration of dividend to the shareholders and sub-division of 1 equity share of ₹10 each into 10 equity shares of ₹1 each for better stock liquidity.

₹9,381 crore
Repayment of long-term borrowings
(Tata Steel Standalone)

Control Room, Hot Strip Mill, Tata Steel Kalinganagar Works

Strategic focus

1. Driving to achieve the best synergies and benefits from the acquisitions
2. China has been contracting its steel capacities to reduce carbon emissions. This has led to structural changes in the steel industry, giving rise to more regional production and consumption, thereby reducing export capacities and increasing international prices. In response to the COVID-19 pandemic, governments across the world rolled out large stimulus packages, also by way of developing infrastructure projects. The combination of lower supplies and strong stimulus by the economies have taken steel prices higher across the world. Taking advantage of the upcycle, we have continued the pace of deleveraging in FY 2021-22
3. Strategic cash war room for strict ground-level monitoring of the cash, targeted at fixed cost reduction and monitoring of working capital
4. The key emphasis of the Company's financial policy continues to be on balancing growth ambitions and maintaining a healthy balance sheet

Achievements

1. Maximisation of cash flows through continued focus on cash war room on a cross-functional basis. This allowed prioritisation of 80% of India's capital expenditure on Kalinganagar Phase II. The Company had good control over working capital in India in spite of significant increase in steel and raw material prices
2. Managing liquidity facilitated debt rationalisation and restructuring

Way forward

1. Deleveraging balance sheet through internal cash flows from the business through continuous improvement initiatives driven by cross-functional teams under Shikhar25 program
2. Aligning debt maturity profile to the long gestational nature of steel projects
3. Maintaining flexible capital structure in line with business needs
4. Allocating funds to efficient and value-accretive opportunities

Blast Furnace, Tata Steel Kalinganagar Works

Management of cash flows

During the year under review, the net increase in cash and cash equivalents was ₹450 crore as against an increase of ₹504 crore in the previous year. The increase in cash operating profits during the year was utilised primarily in working capital, payment of taxes, capital expenditure, higher dividend payments and strategic investments in Group companies for growth.

1.07
Current ratio

₹3,007 crore
Equity dividend paid in FY 2021-22

All figures pertain to Tata Steel (Standalone).

Increase in Turnover to ₹1,29,021 crore

The turnover during the current period was ₹1,29,021 crore, higher by 53% over previous year primarily due to significant increase in steel prices along with increase in deliveries.

Increase in EBITDA to ₹51,456 crore

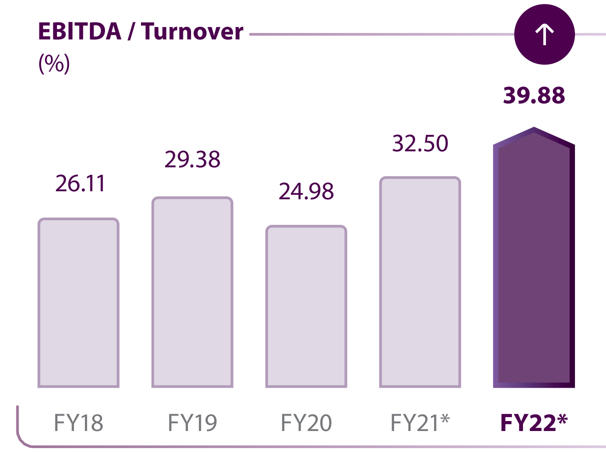
The EBITDA during the current period was ₹51,456 crore, higher by 88% over previous year due to increase in steel prices, which was partially offset by higher input cost mainly in imported coal.

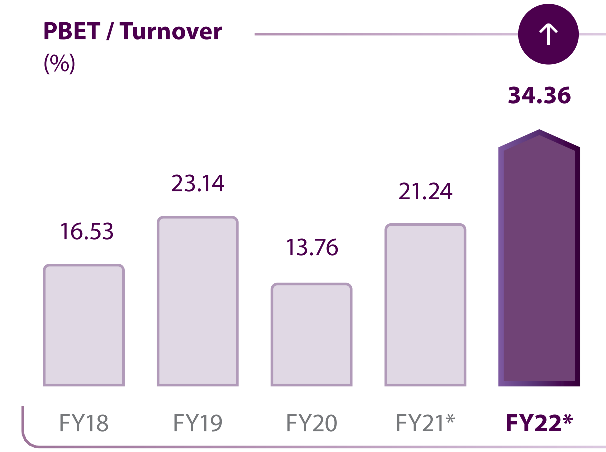
Capital expenditure at ₹6,288 crore

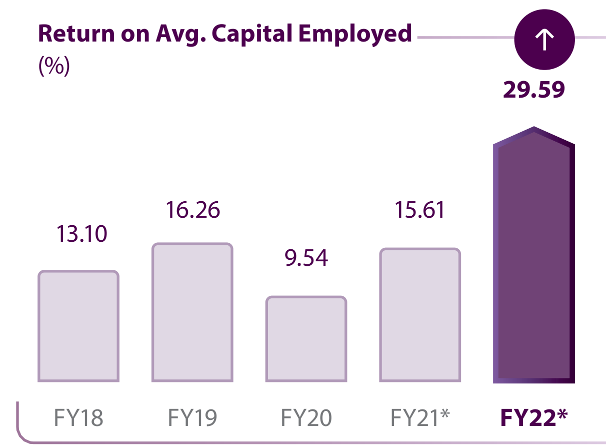
Capital expenditure was ₹6,288 crore, higher by 1.8x over the previous year primarily on account of Kalinganagar Phase-II expansion. Previous year, it was lower primarily to conserve the cash for liquidity during the pandemic.

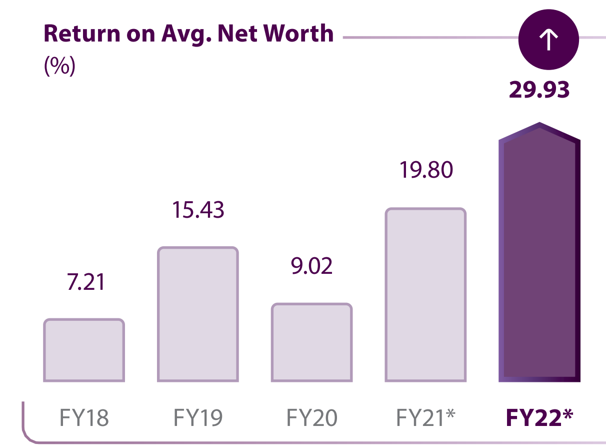
Key Performance Indicators

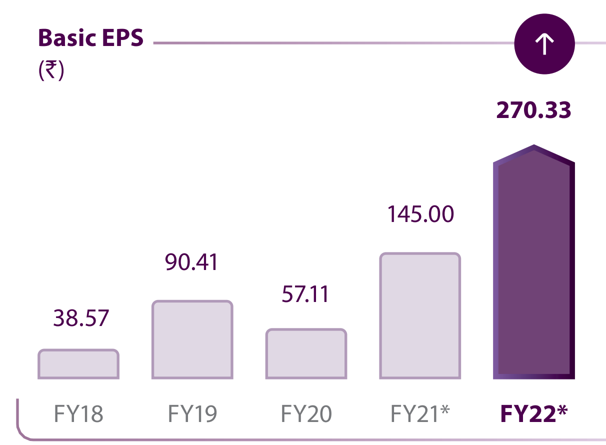
***Figures for FY22 and FY21 are post amalgamation of Tata Steel BSL into Tata Steel**

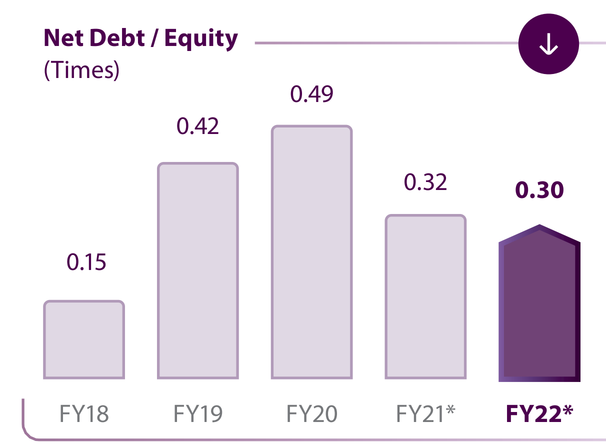












For information on our performance in Financial Capital, please refer to 'ESG Factsheet' Page 128

↑ Good if increases ↓ Good if decreases

Manufactured Capital

At Tata Steel, we continuously strive to achieve excellence in ironmaking, steelmaking, rolling facilities, warehouses, as well as logistics. We are investing consistently in augmenting our capacities through both organic and inorganic routes and reinforcing Tata Steel's leadership in the industry. Our integrated operations and continuous efficiency-enhancing efforts are helping us remain cost-competitive in the global markets.

19.06 MnT
Highest ever crude steel production at Tata Steel (India Operations), 13% Y-o-Y growth

3
Sites of Tata Steel Group included in WEF's Lighthouse network

MATERIAL ISSUES ADDRESSED

Strategic Linkage SO1 SO2

- Business growth
- Long-term profitability
- Product and service quality
- Technology, product and process innovation

Tata Steel, with an annual crude steel capacity of 34 MnTPA, is one of the world's most geographically diversified steel producers. We are one of the few steel producers that are fully integrated – from mining to manufacturing and marketing of finished products. Tata Steel Group has operations in India, the United Kingdom, the Netherlands, Thailand and Canada. Our operations range across the steel value chain from mining to market. We are continuously building capability by improving the efficiency of our manufactured capital, viz. mines, ironmaking assets, steelmaking assets, rolling facilities and warehouses, along with logistics operations, while ensuring the safety and reliability of operations. We have also been augmenting our operational capacity through a combination of organic and inorganic growth initiatives.

Raw material mines

The Company possesses and operates captive mines that bestow cost competitiveness through production efficiencies, ensuring an uninterrupted supply of assured quality raw materials. Our raw material operations are spread across India and Canada, which help us to improve raw material security. Tata Steel has four iron ore mines in Jharkhand and Odisha that enable 100% captive iron ore usage and coal mines in West Bokaro and Jharia which provide ~21% of coal requirement for our India operations. Additionally, Tata Steel India has three captive manganese mines in Odisha. With assured manganese ore availability from our mines, ferro-manganese is made available for 100% requirement of Indian steel plant operations. We are the lowest cost producer of ferro-manganese alloys, thereby helping our steel plants to maintain the quality of steel with cost competitiveness. Tata Steel Mining Limited (a 100% subsidiary of Tata Steel) operates three chromite mines in Odisha. We are the largest producer of chromite ore in India and one of the largest producers of ferro chrome in the world, which is being exported to stainless steel producers worldwide.

Tata Steel India has the letter of intent for the Kalamang and Gandhalpada iron ore blocks in Odisha. We are in the process of obtaining statutory clearances for these blocks to commence mining.

Our manufactured capital can be classified into the following three categories:

1. Raw material mines
2. Manufacturing facilities (including downstream)
3. Logistics, Distribution and Sales
   a. Steel Processing Centres
   b. Stockyards
   c. Sales offices

Panview of Tata Steel Kalinganagar Works

Steel manufacturing

Tata Steel's India crude steel production capacity stands at 19.6 MnTPA with manufacturing facilities in Jamshedpur and Gamharia in Jharkhand, Kalinganagar and Meramandali in Odisha. The Meramandali steel plant of ~5.6 MnTPA capacity was acquired from Bhushan Steel (later renamed as Tata Steel BSL), the same has been amalgamated with Tata Steel in FY 2021-22. We have commenced the Phase-II expansion of Kalinganagar steel plant to increase crude steel capacity to 8 MnTPA, along with commensurate increase in Hot Rolling capacity and commissioning of the new Cold Rolling Complex of 2.2 MnTPA capacity.

Tata Steel Thailand (TSTH)

Downstream operations act as the 'last mile connect' between Tata Steel and its customers. With the acquisition of Bhushan Steel (later re-named as Tata Steel BSL), Tata Steel has become one of the largest producers of Cold Rolled Coil and Tube products in India. Tata Steel now has 1 MnTPA of Tubes capacity in India, making it the 2nd largest producer in India. With the upcoming Cold Rolling Mill Complex of 2.2 MnTPA capacity at Kalinganagar, we are poised to become the number one Cold Rolled steel producer in India.

In long products, we have Steel Processing Centres (SPCs) which are located across India and process the crude steel to finished steel products near the markets. We have a number of Service Centres to meet the processed steel requirements of customers such as auto OEMs or construction companies by providing ready-to-use steel.

In Europe, Tata Steel is one of the largest steel producers, with a crude steel production capacity of over 12.4 MnTPA. The manufacturing facilities in Europe comprise primary steel-making facilities in the Netherlands and in the UK, along with downstream operations in the Netherlands, the UK, Germany, France, Belgium, Sweden, Spain and Turkey. We supply high quality strip steel products to demanding markets such as automotive, construction, packaging, and engineering.

In South-East Asia, Tata Steel operations began in 2004 with the acquisition of NatSteel, Singapore. In 2005, we acquired a majority stake in Thailand-based long product manufacturer Millennium Steel, and renamed it as Tata Steel Thailand (TSTH). In FY 2021-22, we divested our stake in NatSteel, Singapore while we continue to run the TSTH operations.

A brief profile of our manufacturing assets is provided below:

Raw materials

Key minerals	Asset / Location	Production FY 2021-22 (million tonnes)	Highlights
Iron Ore	› Noamundi (Jharkhand) › Joda (Odisha) › Katamati (Odisha) › Khondbond (Odisha › Vijaya II (Odisha)	› 12.41 › 11.11 › 1.99 › 3.93 › 2.5	› State-of-the-art mining and mineral processing technology
	› Labrador & Northern Quebec (Canada)	› 1.43 (on dry basis)	› Tata Steel Minerals Canada Ltd. is a partnership between Tata Steel (82%) and the Government of Quebec (18%); it mines and processes hematite iron ore
Coking Coal	› West Bokaro (Jharkhand) › Jharia (Jharkhand)	› Clean Coal (Own + Purchased) - 2.05 › Clean Coal (Own + Purchased) - 0.57	› Coal washery at West Bokaro is 1st in the industry to beneficiate coal tailings to generate Clean Coal, resulting in value creation from by-products › Adopted new technology at West Bokaro for mining locked up coal at the mine boundaries through high wall mining, the performance of which is at world benchmark levels

Steel manufacturing

Geographies	Asset / Location	Production FY 2021-22 (million tonnes)	Highlights
India	**Jharkhand:** › Jamshedpur › Gamharia **Odisha:** › Kalinganagar › Meramandali	 › 10.2 › 0.7 › 3.2 › 4.9	› Tata Steel India achieved highest ever annual crude steel production of ~19 MnT
Europe	› Port Talbot (UK) › IJmuiden (Netherlands)	› 3.4 › 6.45	
Thailand	› NTS Plant, Chonburi Province › SISCO Plant, Saraburi Province › SCSC Plant, Rayong Province	› 1.31 (total production of 3 units)	

Downstream facilities

Downstream facilities (India)

- Tubes Manufacturing
  - Jamshedpur (Jharkhand)
  - Khopoli (Maharashtra)
  - Sahibabad (UP)
  - Hosur (Tamil Nadu)
- Wires Manufacturing
  - Jamshedpur (Jharkhand)
  - Tarapur (Maharashtra)
  - Pithampur (MP)
  - Indore (MP)
- Bearings Manufacturing (Kharagpur, West Bengal)

Downstream facilities (UK business)

- Corby
- Hartlepool
- Shotton
- Lantern
- Trostre
- Catnic, UK
- Skein (Norway)
- Surahammars Bruk, (Sweden)

Downstream facilities (Thailand)

- The Siam Industrial Wire Co. Ltd. (SIW), Rayong
- TSN Wires, Rayong

Downstream facilities (Netherlands business)

- Naantali, Finland
- Fredrikstad, Norway
- Halmstad, Sweden

Netherlands
- IJmuiden,
- IJsselstein,
- Maastricht
- Oosterhout
- Zwijndrecht

Germany
- Gelsenkirchen,
- Düsseldorf
- Niederaula
- Netphen-Deutz
- Wallau

Belgium
- Duffel
- Ivoz-Ramet

France
- Chauny
- Maubeuge
- Corbeil-Essonnes

Switzerland
- Villmergen

Turkey
- Adapazari

Spain
- Durango

USA
- Bethlehem
- Warren

For information on our performance in Manufactured Capital, please refer to 'ESG Factsheet' Page 128

Intellectual Capital

At Tata Steel, innovation is at the core of our operations. By embedding sustainability as a business imperative, we are striving to emerge future-ready. We have also accelerated the adoption of digitalisation to drive efficiency and enhance execution.

₹213 crore
R&D spend

62
New products developed

₹5,463 crore
Improvement savings

MATERIAL ISSUES ADDRESSED

Strategic Linkage: SO1 SO2 SO3 SO4 SE

- Business growth
- Product and service quality
- Technology, product and process innovation
- Going beyond compliance and setting trends for future regulations
- Water consumption and effluent discharge
- CO_2 emission
- Circular economy

All figures pertain to Tata Steel (Standalone).

Fostering a culture of innovation

At Tata Steel, we aspire to be among the top five global technology leaders in the steel industry. Developing best-in-class technologies and state-of-the-art infrastructure, guided by a culture of innovation, are of paramount importance to us.

Spearheading breakthrough projects is integral to our technology leadership journey. Our projects are aimed at utilising low-quality raw materials, incorporating the use of innovative steel coatings, development and deployment of carbon capture and usage technologies, generation and use of green hydrogen in the steel value chain, achieve water efficiency, and implement advanced process control using digital tools and techniques, materials for the mobility of the future, among others.

We are leveraging in-house capabilities as well as external expertise through strategic collaborations and paving the way for innovations to accelerate the deployment of breakthrough technologies at scale. In FY 2021-22, an umbrella MoU was signed with the Council of Scientific and Industrial Research (CSIR), opening the doors for joint development of advanced technologies with 38 CSIR labs across the country. Tata Steel also signed an MoU with the Indo-German Science and Technology Centre (IGSTC) and the Indian Navy to promote a culture of innovation in the country. Multiple start-ups were onboarded during the year, and 31 fully funded trials were conducted across the steel value chain in collaboration. An innovation event titled 'MaterialNext' was held with a view to provide incubation opportunities to young minds in the domain of advanced materials.

Tata Steel also hosted a webinar, 'Mat-e-reality' to promote technology thought leadership. The multi-day annual webinar, focussing on the theme of materials for mobility, brought together technology leaders from across the world.

Continuing the work on monetisation of in-house developed Intellectual Property (IP), the team successfully conducted commercial pilot of over 1,000 tonnes of Dhurvi Gold – a soil conditioner made from steelmaking slag.

Graphene Centre, Jamshedpur

As a testimony to the Company's priorities and relentless efforts in focussing on innovation, we were declared the joint winner as the 'Top Innovative Company (Large)' in the Manufacturing category at the CII Industrial Innovation Awards 2021.

Tata Steel and Indo-German Science and Technology Centre (IGSTC) signed an MoU to establish a joint collaborative Research & Innovation (R&I) framework for facilitating new technology development, conducting thought leadership workshops, and supporting human capital development

Research & Development infrastructure

Developing revolutionary, sustainable products is our primary focus. Some of our implemented and close-to-implementation initiatives include: (a) 5 tonnes per day CO_2 capture and utilisation (b) cyanide removal from coke plant wastewater, based upon a patented ultraviolet (UV) oxidation process (c) continuous injection of coal bed methane gas in blast furnace. Additionally, several low technology readiness level research programmes for the production of cheap, green hydrogen at scale through different routes, have also been launched.

Tata Steel developed a novel patented process to produce a new variant of pearlitic (C80) steel. This process modifies the microstructure to spheroidised carbides in a hot rolled condition. During FY 2021-22, the Company established a facility for studying deformation behaviour of steels at high strain rates usually seen during a crash. Also, 125 patent applications were filed, marking the highest-ever for Tata Steel.

121

Patents granted in FY 2021-22

Plant trial of continuous injection of Coal Bed Methane gas in blast furnace. The technology is expected to reduce CO_2 emission by reducing coke rate by 10 kg/thm, which will be equivalent to reducing 33 kg of CO_2 per tonne of crude steel

Key product developments

In line with the vision of becoming the best-in-class manufacturer and preferred choice of steel mills, in FY 2021-22, Tata Steel developed high-end, niche products in the automotive and industrial segments.

Numerous high-strength structural grades for automotive applications were developed, including the E450 – hot formed for axle housing, S700MC [thin], and JSH 590B, with more than 75% hole expansion ratio for automotive structural. Noteworthy developments in the API segment include the successful commercialisation of J55 for the OCTG (Oil Country Tubular Goods) application. In the lifting and excavation segment, Tata Steel, in a first for India, developed S700MC with an impact toughness guarantee at -40°C for telescopic boom application. Super Interstitial Free (IF) grade in Galvannealed, 420LA CR (Cold Rolled) and DP490 CR (Dual-phase Cold Rolled) are few other notable products developed during the year.

To maintain our leadership position in the rebar segment, Fe550SD, with higher strength and higher ductility was developed, and commercialised in the size range of 6 mm to 25 mm. It was the first time that such a product had been developed in India. In order to cater to the new requirement of high strength wire rods for LRPC and spring application, new grades HC82Cr[LR HT], HC82BCr[SH HT], and PC300K were developed.

New Materials Business (NMB)

NMB was set up with the vision to explore opportunities in materials beyond steel. FY 2021-22 saw the completion of NMB's fourth year of operations, and currently, the business has three material verticals – Composites, Graphene, and Medical Materials and Devices.

Composites

The Composites business of NMB focusses on three market segments: industrial, infrastructure and railways. The current product offerings include:

Industrial
Pressure vessels, tanks, customised chemical handling equipment

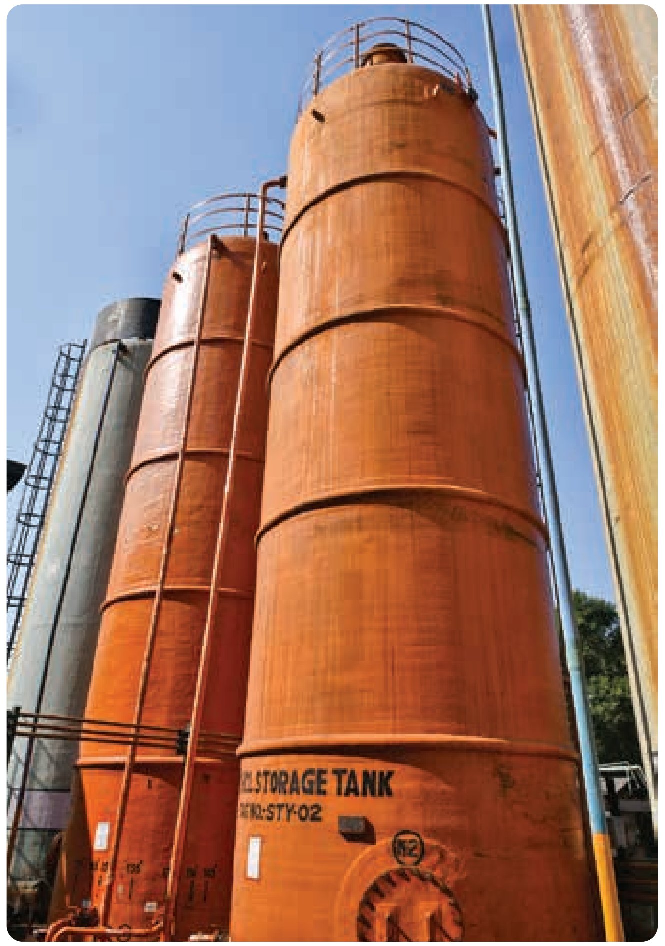
Infrastructure
Pipes, poles, smart architecture and pultruded products

Railways
Panels, windows, troughs

In FY 2021-22, the Composites business developed new products such as fibre reinforced polymer (FRP) sleepers, illumination poles and silicon carbide lined FRP pipes for FGD (Flue Gas Desulphurisation) application.

One of the key initiatives of the business was to provide FRP solutions to many applications, where steel is currently being used. The value proposition is the lower life cycle cost of FRP because of its higher corrosion resistance and lower maintenance cost. With this initiative, sales to the industrial sector grew by 5x over the previous year. The Composites business has also bagged new orders for Tejas and Vande Bharat coaches in FY 2021-22. The railway division has been leveraging Group synergies by offering integrated solutions jointly with TM Automotive Seating Systems and Tata Autocomp Systems.

Bridge at Golmuri Golf Club in Jamshepdur made of Fibre Reinforced Polymer (FRP) Composites



Storage Tanks made of Fibre Reinforced Polymer (FRP) Composites

Graphene

The Graphene business crossed ₹100 crore of revenue for the first time in FY 2021-22, registering a 7x growth over FY 2020-21.

During FY 2021-22, the business successfully established graphene enriched PVC and HDPE pipes in the market, branded as WONDRA. The industrial products of elastomers and polymers, enriched with graphene, are under market validation. Graphene technology in the areas of energy, lifestyle and well-being are under evaluation.

₹100 crore

Revenue from the Graphene business

Medical Materials and Devices (MMD)

Driven by the vision to create affordable and global standard health technology solutions for India, the business of MMD successfully piloted phase-pure sprayable grade of Hydroxyapatite in FY 2021-22. Fish-scale derived collagen and gelatin were also successfully manufactured and are currently being tested at accredited third-party facilities for analytical and biocompatible parameters. The business has a pipeline of materials and devices under development, and validation in collaboration with premier research institutes and start-ups.

Way forward

- Accelerate innovation and technology leadership through strategic collaborations with various research and industrial organisations and partnerships with start-ups
- Grow adjacent revenue streams by commercialising in-house IP through innovative products in new markets
- Achieve growth in new materials through excellence in execution

Total Quality Management (TQM) and Shikhar25

As Tata Steel is growing, both organically and inorganically, deployment of TQM techniques across the value chain is crucial to achieving consistent quality and efficient performance. The TQM way of working is embedded in the culture of Tata Steel.

Innovation: Under Tata InnoVista, Tata Steel has been consistently evolving as an organisation, walking away with the highest number of awards for the last few years. At Tata InnoVista Awards 2021, Tata Steel and its Group companies bagged 6 out of 15 awards (Tata Steel - 4 and 1 each by Jamipol and Tata Steel Utilities and Infrastructure Services Limited) in the categories of sustainability, piloted technology, and implemented innovation. To drive open innovation through crowdsourcing, and developing ideas for technical challenges, this year, the Company launched a platform termed InnoVerse.

TBEM Assessment 2021: Tata Steel has been recognised as 'Benchmark Leader' in TBEM Assessment 2021.

Data Excellence Assessment 2022: Tata Steel Enterprise level Data Maturity Assessment was carried out by the Tata Business Excellence Group. Tata Steel has been put under the 'Synergised' category, which indicates that the Company has established a digital ecosystem across enterprises, its stakeholders and affiliates. Tata Steel is a forerunner for data excellence in the Tata Group at present.

The Shikhar25 program, which is multi-divisional, multi-locational and cross-functional, is an EBITDA-focussed improvement initiative that aims on delivering superior product quality, optimising product mix, improving operational efficiency, lowering carbon footprint, reducing waste generation, and maximising energy efficiency through a chain of impact centres across Tata Steel. It intends to drive breakthrough improvement projects with a focus on safety, environment and people standards, in collaboration with internal/external stakeholders, to achieve best-in-class operational performance.

During the year under review, the Company, through its Shikhar25 program, achieved performance improvements of ₹5,463 crore (including ₹2,803 crore value protection initiative). Given the continued effect of the pandemic, it was important to be agile enough to learn and evolve 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 synergy benefit of ₹905 crore. The program was extended with the launch of new IMPACT centres at Tata Steel Mining Limited, Jamshedpur Continuous Annealing and Processing Company Private Limited, etc.

Some of the key themes for improvement for the year under review are:

- Optimising cost of mining
- Minimising purchase metallics
- Monetising raw material capability
- Increasing yield and throughput of both upstream and downstream facilities
- Value-in-use for procured materials
- Power sourcing and optimisation

Cybersecurity

Cybersecurity continues to be a top priority for our organisation. As accelerated digitalisation is coming to the fore, it is also creating a cyber threat landscape. Our strategy is designed to securely enable business and technology initiatives, while maintaining a relentless focus on protecting the organisation, our customers, and our third-party vendors. We devote significant resources to protecting and continuously improving the security of our systems.

Our cybersecurity and risk management policies and standards, aligned to leading industry standards and regulatory requirements, provide the foundation of our cybersecurity program. They are centred on protecting the confidentiality, integrity and availability of the firm's infrastructure, resources, and information. Through these policies and standards, we inform our employees about their responsibilities to protect customer and vendor information, in addition to the security of our systems. We also require our third-party vendors to adhere to the minimum security and control standards, our Supplier Code of Conduct, and the applicable laws and regulations.

Protecting privacy and data security

Protecting personal and financial information, and handling it responsibly, are of utmost importance to our organisation. 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 protections for data. Customers need to know what we are doing with their personal information. 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 let customers know beforehand, if we plan to make material changes to our privacy policies, through a variety of channels. 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 or disclosure of 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.

Asset Monitoring & Diagnostic Centre, Tata Steel Jamshedpur Works

For information on our performance in Intellectual Capital, please refer to 'ESG Factsheet' Page 128

Human Capital

The Tata Steel team, with more than 65,000 people across the world, is one of the most valuable assets of the Company, driving us forward in achieving our long-term goals. The team has shown exemplary resilience in the past few years to navigate the Company through challenges, driving innovation and sustainability to create a distinctive presence. We strive to create a working environment, where our people are encouraged to become an improved version of themselves.

50+
Transgender employees onboarded

5th time
Recognised by World Steel Association for Health & Safety Excellence

Business and Human Rights Policy
Adopted

MATERIAL ISSUES ADDRESSED

Strategic Linkage SE

- Health & Safety
- Labour relations
- Local sourcing of labour
- Talent retention

Human Resource Management

Our people have always been one of our most valued stakeholders and key differentiators. One of the Strategic Enablers of our Strategy 2030 is to become the 'Best Workplace in Manufacturing Sector,' which has led us on a path of new possibilities, requiring us to re-define our people agenda through collaborative actions.

The foundation of long-term value creation at Tata Steel rests on its philosophy of participative management between the management and the Union. Tata Steel has a culture of working together through joint consultations between the two and has a very strong commitment towards community development. Our people practices have enabled us in creating an environment of collaboration and connect, which has aided us in achieving industrial harmony for over 93 years. Continuing our people-centric philosophy, we successfully completed the people integration of Tata Steel BSL Limited (now known as Tata Steel Meramandali) during the year.

Agility with Care - Employee well-being initiatives during COVID-19

The COVID-19 pandemic had thrown at us a new set of challenges and we continue to evolve our people practices supporting our employees. We pursued vaccination of our workforce and their family members, and achieved a vaccination coverage of over 99% of our own and contract employees across all locations and businesses. The Covid Family Protection Scheme was introduced to support the families of employees who succumbed to the virus. The pandemic brought digitalisation into sharp focus, with many projects being implemented to ensure employee safety and well-being, ushering a new way of working through data-driven decision-making.

HRM Goals

1. 'Best Workplace' in Manufacturing sector in India
2. Improving employee productivity
3. 25% diversity in workforce by 2025
4. Being a benchmark organisation in employee engagement and experience

Fostering a diverse and inclusive culture

Capability development

In FY 2021-22, Shavak Nanavati Technical Institute (SNTI) completed 100 glorious years, making its mark as an institution that has been shaping generations of talent for Tata Steel. Multiple interventions for skill building of employees were undertaken during the year. Nine new schools of excellence were launched in the prioritised areas and a new batch for an evening diploma program was also introduced. Almost 1,000 cadre trainees spent significant time at SNTI, learning and developing themselves to become industry-ready. Mechanisms have been put in place to ensure relevance of curriculum to the changing business needs. Focus was given to upskill/reskill the large pool of vendor employees through specific initiatives like 'VSD 2.0' and 'Super 40'. Imbibing the mantra of 'agility', the Learning and Development (L&D) team could ensure that the pandemic did not impact the learning of individuals. In fact, adoption and optimum use of digital technologies helped accelerate anytime-anywhere learning mechanisms. This is manifested in the fact that in FY 2021-22, the 'Training Days Per Employee' KPI jumped to 11.51 (~80% increase over the FY 2020-21 figure of 6.38). L&D assets and services could also be monetised to the tune of ₹15 crore in FY 2021-22.

Employee productivity

Improving productivity is crucial for remaining competitive. Overcoming the challenges posed by subsequent waves of COVID-19, we continued our productivity improvement journey through various focussed initiatives. We strived to achieve benchmark performance with initiatives such as 'Sunehre Bhavishya Ki Yojana 2.0 (SBKY 2.0)' and 'Internal Talent Bank' for managing redundancy. Agility and technology continued to play a central role in improving organisational performance with our productivity reaching 854 tonnes/employee/year. During FY 2021-22, we undertook several initiatives, such as throughput improvement, cycle time reduction, operational excellence projects, along with efforts to identify redundancy. Our organisation design simplification efforts enabled seamless integration of Tata Steel BSL with the Company, thus contributing to our productivity performance for FY 2021-22. We made significant progress in simplifying our processes and systems to make them more efficient and effective. Employees were also sensitised on productivity improvement through various programmes.

854 tonnes

Employee productivity per employee/year

Diversity and inclusion

Diversity within our workforce is of paramount importance as it enhances our overall capabilities, promoting a culture of innovative thinking. Diversity & inclusion is a way of life to ensure fair and equal opportunity for all employees. Our MOSAIC - a diversity & inclusion wing covers four aspects, gender, person with disabilities (PwDs), LGBTQ+, and different sections of society (e.g., Affirmative Action Community).

Onboarding and inclusion of transgender employees

Key initiatives in D&I

- Deployed a batch of 14 transgender trainees as heavy machinery operators at West Bokaro coal mines, 12 transgender trainees at Kalinganagar plant, and 15 transgender trainees at Jamshedpur
- 'Women@Mines' coverage was extended to West Bokaro location and 16 female trainees were onboarded
- Rolled out various sensitisation initiatives for inclusion of LGBTQ+ in the workforce
- Efforts taken on creating digital infrastructure for diverse workforce as well as retaining and developing women leaders to create a pool of diverse talent in the organisation
- Continuous D&I efforts recognised; we were declared IWEI GOLD Employer for LGBT Inclusion 2021 and were amongst the 100 Best Companies for Women 2021 by Working Mother and AVTAR

REWARDS & RECOGNITION

Great Place To Work® Certified DEC 2021-DEC 2022 INDIA

Best Workplaces™ in Manufacturing — Great Place To Work® INDIA 2022

Certified as 'Great Place to Work®' in the Great Place to Work study and declared one of the Top 30 in the category of 'India's Best Workplaces in the Manufacturing Sector' by Great Place to Work® for the fifth time

Great Place To Work® — India's Best Employers Among Nation-Builders 2021

Recognised as 'India's Best Employers Among Nation Builders' by Great Place to Work®

Adjudged as amongst the Top 5 employer brands by Randstad Employer Brand Research

Awarded the 'Best Companies to Work for in India' by Business Today's BT-Taggd survey, holding the top rank in the manufacturing sector in the study

Business & Human Rights

Tata Steel is committed to improving the quality of life of the communities where it operates globally based on the ethos of the Tata Group - 'Leadership with Trust'. We are committed to respecting, protecting, and upholding the human rights of all our rights-holders across our value chain.

Our commitment to human rights

The **Tata Code of Conduct** is the comprehensive document that serves as the ethical roadmap for Tata employees and companies. It provides the guidelines by which the Tata Group conducts its businesses. A core principle in the **Tata Code of Conduct** is 'Respecting the human rights and dignity of all stakeholders.'

The rights-holders have access to structured grievance communication channels across all our sites and value chain.

In March 2022, Tata Steel adopted **the Business and Human Rights Policy** and institutionalised a governance structure for the deployment of the policy. The policy is aligned to the Universal Declaration of Human Rights, ILO Declaration on Fundamental Principles and Rights at Work and the United Nations Guiding Principles on Business and Human Rights. The objective of the policy is not only to remediate any concerns regarding human rights but also to have a proactive due diligence approach to identify vulnerable areas for protection. A newly constituted Apex Business and Human Rights Committee chaired by the Company's CEO & MD oversees deployment of the policy.

Key commitments on human rights

Our commitments under the Tata Steel Business and Human Rights Policy state:

Tata Steel shall recognise individuals and communities as holders of human rights and shall:

- Constitute a governance structure to oversee human rights commitments
- Integrate an approach that respects and protects human rights in business strategy and risk frameworks
- Foster an understanding of human rights across all rights-holders of the business
- Advocate protection of human rights from adverse impacts resulting from or caused by business
- Set up a fair, transparent and consultative remediation framework to address adverse human rights impacts
- Disclose progress on human rights performance in line with national and/or global reporting frameworks

Committed to upholding human rights

Identification of key rights-holders

Tata Steel defines a rights-holder as a person whose human rights can potentially be impacted by the operations of the organisation and, accordingly, the following six categories of rights-holders have been identified, namely:

- Tata Steel personnel - which shall mean any person working for, or on behalf of the Company
- Contract workforce
- Communities impacted by the Company's operations
- Consumers/customers of the Company's products and services
- Employees of value chain partners such as suppliers/vendors, dealers, distributors, sales representatives, franchisees, et al
- Family members of Tata Steel personnel

Women@Mines initiative to drive women participation in the manufacturing sector

Identification and assessment of salient human rights issues

We have identified 14 human rights issues as priorities to be addressed across the value chain:

1. No child labour
2. Equal opportunity
3. Fair wages
4. No Forced labour
5. Health and safety
6. Human rights value chain
7. Land rights settlement and rehabilitation
8. Non-harassment
9. Right to clear air and water
10. Right to privacy
11. Rights of indigenous persons
12. Rights of migrant labours
13. Rights of persons with disabilities
14. No Contemporary forms of slavery

Prioritising safety

Our safety governance structure is driven by the Safety Health and Environment Committee of the Board and the Apex Safety Council. The Safety Excellence Journey (SEJ) Committee, under the guidance of the Apex Safety Council, works for policy formulations. Their directives are cascaded through the six Apex Safety sub-committees, which further cascades to Divisional Implementation Committees and Area Implementation Committees. Execution of leadership directives is ensured through robust review mechanism across the organisation. We have been working on six safety strategies – build safety leadership capability at all levels to achieve Zero Harm, strengthen deployment of contractor safety management standards, improve competency and capability for hazard identification and risk management, improve road and rail safety, excellence in process safety management, and establish industrial hygiene and improve occupational health. Leveraging digital and technology in safety has also been identified as a key long-term initiative. The enablers of different strategies are embedded with the executive's annual performance contract and are linked with remuneration. The overall objective is to achieve global benchmark levels by FY 2024-25 and Zero Harm by FY 2029-30, ushering a new way of working through data-driven decision-making.

Driving a culture of Safety

Key enablers and initiatives in FY 2021-22

Safety Leadership Development Centre, Tata Steel Jamshedpur Works

Building safety leadership capability at all levels to achieve Zero Harm

To bring a holistic approach towards the adoption of digital and technology and enable Tata Steel's Safety Excellence Journey to achieve the overall objective of Zero Harm, an apex Digital and Technology Safety Sub-committee was formulated with a two-pronged approach:

Maximise leverage of current digital initiatives	Design new initiatives to bolster our key strategies

Focus on the dissemination of learning from safety standards continued during the year, with a total of 44 safety standards simplified, and e-learning modules developed, inculcating knowledge about safety standards among the workforce. In FY 2021-22, the organisation-wide deployment of the learning and recommendations from fatalities over the past 15 years was continued with an endeavour towards achieving Tata Steel's Safety vision of Zero Harm. As many as 100 recommendations generated from the past fatal incidents have been implemented at 5,325 identified locations.

The second cycle of 'SHE Excellence Awards' was held through virtual platforms to reinforce positive safety behaviour.

At our UK operations, we carried out over 140 leadership tours to focus on machinery and workplace equipment safety across our sites and offices.

Improving competency and capability for hazard identification and risk management

The need to deploy competent workforce for its technology-driven operations also requires Tata Steel to constantly enhance their competency and capability on various safety standards. A workforce of 41,292 (employees-4,152, contractors-37,140) was trained on various safety standards at the Safety Leadership Development Centre (SLDC) during the year.

Also, 71% of Tata Steel's employees have been trained on the simplified safety standards in Phase-1 e-learning assignment, and 55% in Phase-2 e-learning assignment.

Cross-functional assessment on 5S and Visual Workplace Management (VWM) across Tata Steel was rolled out to mitigate shopfloor risks and create awareness among workforce about the importance of organising spaces so that work can be performed efficiently, effectively, and safely.

Going forward, Tata Steel will train and certify its entire workforce at SLDC at all major manufacturing locations and upgrade facilities at its Safety Excellence Centre by introducing practical safety training modules.

Committed to Zero Harm

Contractor Safety Risk Management

Contractor Safety Management Standard (CSMS), which governs contractor safety at Tata Steel, has established guiding policies and procedures on safety responsibilities for contractors and their employees. The deployment of CSMS now includes within its scope all stockyards, Steel Processing Centres (SPCs) and Tata Steel Group Companies.

A total of 1,257 high risk job vendors were assessed across locations; 62 of them were approved for 4-star rating, and one for the most stringent 5-star rating

1,150 high risk job supervisors were covered in proficiency upgradation program (Vendor Upskilling 2.0), of which 491 were certified in platinum category

This year, a behaviour-based safety program, 'GHAR SE GHAR TAK,' has been designed and developed to improve behaviour and discipline of contract workforce, as families play an important role for the employees to work stress-free and behave safely at the workplace as well as outside or at home.

In the past year, over 150 skill sets were identified for certification, and classroom modules and e-learning modules were developed, through which 100% deployment of skill certified workforce entering Tata Steel Jamshedpur, Tata Steel Kalinganagar and Raw Material locations was ensured. This skill certification program has also been extended to Tata Steel Meramandali.

Upgrading skills of contract workmen from Silver and Gold to Platinum, and development of model CSM workplaces across locations including SPCs/Business partners, are intended to improve the contractor safety management within Tata Steel. Strengthening the contractor safety management standards at Tata Steel Meramandali and Tata Steel Long Products Limited will be one of the imperative focus areas. Specialised training programmes for vendor employees on identified equipment and processes (Vendor skilling 2.0 and multi-skilling) are aimed at creating ubiquity in safety standards across the organisation and universalisation of best practices. Reward and recognition systems for contract workforce will also be introduced in FY 2022-23 to reinforce positive safety culture among the workforce.

Excellence in Process Safety Management (PSM)
Process Safety Management focusses 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. The endeavour to make it a 'way of life' was initiated in 2016 with the Centre of Excellence (CoE) framework being embedded in two manufacturing units at Jamshedpur. It has been rolled out in 43 departments and the existing Maintenance Management System has been benchmarked to Tata Steel Europe's Asset Management System to develop and roll out an integrated Asset Management Framework for Tata Steel.

A tableau-based, online Process Safety Performance Indicators (PSPI) dashboard was introduced in 2020, incorporating all process safety-related lag and lead indicators. All available IT systems (SAP, ENSAFE, Process Data, L1/L2 systems) with their various process safety parameters were integrated into the common dashboard, business rules formulated against them, and real time alerts were made key components. The online PSM dashboard has induced timely maintenance of Process Safety Critical Equipment (PSCEs), leading to reductions in failure of critical equipment. It has not only helped reduce Red and Yellow category process incidents, but also injected a cultural change in the way line managers think about managing deviations in process parameters. 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.

9% ↓
(FY 2020-21 — 86 FY 2021-22 — 78)
High potential process incidents over FY 2020-21

5% ↑
(FY 2020-21 — 81 FY 2021-22 — 85)
Overall PSM maturity assessment score

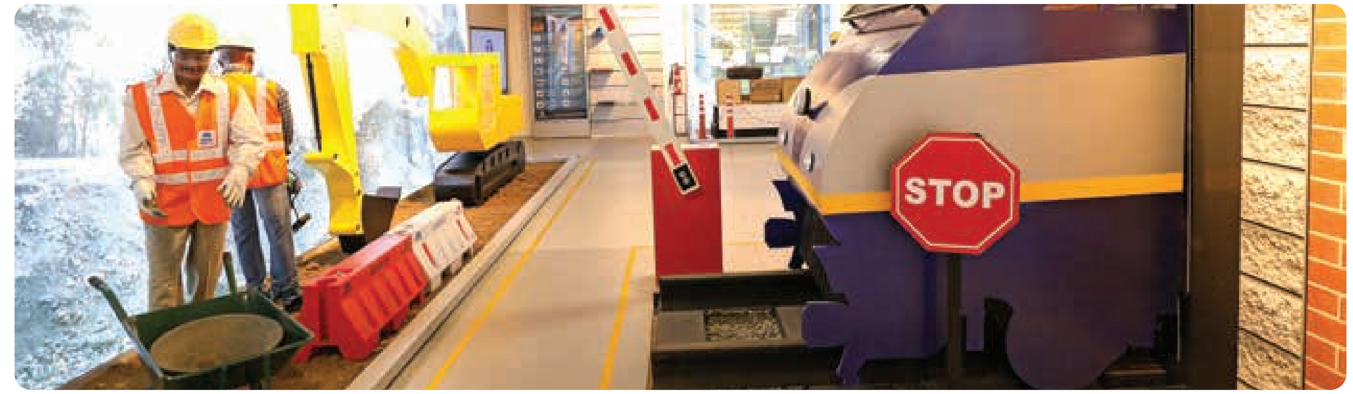
36% ↑
(FY 2020-21 — 25 FY 2021-22 — 16)
Approval cycle time of management of technological change

PSM will be rolled out in the remaining high hazard departments of Tata Steel Meramandali and Tata Steel Long Products Limited along with a PSM audit process to check maturity of its deployment. An IT system will be developed for predictive/prescriptive model for process safety incidents, which will enable real time visualisation of risk movement through active barrier's health assessment. Competency development through the Safety School of Excellence will be continued for employees at all locations.

At our UK operations, we have created a safety app to increase engagement. We now use drone technology, virtual reality and fatigue testing in critical process safety areas to help reduce risk.

Elimination of road and rail incidents
Safe and efficient movement of raw materials and finished goods via both rail and road is the mainstay of inbound and outbound logistics. While initiatives in the past focussed on improving road and rail safety processes, in FY 2021-22, the focus was on implementation of technological initiatives for road and rail safety improvement along with continued implementation of COVID-19 standard operating guidelines for business continuity. Modified seating arrangements in mass transport facilities were reintroduced during the onset of the second and third wave of COVID-19. Sanitation of public transport within the plant was ensured after each trip as well as IT-enabled alerts were triggered through CCTV feeds, enabling proactive action through the Safety Surveillance Centre.

Among planned improvements undertaken during the year, digital interventions for real-time monitoring and recording of unsafe acts/conditions on roads through an Automatic Number Plate Recognition (APNR) System, achieved the desired improvement in behavioural issues of road users. Training modules, focussed on competency development of heavy vehicle operators and loco pilots, were introduced with the support of the learning and development team. The Drivers Fatigue Monitoring System (DFMS) was extended to all locations including Tata Steel Meramandali, which again, yielded positive results in heavy vehicle safety management at night. Risks associated with overturning of heavy vehicles, derailments of wagons and dumper toppling, are being addressed through deployment of anti-tilt switch, smart signalling system and effective interlocks for raised dala condition in dumpers; 100% implementation of locking mechanism for Safe Load Indicator (SLI) in pick and carry mobile cranes has been done to prevent crane toppling incidents across locations.



Safety is a way of life at Tata Steel

Auto track changing and early warning systems have been installed at 102 strategic locations at Tata Steel Jamshedpur

97 CCTV cameras have been installed for effective video surveillance of road and rail

The key to enhance road safety and be future-ready is deployment of technological interventions such as anti-tilt switches, effective interlock system for dumpers in dala-raised condition along with strengthening the deployment of DFMS across locations of Tata Steel. Planned improvements in road infrastructure at Tata Steel Jamshedpur, Tata Steel Long Products Limited and Tata Steel Meramandali are to continue along with behavioural safety training programs for heavy vehicle operators.

Establishing industrial hygiene and improving occupational health
Tata Steel implemented a comprehensive industrial hygiene program which included identification of occupational health hazards and risk analysis, assessment of actual exposure through hazard quantification, and implementation of hazard control measures to maintain minimum exposure level and to reduce occupational health-related risks. We also conducted ergonomics risk assessment and implemented related control measures at Jamshedpur Works, in order to achieve the best mutual adjustments of employees and work. We have conducted regular COVID health screenings of employees, contract employees, truck drivers and food handlers, to mitigate the effect of the pandemic at workplace.

56.4% of high-risk cases were transferred to moderate or low risk related lifestyle diseases

Health index improved from 12.83 (FY 2020-21) to 13.05 (FY 2021-22) (on a scale of 16)

Industrial hygiene assessment conducted in 20 departments of Tata Steel Jamshedpur, Tata Steel Kalinganagar and Raw Material locations for identification of occupational health-related hazards and risk analysis

516
Awareness sessions on health and well-being organised across Tata Steel India for employees and contract employees

At our Thailand operations, we supported employees, their families and the contractors with COVID-19 vaccines during the year with >97% of employees and contractors vaccinated with a minimum of 3 doses.

Tata Steel intends to implement a comprehensive physical and mental well-being digital program across locations, reducing and controlling lifestyle diseases and mitigating ergonomic risk factors via assessments and control measures. Our focus on COVID-19 testing and raising awareness regarding the virus, remains undeterred.

For information on our performance in Human Capital, please refer to 'ESG Factsheet' Page 128

Natural Capital

We are cognisant of our business impacts on the environment and on communities. In keeping with this, we are conscious about our environmental performance and we employ the most stringent systems, processes and controls across our units for monitoring our environmental footprint. Incorporating the latest technologies, being mindful about proper waste management, prudent resource allocation, energy-saving initiatives, and other measures, are topmost priorities for us.

>98%
Solid waste utilisation

1st
Steel producer to join Sea Cargo Charter to reduce Scope 3 emission

Coal Bed Methane Injection trial in Blast Furnace

First of its kind in the world

MATERIAL ISSUES ADDRESSED

Strategic Linkage SO4 SE

- CO_2 emission
- Water consumption and effluent discharge
- Waste management
- Renewable and clean energy
- Biodiversity
- Energy efficiency
- Air pollution
- Circular economy
- Supply chain sustainability
- Going beyond compliance and setting trends for future regulations
- Responsible advocacy for the steel and mining sector

Optimising resources and investing for a sustainable future

Steel is integral to economic development and nation-building. However, steelmaking is a resource-intensive process and creates environmental impact in the form of emissions and effluents. We are committed to using the most efficient production routes, minimising waste generation and mitigating the negative impact on the environment.

Our approach to managing natural capital is underpinned by our strategies on low-carbon transition, reducing dependence on freshwater consumption, pollution control, maximising value from waste, exploring opportunities in the circular economy, and enhancing biodiversity across the value chain.

The Company focusses on operational excellence through the 'Prevent, Reduce, Recover, Reuse and Recycle' approach. We continue our pursuit of establishing best-in-class facilities and channelising investments to upgrade manufacturing and distribution facilities. We have implemented environmental management systems in accordance with ISO 14001:2015, which provides the necessary framework for managing compliance and improving environmental performance. In FY 2021-22, ₹554 crore was invested on environmental management system upgradations, focussed on the improvement in air emissions, CO_2 abatement, water management and imbibing circular economy principles. We maintain state-of-the-art accredited laboratories for environmental performance assessment.

Air emissions

Clean air is fundamental for all. Tata Steel responsibly strives towards minimising its air emissions to ensure healthy air quality in the communities where it operates. The key lever in our journey so far in minimising air emission impact was to establish and maintain state-of-the-art air pollution control equipment. It is essential that we stay updated with global developments in pollution control technology. Disjointed data sets captured annually across all locations were unified through digitisation of all environmental KPIs to an environment canvas, creating a single version of truth. We are using online audits, unified dashboard and real-time measurements to gain better and meaningful insights. Our continuous efforts have resulted in an overall reduction of 29% in stack dust emission intensity since FY 2017-18.

At Tata Steel Jamshedpur, we are replacing existing coke oven batteries 5, 6 and 7 (combined 1 MnTPA capacity) with new coke oven batteries 6A and 6B (1 MnTPA), having technologies for latest pollution control equipment, higher energy efficiency and lower fugitive emissions. Additionally,

JN Tata Park, West Bokaro

we are conducting Source Apportionment studies in the steel plant and surrounding area (20-kilometer radius) to identify key sources of air pollution, their contribution to the overall ambient air quality in the region and thereby develop air quality management plans to improve the ambient air quality of Jamshedpur. Going forward, we seek to enhance our capability to assess real-time impact and introduce predictive analysis of environment pollution. We are developing Process Environment Management (PEM), a first-of-its-kind framework, to integrate process parameters with environment performance indicators, thus enabling agile business decision-making.

At our UK operations, we pursue targeted investment in environmental control technology to achieve reductions in our impact. In the summer of 2021, we commissioned a new emissions control unit at our Port Talbot sinter plant after an investment of more than £20 million in new filtration systems. These are now delivering a substantially reduced level of particulate emissions.

At our Netherlands operations, we launched the 'Roadmap Plus' programme in December 2020 (worth ~€300 million) intended to improve local environmental performance between 2020 and 2025 by addressing the concerns of the surrounding community on areas such as dust, noise and odour.

Dust suppression at Noamundi Mine through water sprinkling

The expected results of Roadmap Plus are mentioned below:

- By 2022, a 50% reduction in the emission of Polycyclic aromatic hydrocarbons (PAH)
- By 2023, a significant reduction of several emissions including:
  - Reduction of approximately 65% of dust depositions in the immediate community around the site compared to 2021 levels
  - Reduction of approximately 85% odour emissions experienced by the surrounding community
  - Reduction in emissions of heavy metals by 55%, lead emissions by 70%, as well as the spreading of particulate matter by 35%
- Expected reduction of 30% in the emission of nitrogen oxides (NOx) by 2025

Through Roadmap Plus, Tata Steel Netherlands has already made significant improvements in reducing emissions in recent years. We have finalised a new facility for processing iron residues and installed new noise walls at the scrap yard. Odour emissions from multiple sources like furnaces at Coking Plant 2 and heating of steel pans at the steel plant have already been reduced by 50%.

Over the next year, we plan to take up >20 measures to ensure the realisation of the environmental targets set for the programme. A major project that we are taking up under this programme is a new high-tech environmental installation at the Pelletising Plant, that will significantly contribute towards reduction of emission of heavy metals and particulate matter using a new technology that has not yet been applied on this scale elsewhere in the steel industry.

We are committed to taking care of the environment and the community in close consultation with the community, province and other stakeholders. We are undertaking concrete actions in the short term, while continuing to invest in sustainable solutions to produce climate-neutral steel in the long term.

Water management

Water is a key material issue for Tata Steel as most of our operations in India are located near rivers (Jamshedpur and Gamharia plants near the Subarnarekha river, and Kalinganagar and Meramandali plants near Brahmani river). These plants fall in low-medium water stress areas as per the WRI (World Resources Institute) Aqueduct. We are taking a holistic approach to water management by adopting the water conservation philosophy, based on 4R principles of reduce, reuse, recycle and recover, with continuous efforts to transform steelmaking into a more water efficient business.

Steel plants use a large amount of water for a variety of purposes, including cooling, dust suppression, cleaning, and temperature control (heat treatment). Pertaining to this, we use the approach of reduction at source as much as practically possible, by identifying the root of the problem, debottlenecking and reducing discharge into outfalls.

Use of large amount of water also generates huge quantity of effluents, which contain suspended solids, dissolved substances and chemicals. We reuse these effluents after minimal treatment for low-end applications like coke quenching, blast furnace slag quenching, steel melting shop slag quenching, sinter/pellet mixing, gas cleaning plant, horticulture, dust suppression, etc. To minimise the withdrawal of fresh water from rivers and to make Jamshedpur a zero-sewage discharge city, we are reusing the treated municipal wastewater from two sewage treatment plants (STPs) of 45 and 16 MLD (million litres per day) capacities into our operations. We have collaborated with Ecolab to assess the water use efficiency in an integrated manner.

All our sites are continuously taking actions to prevent the risk of contaminating local water resources and achieving zero effluent discharge. The following new technologies have been adopted by Tata Steel for the prevention of water pollution:

Removal of chloride by synergy with hybrid membrane and chemo dialysis from coke plant wastewater at Hooghly Met Coke, Haldia

New technology developed and implemented for removal of fluoride from wastewater at Meramandali

New Ultraviolet (UV)-Oxidation technology has been developed and implemented for cyanide removal from coke oven wastewater at Meramandali

During the last year, we have successfully completed the rejuvenation project at the Cold Rolling Mill (CRM) Bara (Jamshedpur) resulting in the creation of larger rainwater harvesting facility, improvement in the water table of the local area and increase in biological diversity.

The specific freshwater consumption of our Jamshedpur Works (@2.18 m^3/tcs in FY 2021-22) is one of the lowest in the steel industry in India. Also, upgradation of the common effluent treatment plant (CETP) is on track at Jamshedpur Works to make it a zero effluent discharge facility.

Water treatment plant at Noamundi, Jharkhand

Circular economy

Ferrous scrap recycling

Producing steel from the infinitely recyclable ferrous scrap has a lower carbon footprint, as opposed to producing it from iron ore. India is a net-importer of scrap and deficient in producing high quality shredded scrap, which improves productivity in steelmaking. Tata Steel is the first company to set up a scrap collection and shredding facility at Rohtak (Delhi-NCR) and has plans to replicate such facilities across India. The Steel Recycling Business completed the first year of operation from its Rohtak Plant. The shredder was commissioned virtually under challenging conditions of COVID-19. The plant clocked ~112 KT dispatch with a revenue of ~₹460 crore in FY 2021-22.

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.

There has 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. In FY 2021-22, we increased clean scrap charging in Tata Steel India steel melting shops to 6.6% as compared to 4.8% in FY 2020-21. We are continually investing in augmenting the infrastructure for scrap management and charging in our India operations to reach the internal benchmark of our European steelmaking facility at IJmuiden. Our Thailand facilities use 100% steel scrap as primary raw material.

Solid waste management

Tata Steel has been pioneering in value creation from waste and by-products in its quest to contribute to a sustainable ecosystem in the iron and steel industry. Tata Steel aims for a 'Zero Waste' goal using the 3R (Reduce, Reuse & Recycle) principles of circular economy. We handle ~15 MnTPA of by-products spanning across 25+ product categories comprising more than 250+ Stock Keeping Units (SKUs). These value-added by-products serve as key raw materials for various industries like cement, chemical, construction, etc. In FY 2021-22, Tata Steel Jamshedpur and Tata Steel Kalinganagar achieved 100% solid waste utilisation and horizontal deployment of best practices in Tata Steel Meramandali helped to achieve 97% solid waste utilisation.

Steel Scrap Recycling Plant at Rohtak, Haryana

Solid waste utilisation

100%
Solid waste utilisation at Tata Steel Jamshedpur and Tata Steel Kalinganagar

97%
Solid waste utilisation at Tata Steel Meramandali

We have been investing in research to develop technologies for reuse of iron and steel slags. Our journey can be comprehended through the pioneering and materialised technologies as well as the innovation pipeline pertaining to slag-based products. Through an in-house developed process of accelerated weathering of steel slag (basic oxygen furnace slag), we developed manufactured aggregates branded as Tata Aggreto. This is India's first steel slag-based branded product, extensively used in the construction of national highways, which has helped in conserving natural aggregates and minimising our environmental footprint. Tata Nirman, another product based on steel slag fines, has been established as a raw material of choice for the brick manufacturing industry. Through innovative initiatives aimed at supporting the farming sector, a multi-nutrient soil enhancer Dhurvi Gold, has been developed, which serves to provide low-cost soil conditioning solutions. Besides steel slag, various downstream products have been developed from blast furnace slag, such as ground granulated blast furnace slag (GGBS) and activated GGBS, which can be used as partial replacement of Ordinary Portland Cement (OPC) for making concrete, thereby positively impacting the carbon footprint of cement manufacturers.

Tata Steel has been adjudged winner of 'Indian Circular Economy Award 2021' under the large enterprise category during the Circular Economy Symposium organised by FICCI. The award recognises Tata Steel's practices to accelerate its business towards a circular model as the most innovative and impactful. The Company has also won the 'Excellence in 3Rs (reduce, reuse, recycle)' Award by CII during the International Conference on Waste to Worth, for the second consecutive year, for demonstrating innovative 3R initiatives in managing own wastes.

The Company is committed to achieving 100% material efficiency while sustaining solid waste utilisation at 100% level across all its locations and increasing EBITDA by 2.4x from by-products business.

Biodiversity management

Tata Steel has been actively working with several organisations to 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 FY 2021-22, we developed the Biodiversity Management Plans (BMP) for Khopoli and Gamharia. We have developed BMPs for 13 locations and plan to cover 100% sites to assess the impact and dependency of direct operations on biodiversity by 2024. We have planted over 5.6 lakh saplings of native species across locations. We have also established a tree bank for sapling supply at Jugsalai Muck Dump (JMD) with a capacity of ~ 2 lakh per year and conducted a plantation drive in 4.8-hectares area at Cold Rolling Mill (CRM) Bara complex at Jamshedpur. Spread over an area of 43.25 hectares and housing 465 animal species, Tata Steel Zoological Park Jamshedpur aims to preserve wild flora and fauna and help them propagate in natural captivity. During the pandemic, the zoo leveraged digital media (virtual tours, online webinars, theme-based posters, online quiz, etc.) for wildlife awareness creation and conservation programmes. During the year, we developed the Miyawaki Forest at Khopoli operations, taking the overall forest area cover to ~10 acres in the past three years.

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.

Rejuvenated CRM Bara Pond at Jamshedpur, Jharkhand

Product sustainability

To accelerate our efforts in becoming a leader in product sustainability, we strive to use the Life Cycle Assessment (LCA) tool effectively to understand our products' environmental impact as well as to use its outcomes for product-related environmental disclosures. Taking the initiative forward of increasing the coverage of manufacturing sites and products under LCA, this year, we completed the LCA study for all the products manufactured at Meramandali, CRM Bara (Jamshedpur) and TSLPL Gamharia, covering a total of eight different product categories. We also carried out the LCA study for our structural tubes and hollow section products (sold under the brand Tata Structura) covering seven different production units. During the year, we also carried out an LCA study for one of our Fibre Reinforced Polymer products to understand its life cycle environmental impact. Accordingly, we are embedding LCA in the products of our new businesses to understand and improve their environmental performance.

In continuation of our comparative LCA between HabiNest and Conventional Reinforced Cement Concrete structure, we found that the HabiNest installations have made significant environmental savings of 18-64% when analysed over six different LCA categories in comparison to the conventional structure. During the year, the HabiNest comparative LCA study carried out for a project installed in FY 2019-20 got critically reviewed by a third party, which was found compliant as per ISO 14071:2014, ISO 14040:2006 and ISO 14044:2006. The review statement of the same is published under the Product Sustainability page of Tata Steel's website.

As the first steel manufacturer to become an approved Environmental Product Declaration (EPD) programme operator in Europe, Tata Steel now has the ability to create product specific EPDs that comply with EN 15804 and ISO 14025 standards. Being able to supply product specific Type III externally verified EPDs, along with BES 6001 responsible sourcing certification, enables us to help our construction supply chains to accrue points under building certification schemes, such as LEED and BREEAM, on their building projects. In addition, the level of transparency and reporting afforded by the operatorship allows optimum resource decisions to be made and demonstrates the sustainability of steel and our steel building products.

In FY 2021-22, we became the first steel rebar manufacturing company to receive GreenPro certification for our Tata Tiscon TMT rebars. Under this ecolabel certification, all TMT rebar manufacturing facilities have been certified for all grades by CII-Green Business Centre (CII-GBC). GreenPro certified products are recognised in the Indian Green Building Council (IGBC) rating system as well as by various government institutions (Chennai Metro, Delhi Metro, etc.). In Europe, we have produced over 50 Environmental Product Declarations (EPDs) for our construction sector customers – a milestone in environmental impact transparency and reporting.

During the year, we have ensured timely support to our customers who had requested product-related sustainability information. In the coming years, our focus will be to obtain eco-labels (GreenPro and EPD) for our key products as well as to maximise the coverage of our products across sites under LCA to support our customers with product-related sustainability information.

Commissioned India's first plant for CO_2 capture from Blast Furnace gas at Jamshedpur

At our European operations, providing sustainable solutions is at the heart of our new product development. In the past five years, we have launched 85 new products for the automotive, engineering and construction sectors, and many of these come with specific sustainable properties to make them lighter and long lasting. Our industry–leading sustainability assessment profiler helps us evaluate our new product development portfolio by considering environmental, social and economic issues over the complete product life cycle. The profiler guides our teams at each stage of product development, alerting them to key sustainability issues and trends, tracking progress and identifying value-creating sustainable product attributes. We have held over 100 working sessions with our automotive Original Equipment Manufacturers (OEMs) and their customers in recent years and have been able to develop jointly agreed roadmaps for decarbonisation, circularity and responsible sourcing. We are working with several stampers and motor manufacturers on future Electric Vehicle (EV) launches and are involved in a collaborative, UK government-funded (Innovate UK) project, which is looking at the use of electrical steels in EV motors. The CompETe project aims to deliver electric drive units with class-leading efficiency for increased vehicle range, coupled with high power and torque density, all within a lightweight and compact envelope. Tata Steel R&D and its construction business at Shotton are engaged in identifying and evaluating sustainable alternatives to current organic coated (pre-painted) steel (OCS) coatings that are mainly originating from petroleum-based raw materials. This work will provide opportunities for product improvement and/or new product development for differentiated OCS products using sustainable coatings, e.g., water-based coatings, that are processable, using novel curing technologies and renewable energy.

Tata Steel in the UK is a consortium member of Seismic II, a UK Research and Innovation (UKRI)-funded project to streamline the construction of public sector buildings, such as schools and health facilities, meeting the government's industrial strategy of reducing costs by a third, delivering buildings in half the time and with a 50% reduction in carbon emissions from the sector. With the aim of creating a standardised process for construction, the project uses data to enable a whole-life carbon assessment of the construction platform and has a focus on how components, such as floors, roofing and entire steel frames can be dismantled and reused. A demonstrator building at the BRE in Watford was completed in March 2022.

R&D building, Tata Steel Jamshedpur Works

Envisioning a decarbonised future

Iron and steel have been central to human development for three thousand years. Steel is the world's most important and cost-effective engineering and construction material. Steel remains an integral part of the solution to climate change because of its unique properties like strength to weight ratio, ductility, longevity and, most importantly, infinite recyclability. These properties make steel the material of choice for industries like construction, infrastructure, automotive, white goods, and general application. Steel is also playing an important role in the transition to clean energy with its application in solar panels, wind turbines, hydroelectric dams, and EVs.

As per International Energy Agency (IEA), the steel sector emits 2.6 Gt CO_2 annually, which accounts for 7-9% of global sectors for GHG emissions because of hard-to-abate metallurgical coal being used as a reductant in the iron making process through the Blast Furnace. The Blast Furnace-Basic Oxygen Furnace (BF-BOF) route accounts for 70% of global steel production currently.

Tata Steel is committed towards reducing its carbon footprint in production and through the life cycle of the product. We are one of the first companies in India to have endorsed the recommendations of Task Force on Climate-related Financial Disclosures (TCFD), with our Executive Director and Chief Financial Officer (ED&CFO) being a member of the Task Force. We are continually strengthening our production processes, supply chains, internal governance, disclosures, and policy advocacy to facilitate a transition to a low-carbon future.

Climate Action Governance

Board and Apex level Governance

At Tata Steel, climate action is an integral part of business strategy and risk management and is driven by the Company's Board, with implementation through an organisation-wide governance structure. The CSR (Corporate Social Responsibility) & Sustainability Committee of the Board is responsible for providing directional oversight on our Climate Strategy, setting targets and reviewing progress periodically throughout the year. Additionally, the Risk Management Committee of the Board reviews Tata Steel Group level climate change-related risks periodically. The Chief Executive Officer and Managing Director (CEO&MD) along with the Executive Director and Chief Financial Officer (ED&CFO) are members of both these Board Committees.

Tata Steel Group's CEO&MD drives the climate action programme for Tata Steel across all geographies, including its subsidiaries and reviews the same quarterly as Chairman of Apex Environment & Sustainability Committee. The CEO&MD also chairs the Technology & Innovation Management Committee, which drives the adoption of deep decarbonisation technologies like Hydrogen based steelmaking and Carbon Capture and Utilisation.

Operational level Governance

In 2018, a Centre of Excellence for GHG reduction and mitigation (cross-functional team with members from Operations, Technology and R&D, Sustainability, Finance and Engineering) was constituted under the leadership of Vice President Safety, Health & Sustainability to develop a climate change response roadmap, suggest policy level interventions, align our expansion/growth plans to a low-carbon pathway and review implementation of projects.

The Company has also formed a Carbon Impact Centre (CIC) that is responsible for formulating carbon abatement projects. We use the Marginal Abatement Cost Curve (MACC) tool for prioritisation of projects and Internal Carbon Price (ICP) in India (in line with the EU Emission Trading Scheme) to ensure that new projects adequately reflect their intrinsic carbon price and also benefits of any carbon reduction.

Climate Change risks are part of the enterprise risk register and quarterly updates of these risks on likelihood, impact and status of mitigation strategies are reviewed by the Risk Management Committee of the Board.

Climate Action Strategy

We have identified four Strategic Objectives with long-term goals and action plans for each of them. Our Strategic Objective #4 is focussed on 'Leadership in Sustainability' wherein we have set specific long-term goals on carbon emissions along with a decarbonisation roadmap. Based on global scenarios on technology, government policy, consumer behaviour and Company's asset configuration, our decarbonisation strategy is set out in three-time horizons, as mentioned below:

Short-term (by 2025): Shifts in business models

- Entry into Steel Recycling Business to create a formal circular economy for steel in India; a 0.5 MnTPA scrap processing unit (first shredding unit in India) was commissioned in FY 2020-21 and multiple units across different regions are in the pipeline
- Utilisation of higher scrap charge in the steelmaking process in India
- Adoption of best available technologies and improvement in existing processes to maximise waste heat recovery, use of by-product cases, and dehumidification of hot blast in Blast Furnaces
- Improving quality of raw material (Iron ore and Coking coal) to reduce emissions in Blast Furnace in India operations (reducing ash in metallurgical coke from domestic coking coal and reducing alumina content in domestic iron ore)
- Increase share of renewable energy generation; 150 MW projects being implemented in a phased manner across our Indian sites, plan to commission 11.8 MW of solar power plants by FY 2022-23 at our Thailand facilities
- Internal Carbon Pricing: To boost the carbon abatement projects appraisal in India, we have increased the internal carbon pricing from US$15 to US$40/tonne CO_2e in FY 2021-22, which we plan to review in FY 2022-23
- Tata Steel Nederland: In line with our ambition to produce CO_2 neutral steel by 2050 in Europe, we have announced our ambition to switch to hydrogen-based steelmaking. We plan to gradually phase out our Blast Furnaces by replacing them by a combination of DRI (Direct Reduced Iron) technology and electric furnaces. By 2026, we expect to have completed detailed engineering, placement of orders and commencement of construction on the project
- Finalisation of decarbonisation roadmap for Tata Steel UK, focussing on utilisation of locally available steel scrap (UK is the second highest producer in the world) in consultation with the UK Government

Completed the maiden multi-modal shipment, pioneered the use of inland waterways for transportation of steel products and machinery

Medium-term (till 2030): Capitalising Circularity

- Capacity addition in India using scrap Electric Arc Furnace (EAF) route; several EAF units will also be set up to convert the collected and processed scrap into steel
- Shifting from metallurgical coal to cleaner fuel like natural gas
- Upscaling pilots of CCU and Hydrogen based steelmaking in India. In FY 2021-22, a 5 TPD pilot plant was successfully commissioned at Jamshedpur to capture CO_2 from Blast Furnace gas; we have also successfully tried continuous injection of Coal Bed Methane (CBM) gas in one of our Blast Furnaces
- Piloting new technologies in partnership with academia: We are working with academia on several pilot projects which are at low Technology Readiness Level (TRL) stage. These are focussed on development and scale-up of deep decarbonisation technologies such as CCU, hydrogen-based steelmaking, use of biomass and other alternate ironmaking routes. Tata Steel and the Council of Scientific & Industrial Research (CSIR) have signed an MoU to collaborate on CCU. The Government and the industry, including Tata Steel UK, have committed co-funding of nearly £40 million to help the transition of the South Wales Industrial Cluster (SWIC) to net zero emissions. We are collaborating with the University of South Wales on biological fermentation to generate acetates, a high value chemical, from waste carbon. We are also working with Project MESH led by Swansea University on thermochemical storage of heat from steelmaking operations

Long-term (2030-2050): Explore and invest in the development of deep decarbonisation technologies

- Net zero emissions targets for Tata Steel's European operations
- HIsarna technology and new smelting technologies
- CCU dovetailing with existing processes
- Sustainable production, storage and use of Hydrogen across the steel value chain
- Research on advanced materials

We engage and support initiatives like ResponsibleSteel™ certification, development of steel sector guidance for science-based target setting, Net Zero Steel Pathway methodology project, Assessment of low-Carbon Transition (ACT), World Economic Forum's Mining and Metal Blockchain Initiative, World Steel Association's CO_2 benchmarking and STEP-UP programs to chart long-term decarbonization pathway for the sector.

Tata Steel Group has been rated by CDP in Leadership band for Supply Chain disclosure. We have also been recognised as one of the top 25 most innovative Indian Companies by the Confederation of Indian Industry (CII) for 'First-of-its-kind' 5 tonnes per day CO_2 capture plant and 'First-in-World' Digital Twin in Sinter Making in India.

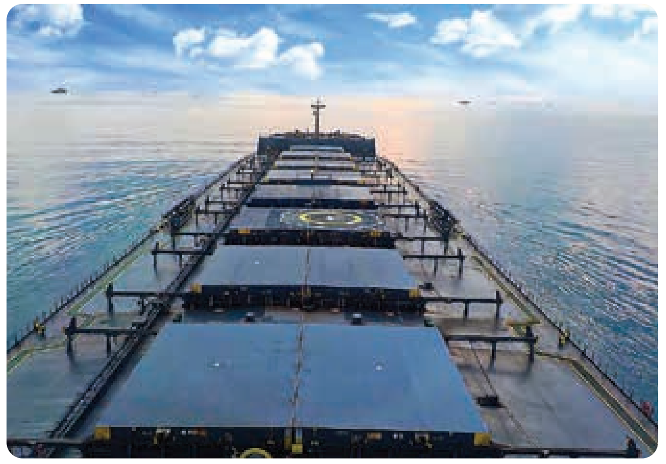
Eco-Park at Jugsalai Muck Dump in Jamshedpur

Climate Risk Management

Tata Steel uses the company-wide integrated Enterprise Risk Management (ERM) process for managing climate change risks. The process identifies and assesses business risks through bottom up, top down and outside in perspectives so as to ensure comprehensive risk identification and minimise blind spots. Likelihood, impact, and velocity scores are assigned for each of the risks post a due-diligence process including scenario. Appropriate early warning indicators and mitigation strategies are identified for review, including by the Apex Risk Committee and Risk Management Committee (RMC) of the Board.

We are cognisant of the fact that both transition and physical risks associated with climate change will have an impact on our organisation's operations, supply chain and financial planning. Stringent climate laws and regulations for accelerating the transition to a low-carbon economy, technology disruptions and shifting customer preferences to alternative materials may adversely impact profit margins, more so if our performance in abatement is inferior to our peers. Also, extreme weather events have become more frequent and severe in the recent years. On the other side, climate change also poses opportunities which include improved resource efficiency resulting in monetary savings, development of new products & services and access to newer markets, earnings from voluntary carbon markets, access to larger markets/customers requiring steel of low-carbon intensity.

In FY 2018-19 we conducted a third-party assessment to arrive at potential climate change risks and opportunities and estimate the likely impact of the risks on the Company's strategy and financial planning. This assessment involved a holistic approach comprising internal stakeholder consultation, literature review, peer comparison and scenario analysis. We envisage that the way in which these risks and opportunities will play out in the future will depend on two fundamental factors, viz. Global Policy Response and Technology Innovation. Hence, we developed four scenarios based on these two factors considering various global warming temperature ranges to assess impact of these risks on our business strategy and financial planning. The four scenarios are – 'India Role Model', 'Late Forced Transition', 'Climate Emergency' and 'Technology Breakthrough'. Out of the four scenarios, we believe 'India Role Model' (where there will be strong policy enablement and extensive innovation & technology advancement) is an ambitious scenario that outlines a technologically, industrially and economically possible way forward to restrict increase in global average temperature rise to below 1.5°C. It forms our base scenario for financial modeling and strategic considerations.



Deployed first Bio-Fuel powered ship for imported raw material transportation

Transition Risks

1. Introduction of carbon pricing in India due to climate related regulations, leading to loss in profitability
2. Strengthening of climate risk management by the international financial community due to regulatory changes and societal pressures reducing access to capital and increasing the cost of funding
3. Non-compliance to meeting 2°C pathway requirements due to delay or failure in adopting low-carbon technologies impacting profitability
4. Pace of technological development at Tata Steel not matching with pace of demand for low-carbon embodied steel products, leading to loss of market share

Transition opportunities

1. Increased revenue from Steel Recycling Business (SRB) with downstream steelmaking capacity comprising Electric Arc Furnaces (EAF)
2. Increased revenue/share of business from enhanced demand for high strength steels
3. Renewable energy capacity additions to replace thermal power based on fossil fuels
4. Increased revenue with enhanced premium play from sales of green certified products through Environmental Product Declarations (EPD) and eco-labelling

Physical Risks

Extreme weather events like storm, drought, and cyclones due to climate changes have become more frequent in recent years. They not only lead to loss of lives and property but also cause business disruption and financial losses. Mitigation strategies are put in place to avoid significant delays in project execution.

These risks are site specific and are dealt as per site specific 'disaster scenario' planning. Our risk register covers climate change induced physical risks in the form of supply chain disruption (potential delays in vessel placements and loading/ unloading at ports/ sites/ stock yards due to adverse weather conditions) as well as capital project delays including unplanned costs and loss of production.

Tata Steel undertook several design-strengthening initiatives during the construction phase after 2013 cyclone during the erection of the Kalinganagar Plant. The severe cyclonic storm Yaas, ravaged the coastal states of Eastern India (where our major operations reside) with peak wind speeds of 140km/h. Our plants at Kalinganagar, Meramandali and Gopalpur in Odisha remained stable and without production cuts as the cyclone passed.

To future proof our key assets and proposed future capital projects, we have completed Natural Hazard and Climate Change Hotspot Analysis for key operating locations covering major upstream mining sites, steelmaking facilities and ports that are part of our major supply chain networks. The potential threats from different natural hazards, extreme events, and climate change were assessed based on globally accepted Climate Change Scenarios (RCP 4.5 and RCP 8.5) for a timeframe of 2030 and 2050.

To further build resilience in our planning and action on climate change adaptation, we are currently working on identifying, assessing, and quantifying long-term physical risks to the business as part of our third-party climate risk assessment.

Over the last few years, planning and budgeting of our R&D programmes have been increasingly dedicated to prioritising projects keeping climate related risks and opportunities and customer needs in focus.

Automotive Segment: Developed high strength steels with lighter weight for use in passenger and commercial vehicle automotive components requiring higher formability. In past three years, we have developed new grades of steel with strength > 600 million Pascals which help in reducing the weight and thus use phase GHG emission

Individual Home Building segment: The requirement of lighter and stronger steel grades present new opportunities and these high strength grades result in significant carbon emission, saving over conventional grades, e.g. Tata TISCON launched Fe550SD grade of steel reinforcement bars replacing the lower strength Fe500D grade. We also launched Tata Pravesh Doors and Tata Pravesh Vista windows made of steel, as substitutes for wood and plastic products

Metrics and targets

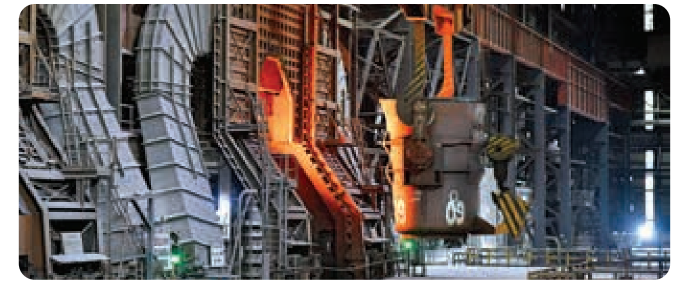
We aspire to reduce our carbon footprint across our geographies, in line with national ambitions and have set the following targets for the same:

Tata Steel Europe (The UK and the Netherlands)

Reduce steelmaking carbon emissions in Europe by 30% by 2030

Make our processes more sustainable and produce steel which is CO_2 neutral by 2050

Our CO_2 reduction ambitions in Europe are in line with the European Commission's proposals for new Climate Law that will enshrine in law a target of a 55% reduction in CO_2 emissions by 2030 (compared to 1990), which will be a big step for the EU becoming climate neutral by 2050.



State-of-the-art steelmaking facility, Tata Steel Jamshedupr Works

Tata Steel India

We aspire to achieve CO_2 emission intensity of <2 tCO_2/tcs by 2025 and <1.8 tCO_2/tcs by 2030

Our targets for the India business take into account India's growth ambitions, increasing steel consumption, evolving policy landscape and Tata Steel's goals to maintain and increase market share.

Committed to environmental excellence, Tata Steel IJmuiden Works

For information on our performance in Natural Capital, please refer to 'ESG Factsheet' Page 128

Social and Relationship Capital

Long-term relationship is a key foundation for our long-term growth. Our relationships with our stakeholders are built on mutual trust, respect and benefits which are the cornerstones for building a robust relationship with our stakeholders. This protects us from adverse business and economic cycles.

83.3
Customer Satisfaction Index (Steel) (out of 100)

2.87 million
Lives reached through CSR initiatives

258
Critical suppliers assessed on Responsible Supply Chain Policy

MATERIAL ISSUES ADDRESSED

Strategic Linkage

SO1 SO3 SE

Our Customers
- Business growth
- Product and service quality
- Long-term profitability
- Greater stakeholder engagement
- Technology product and process innovation

Strategic Linkage

SO2 SO4 SE

Our Suppliers
- Long-term profitability
- Technical knowledge transfer and capacity building for relevant partners
- Supply chain sustainability
- Greater stakeholder engagement
- Local sourcing of labour
- CO_2 emissions

Strategic Linkage

SE

Our Communities
- Greater stakeholder engagement
- Drinking water

Building relationships with customers

Tata Steel has been focussing on not only the existing but also the latent and evolving needs of our customers across the three customer groups, namely, B2B (Business Accounts), B2C (Individual Consumers) and B2ECA (Emerging Corporate Accounts) by offering differentiated products, services and solutions.

FY 2021-22 continued to be a challenging year due to COVID-19. During the period, maintaining constant touch with the customers, ensuring supplies and maintaining service levels were key in customer relationships. Numerous digital initiatives undertaken during the year helped enhance customer service and strengthen the special relationship that Tata Steel enjoys with customers. Tata Steel stood steadfast with its customers, partners, and other stakeholders and ensured that relationships with customers strengthened further.

Children engaged in interactive learning at a Centre, Thousand Schools Project

Transformational initiatives for customer relationship

B2B Segment

1. Transformation of the supply chain experience for customers through digital solution COMPASS to ensure information transparency in order generation and fulfilment process for a complex B2B supply chain.
2. Building cross-functional Customer Service Teams for nurturing relationships at multiple levels.
3. Digital initiatives like the VAVE (Value Analysis & Value Engineering) workshops through e-DRIVE have been successful in transforming tech-support activities traditionally involving high physical engagement to virtual medium.

B2ECA Segment

1. DigEca, a digital solution for ECA business, was extended to ~1,300 end customers who were registered with key features like in-platform negotiation, order status, test certificates, etc.
2. Tata Astrum Super clocked 100 KT milestone figure with a volume increase of 1.6x over FY 2020-21. Its 'first-in-the-world laser marketing technology for source authenticity' and yellow packaging have created a distinct brand identity in the chosen microsegment.

B2C Segment

1. Tata Steel Aashiyana grew by 100% Y-o-Y, achieving the GMV of ₹1,468 crore across 7 Tata brands, garnering traffic of over 4 million consumers during last three years.
2. Tata Basera, the Tata group level synergy program for Individual Home Builders scaled up by 5x to clock ₹11.5 crore of cross-sell revenue. More than 1,800 Tata Tiscon consumers availed benefits through exclusive offers.
3. Sampoorna, a common interface was established in FY 2021-22, which has brought the entire distribution channel under one platform, being adopted by 6,000+ dealers with over 3 lakh leads and ~2.5 lakh unique transactions entered.

B2B – Business to Business, ***B2ECA*** – Business to Emerging Corporate Account, ***B2C*** – Business to Consumer

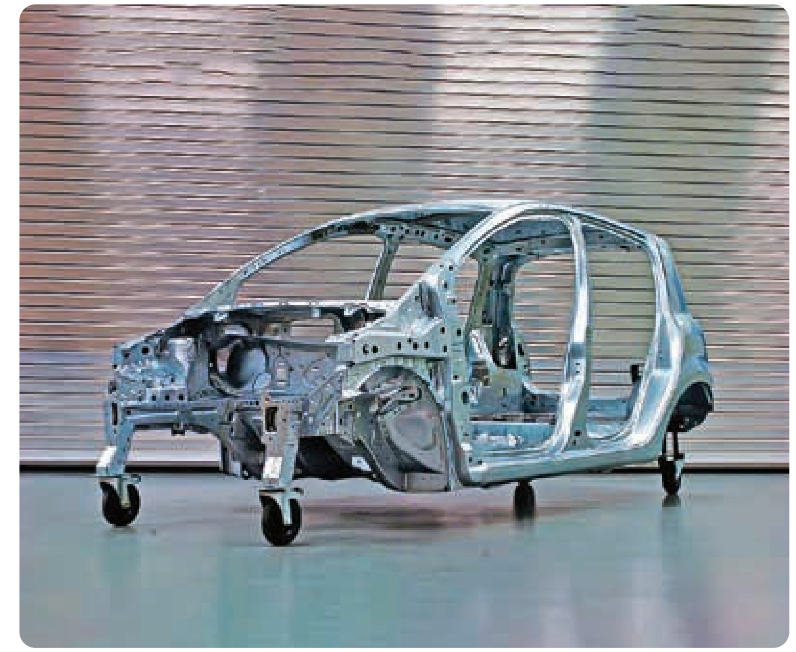
Nestudio - Prefab House & Structure Solution

Other key customer and market initiatives in FY 2021-22

Automotive

FY 2021-22 was a year of extremes from demand perspective, but it also turned out favourably for the automotive segment. Over the year, we have strengthened our relationship through regular engagement with automotive manufacturers and their large value chain partners.

- A leading passenger vehicle OEM conducted Vehicle Teardown and Benchmarking exercise with Tata Steel - the first ever such joint technical analysis by the said OEM with any Indian steel mill
- Conducted our first ever VAVE exercise on an EV model with a leading EV OEM
- Launched the next level of advanced technical support for automotive customers, TATVAM – A digital platform for test and simulation data management and sharing



Developing future-ready automotive solutions

Construction

Tata Steel has collaborated with World Steel Association (through ConstructSteel forum) and Indian Steel Association in their efforts to increase steel intensity in construction in India. We are continuously striving to shape the construction industry by maintaining leadership position in specific segments such as marquee national projects, individual house builders (IHB), medium and small housing and construction, and rural roofing segments

- Golden Home Consumer program – Tata Tiscon' s loyalty and advocacy program for IHBs – strengthened its digital avatar during the second and third wave of COVID-19 touching 19,000+ consumers (116% increase over FY 2020-21). Tata Tiscon was awarded the Prestigious Brand of the Decade Award 2021 and ET Best Brands 2021 Award in FY 2021-22
- Tata Tiscon increased its footprint in the rural hinterland through active engagement with the 30,000+ mason community under the MITR program contributing to 30%+ volume for the brand
- Tata Shaktee reached out to over 10,000 farmers across the country via meets conducted on Kisan Diwas. Fabricator loyalty program, 'Shakteeman', also saw highest enrolment of > 9,500 fabricators, achieving sales of 8.5 KT. We launched the fifth multi-brand store, 'Tata Steel Aashiyana', in West Bengal providing convenience through a one-stop shop for home builder needs
- Celebrating five years of launch this year, Tata Kosh engaged with 150+ stakeholders through a pan-India meet conducted digitally

Engineering Segment

Tata Steel has continued to increase its presence in engineering segments by enriching its product mix and entering new markets.

- Through development of API grades upto X70 from Kalinganagar plant, the Company has been able to make significant inroads in oil and gas segment
- Tata Steel increased its market share in lifting and excavation and pre-engineering building segments with 28% and 25% Y-o-Y growth respectively and expanded its presence in niche segments comprising solar, transmission towers, crash barriers and water pipelines

Services & Solutions

- Tata Pravesh: Tata Pravesh became the first brand in doors and fenestration industry to set up authorised service centre - 'SmartCare' for its customers (six centres till date) to provide superior and uniform customer experience through professionally trained service team, supported by augmented IT infrastructure and best-in-class industry practices. Its expanded Privileged Dealer Partners (PDP) network grew to 350 outlets in FY 2021-22. The 360° marketing campaign resulted in ~66% growth in retail product offerings in FY 2021-22
- Nest-In: Nest-In deploys various approaches to engage with customers at all stages of the customer life cycle. Initiatives such as the implementation of CRM (Customer Relationship Management) platform (Salesforce.com), AR-VR (Augmented Reality-Virtual Reality) for key solutions, etc. have been taken towards strengthening customer relationships by leveraging digital tools

Tata Steel Medica Hospital, Odisha constructed using Nest-In MobiNest solution.
The 156-bed 25,578 sq. ft. hospital was constructed as part of Tata Steel's COVID-19 response

Emerging Corporate Accounts (ECA) Segments

With multiple engagement initiatives, ECA brands continued to focus on value creation and building on customer relationships

- Tata Steel continued to nurture the customer relationship through Ecafez platform with first ever virtual ECA connect event held along with seven physical events with 150+ key ECA customers to generate segmental insights and address customer concerns. Microsegment specific engagement program, 'Steeling the Agri sector', was also conducted

New Materials Business (NMB)

- NMB Composite business became the 2nd largest supplier of FRP (Fibre Reinforced Polymers) Pressure Vessels, widely used in the water filtration industry in the country
- In the railway sector, we have entered the semi high-speed rolling stock segment and have received order for supply and installation of seating arrangements for Vande Bharat Express. NMB has also ventured in the seats and berth segment for other LHB coaches (1AC, 2AC & 3AC). These seats are conforming to European standard of fire-retardant property (EN45545(HL3) and offers improved safety and comfort to passengers
- Light weight FRP wagon is being designed together with Research Design and Standards Organization with the aim to offer 1 tonne of weight reduction (per wagon), better chemical resistance property, especially for salt transportation
- Composite FRP sleepers have been developed in-house for roof support of underground mines; ~20 times life increase, 50% weight reduction and enhanced safety by elimination of frequent manual transportation
- FRP translucent poles fitted with aviation lights have been developed which significantly improve visibility during heavy rain and foggy condition

Building a sustainable supply chain

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, processing facilities, channel partners and customers. We handle planning, sourcing, delivery and logistics of ~100 MnT materials which include raw materials, finished goods and by-products. Outbound logistics is about 60% dependent on railways and 40% on roadways at various locations. It consists of a network of warehouses and Steel Processing Centres (SPCs), ensuring timely delivery and transportation of finished products to customers. This is enabled by a network of hubs and stockyards at strategic locations across India to ensure low delivery cycles.

With increasing focus on reduction in ecological footprint and de-risking supply chain from emerging regulatory and other climate change risks, we are now focussing on a Green Supply Chain and 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 (maintenance, repair, operations, bulk, etc.) and services.

Our supply chain partners comprise >6,000 suppliers, >200 distributors and >30 SPCs. We aim to build resilience in the supply chain through collaboration and long-term relationship building for product innovation, improved productivity, conservation of natural resources, resulting in improvement of ESG standards of the ecosystem.

Responsible supply chain

Responsible Supply Chain Policy

In our materiality assessment in 2018, supply chain sustainability emerged as one of the key material issues for Tata Steel, which resulted in the formulation of a Tata Steel Responsible Supply Chain Policy (RSCP) in 2020. The Policy aims to encourage supply chain partners to share Tata Steel commitment on embedding sustainable business practices and has four principles on Environmental, Social and Governance (ESG) parameters, namely:

Fair Business Practices (G)	Health & Safety (S)
Human Rights (S)	Environmental Protection (E)

Our focus is to sensitise the supply chain partners, viz. suppliers, distributors and SPCs on the need for adhering to sustainable business practices and inculcate the same culture in their own supply chain. We have included introduction of RSCP in our 'Swagat' Program (a program conducted for newly registered vendors) and Vendor Meet. News feed on Tata Steel's e-Procurement platform has been sent for effective communication and awareness building on the policy.

We have identified ~450 critical suppliers (out of a supplier base of >6,000 suppliers) across all categories of Procurement, viz. Raw Materials, Process Consumables, MRO (Maintenance, Repair and Operations), Services and Transportation. These critical suppliers were identified based on a decision matrix broadly encompassing decision factors like spend value, criticality to business, actual/potential ESG risks in partner operations etc. We have initiated the sustainability assessment for our supply chain partners based on RSCP through an independent third party. In FY 2021-22, 258 suppliers were assessed. Additionally, 31 SPCs and 106 distributors, which are a part of our downstream value chain, have also been assessed on RSCP. Corrective actions have been identified and communicated for all supply chain partners to address their gaps. The overall governance, oversight and review of the RSCP deployment and assessment process are handled by apex councils led by the Senior Leadership Team.

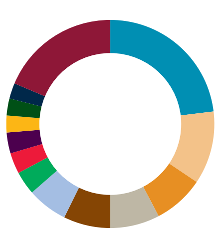
Port Talbot Harbour

Supply chain analysis (Tata Steel Standalone)

The below mentioned charts depict our supplier geographical spread and procurement spend analysis for FY 2021-22.

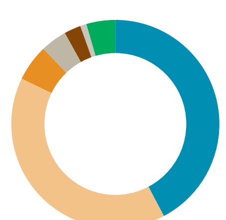
Supplier Geographical Distribution

(India accounts for ~92% of our supplier base. The breakup provided is for the other 8%.)



Germany	23%
China	11%
USA	8%
United Kingdom	8%
Japan	7%
Italy	6%
Singapore	4%
Australia	3%
Netherlands	3%
France	3%
Switzerland	3%
Austria	2%
Others	19%

Procurement Spend Analysis (%)



Australia	42.3%
India	39.9%
Russia*	5.7%
Indonesia	4.1%
South Africa	2.6%
United Arab Emirates	1.0%
Others	4.5%

*Tata Steel has stopped business with Russia in FY 2022-23

~92%

Suppliers are based out of India

Supplier Relationship Management (SRM) programme

The SRM programme is aimed at building collaborations with strategic vendors for managing and enhancing value delivery through supplier-led innovation. During FY 2021-22, multiple technology sessions were conducted on new and emerging technologies and processes across various improvement areas such as quality, delivery, productivity, safety and sustainability with our strategic vendor partners, which helped in creating value for both Tata Steel and supplier partners and also creating a value pipeline for future.

CEO to CEO connect with strategic suppliers

The structured program of CEO to CEO connect, which started in FY 2020-21, has continued in FY 2021-22 and we have conducted 16 interactions with strategic partners and the ideas generated are being driven through the SRM programme and CCTs (Category Competence Teams).

Focussed engagement with raw material suppliers

Developing supplier partnerships through long-term projects in the imported coal value chain is critical for reducing the overall cost of production in the long term. Understanding strategic plans of key suppliers and creation of mutually beneficial products have helped maximise the supply of coal that has higher Value-in-Use (VIU) suitable to our plant requirements. We have ensured supply security by developing new relationships in Canada, US and Indonesia. We have also created alternative supply chain models for coking coal enabled by vendor-managed inventory at Indian ports. This has facilitated supply chain security, credit enhancement and optimisation of inventory, which have led to efficient management of complex multi-site operations.

Indigenisation and localisation

In FY 2021-22, we have increased the efforts and focus on indigenisation and localisation across multiple categories of buy like raw material, spares, and process consumables to mitigate macroeconomic risks. Indigenisation for spend of ₹235 crore across different categories of MRO, Bulk and Raw Material was completed in FY 2021-22. Going forward, a detailed roadmap for indigenisation has been created for the next three years.

Vendor development

Vendor Development Programme and Vendor Capability Advancement Program (VCAP) primarily aim to partner and support suppliers to enhance their capability through combined identification of necessary initiatives and continuous improvement, thereby creating a competitive vendor base across Tata Steel. In FY 2021-22, we initiated 43 (cumulative) vendor development programmes, for improving vendor capability. In addition, the safety performance of suppliers has also improved as we intend to inculcate safety as a culture for our vendor partners. A total of 450 suppliers were covered by vendor capability and skill development training programmes. Over 12,000 contract workforce personnel were trained under the skill certification programme, resulting in 100% coverage.

To support local communities and encourage the inclusion of marginalised sections of the society, we help develop their entrepreneurial capabilities by creating positive differentiation through our Affirmative Action (AA) programme. Nearly 33% of our supply chain partners are locals, of which 71 are AA suppliers and displaced persons vendors (displaced due to greenfield project).

Tata Steel ensured that no pay cut was in practice by the local service providers and contract workforce was paid as per emoluments promised. Assistance was provided at every level to vendor partners supplying material to Tata Steel from across India by ensuring availability of vehicles, racks and issuing letters for seamless transportation.

Sustainability in logistics

Measurement and Governance

Tata Steel is one of the few companies to measure end-to-end Scope 3 emissions in all modes of transportation, giving it an equal focus as Scope 1 and Scope 2 emissions. We have implemented many sustainability initiatives in the supply chain such as idle freight reduction resulting in reduction of CO_2 emissions, increasing rail coefficient as against road movement, greener modes of transport like shift to coastal movements and have deployed energy efficient vessels to reduce the carbon footprint for imported raw materials.

Tata Steel became the first steel producing signatory and 24th organisation to join the Sea Cargo Charter to measure and reduce environmental impacts of global seaborne cargo. In addition, we have rebaselined and validated our CO_2 footprint measurements as per the latest International Maritime Organization (IMO) guidelines. For this we tied up with 'RightShip', which is the world's biggest third party maritime due diligence organisation providing expertise in global safety, sustainability and social responsibility practices. This process of reporting and validating has been standardised for seaborne emissions.

Adoption of eco-friendly practices in supply chain

Tata Steel has deployed about 59 CNG/LNG based vehicles in last mile delivery to reduce its CO_2 footprint. The Company flagged-off the first batch of liquefied natural gas (LNG) powered vehicles to transport its finished steel products at a function in Nagpur. As a first mover to deploy EVs in freight segment, Tata Steel has tied up with an Indian start-up and deployed four electric trailers for last mile delivery.

Moving from land to water transport, Tata Steel's TMT bars, weighing approximately 1,800 tonnes, were successfully shipped from Haldia Port in West Bengal to Pandu Port in Assam, using the Indo-Bangladesh Protocol (IBP) route via Brahmaputra River. This shipment of finished steel products arrived at Haldia on rail before being loaded on to river barges. The IBP route will also help the Company lower its Scope 3 carbon footprint. Tata Steel has signed a Memorandum of Understanding (MoU) with Mitsui OSK Lines (MOL), a global marine transport group, on August 6, 2021 to develop and deploy environment-friendly shipping solutions.

In ocean trade, Tata Steel has eliminated class E & F vessels (having higher specific CO_2 emissions) and moved to energy efficient vessels (class A-D) including trial of alternate fuelled vessel. Tata Steel along with Tata NYK and NYK Line executed trial of deploying bio-fuel for imported shipments. Cargo movement via coastal and waterways is being ramped up to shift to greener modes of transportation. In addition, Tata Steel strives to improve operational efficiency in its supply chain operations such as travel distance and idle weight optimisation to further reduce its carbon footprint.

Rainwater harvesting system has been deployed at most of the SPCs and stockyards. Wooden pallets for packaging have been replaced with reusable steel pallets in all finished goods movement by railways and is further being extended to road movement.

Completed maiden multi-modal shipment of TMT bars from West Bengal to Assam via Indo-Bangladesh Protocol Route

Way forward

1. We will be covering more suppliers under the sustainability assessment program in FY 2022-23 and carry out re-assessment with already assessed vendors falling under Basic & Improving Band. We also intend to identify key ESG risks in supply chain and collaborate with partners for risk mitigation. Integration of ESG performance of supply chain partners in procurement decision-making has been planned through Implementation of Green Procurement Framework in FY 2022-23
2. More collaborative initiatives have been planned with key raw material suppliers and focussed projects on reducing carbon footprint
3. Achieve zero wood use at stockyards by FY 2022-23

Pioneered the use of EVs for steel transportation

Women from Navjeevan Cooperative Limited in Kalinganagar, engaged in Saura Painting

Caring for the community

For over a century, Tata Steel has been serving the marginalised and voiceless sections of the community across more than 4,500 villages in nine districts of Jharkhand and Odisha. 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 we serve and co-create transformative, efficient and lasting solutions to their development challenges" and thereby create "an enlightened, equitable society in which every individual realises one's own potential with dignity". Tata Steel's CSR Programme aims to create deep-rooted social capital through leading societal impact in Eastern India with its own resources, extensive public and private collaborations as well as by fostering changemakers organically from within communities. The primary agency to plan and execute Tata Steel's CSR is the Tata Steel Foundation, which has a diverse 800+ strong force of professionals from myriad domains who have strong relationships with communities by directly working amongst them to implement various social development programmes.

We have been standing by the most under-served communities in the country, throughout all three waves of the COVID-19 pandemic, creating solutions and platforms that facilitated information, met material gaps, supported livelihoods, and met critical healthcare infrastructural requirements. Our COVID-19 initiatives have impacted the lives of ~3 million people across 24 states of India.

#CombatCovid19 initiatives

Meeting material, information and well-being deficits: 10,34,070 lives impacted

Initiatives	Achievements
#DigitalBridges	**2,12,260** people received online counseling, protocol awareness, and isolation support through in-person and online outreach
#ThoughtforFood	**1,257 people** who were COVID+ and home isolated received 2 warm meals daily for at least 5 days **64,000+ meals** distributed
#Sanjeevani	**8,20,553 people** received masks, PPEs, home isolation kits and RAT testing kits. The isolation and testing kits were distributed through the National Health Mission and respective district administrations in Jharkhand and Odisha; each ASHA worker in Kolhan received an oximeter

Creating economic opportunities: 15,125 lives reached

Initiatives	Achievements
#CashforWork	**A cumulative income** of ₹**2.30 crore** has been enabled for people who faced loss of income due to COVID-19 #CashforWork covered; › **200** people engaged in paper bag making through small groups › **3,855** people engaged in labour intensive **watershed projects**, which also led to 29 ground water recharge structures coming up in this period › **210** people employed through customised opportunities like Zomato and other delivery chains › **10,860 farmers'** incomes enabled through curated dairy and vegetable **supply chains for correct value farm offtake**

>1.82 mn lives impacted

Through #CombatCovid19 initiatives in FY 2021-22

1. #ThoughtForFood – A programme meant to provide warm meals to people who were Covid+ and home isolated
2. Oxygen generating plant at Jharia
3. COVID Community Vaccination
4. #ApnoKiSuno – A programme aimed at combatting Covid-19 through improving communication around vaccination and encouraging people to register

Establishing platforms to amplify impact: 7,67,546 lives impacted

Initiatives	Achievements
#FarRishta	3,03,752 lives reached through the **efforts of our volunteers**
#SabalSuraksha	248 **persons with disability provided customised assistance** for vaccinations and healthcare
#ApnoKiSuno	3,44,762 people registered for a **vaccine through a collective partner-based platform** created for this purpose
Community Vaccination	**1,18,784 1st doses, 1,15,006 2nd doses**

COVID related infrastructure

Initiatives	Achievements
Oxygen generation plants (OGP)	19 oxygen generation plants delivered in Odisha and Jharkhand to support both Tata Steel-owned and government district healthcare facilities treating COVID-19
COVID care hospital/facility	**2,700 COVID care beds** installed across Tata Steel-owned and managed hospitals across locations at peak capacity during first and second waves Following additional medical infrastructure established in anticipation of third wave: › Expansion of Kalinganagar based hospital to **380** bed capacity › **80** bed exclusive hospital at West Bokaro › **362** bed hospital at KSMS School and 150 bed facility at Graduate College in Jamshedpur › Conversion of **200** bed hospital in Gopalpur › **50** bed facility in Angul

Tata Steel continued its community development programmes and CSR initiatives, despite restrictions due to the COVID-19 pandemic. The Maternal and Newborn Survival Initiative (MANSI) continued to fully support expecting mothers as well as new-born and infants and primary healthcare services reached to the needy. The Lockdown Learning Model devised during the pandemic to provide learning support to children continued and reached over one lakh children, leading to significant improvement in their learning outcomes. A Foundational Learning Programme was launched to support children at the beginning of their schooling journey to cope with learning losses. SMART classes were introduced to Masti Ki Pathshalas. Communities continued to be supported to earn their livelihoods including agricultural and allied activities, skill-based vocational training through our own institutions and other specialised sponsored courses for eligible youths and job placements as well as support to women Self Help Groups (SHGs). Persons with Disabilities (PwDs) were also supported through capability building, linkage to entitlements and platform for celebration. Work in ethnicity continued through the Samvaad Ecosystem through work on tribal languages, art and culture, sports, traditional healing systems, cuisines, music, action-based cultural conservation research as well as a vibrant platform for conversations and celebration of their heritage by tribal communities from across India. Communities at large also continued to be supported through basic infrastructure, water conservation and household-level nutritional gardens.

Development programmes undertaken in FY 2021-22 and their impact

Signature Programmes: Actualising national change models which address core development gaps in India, while being replicable in the global context

Over 0.50 million lives have been reached through our Signature programmes in FY 2021-22.

Initiatives	Impact
A society where the health and survival of women and children before, during, and after childbirth is a priority	› Reached 1,24,857 mothers and children, enabling reach of ASHA (Accredited Social Health Activist) system to their homes through a combination of physical and digital means › 565 e-scooters distributed amongst ASHA supervisors, ANM (Auxilary nurse mid-wife) in Kolhan who stand to significantly benefit in their outreach (vis-à-vis cycle); as a result, critical health cases will get timely attention and there will be much-needed focus on sustainable mobility adoption › MANSI+ model rolled out in three full districts of Kolhan division of Jharkhand (East Singhbhum, West Singhbhum and Seraikela Kharsawan) › Sexual and reproductive health knowledge and overall well-being enabled for 3,170 adolescents
Universalisation of secondary education for all children through a revitalised public education system	Over 3,02,682 children's lives impacted through Education Signature Programme (ESP) › The Lockdown Learning Model devised during the pandemic to provide learning support to children reached over 1.5 lakh children; its learning outcomes show an endline of 66% over a baseline of 22% › 25-week Foundational Learning Campaign (FLC) is reaching 93,255 children from 5,771 habitations through 4,847 local youth volunteers trained as teachers › 2 new blocks in Jharkhand made Child Labour Free Zone in FY 2021-22 › 650 School Development Plans (SDP) and 1,366 Anganwadi Development Plans (AWDP) prepared and incorporated in Gram Panchayat Development Plans (GPDP) › 4 new funding partnerships in ESP
Empowered tribal communities with voice and agency to lead their development agenda, residing in an ecosystem that recognises and appreciates tribal values and living	Samvaad Ecosystem reached 64,864 people through (a) bringing together tribes of India and beyond for constructive dialogue, (b) enabling key elements of tribal identity to thrive, be celebrated and feed into the dialogue and (c) fostering a youth peer group who drive positive change › 12,649 participants from 191 tribes of 22 states have joined with us for the Samvaad conclave › 446 language learning centres with 28,680 learners, in 114 blocks of 28 districts across Jharkhand, Odisha and West Bengal › 6 tribal languages advocated › 16 teaching aid publications in languages being advocated
A vibrant Jamshedpur-Kalinganagar corridor where local communities participate in and lead a significant enhancement in their social, natural and cultural capital	› Selected 19 corridor fellows for 36 Gram Panchayats, with active joint participation of panchayat sarpanch › Post COVID-19 confidence and trust rebuilding exercise within communities and Panchayati Raj Institutions, with 36 Gram Panchayats › Brought together 2 nearby Panchayat Mukhiyas on a common platform in Odisha

E-scooters to support mobility of Sahiyyas in Kolhan region of Jharkhand

Proximate Community Development (PCD) Programmes

PCD Programmes build regional change models which enable lasting betterment in the well-being of communities, prioritising those who are excluded and proximate.

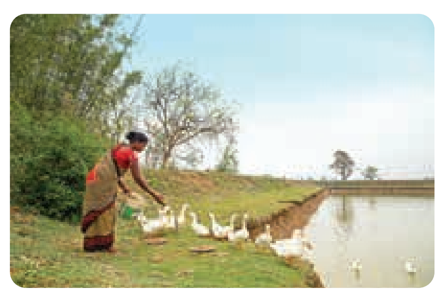
Over 0.55 million lives have been reached through our PCD programmes in FY 2021-22. This is apart from what is achieved under #CombatCOVID19 initiative.

Initiatives	Impact
Ensuring increase in aggregate annual income for marginalised and excluded households	› Total average income increased to ₹86,246 from base income of ₹69,545 per family for 48,420 farmer households through agriculture, employment and entrepreneurship › 271 youth placed through Model Career Centre (MCC), in sectors like Manufacturing, Automobile and Services. MCC Jamshedpur got inaugurated and first Mega Job Fair conducted in Jamshedpur › 201 students placed through technical institutes and 159 students placed through short-term courses › 800 tribal youngsters undergoing training for Trade Apprenticeship admissions across 7 centres in Kolhan, with each centre also run by local educated youth › 273 women SHG members linked to duckery, poultry, dairy farming and other micro-enterprise activities, generating an aggregate income of ₹26.31 lakh › 1,161 SHGs developed by imparting adequate capacity building trainings on utilising funds for economic improvement, covering 16,000 women
Community institution driven integrated water ecosystem ensuring adequate surface water storage and ground water recharge	› 9.1 million cubic feet of water conserved for groundwater recharge, through watershed-based approach by treatment of 246.64 hectares › New watershed projects initiated at Bodam, Potka and West Bokaro for 6,000 hectares for the next 5 years
Ensure improvement in nutrition levels of households through consumption of nutrients sourced from Nutrition Garden	› 8,457 Nutrition gardens promoted across Jharkhand and Odisha to fight nutritional deficiency, reaching 33,828 beneficiaries
All PwDs become self-reliant to the greatest extent and the surrounding ecosystem supports and respects them	› 2 new SABAL centres established at Sukinda and Jamshedpur; Noamundi block is at the verge of universal access to entitlements, with 86% PwDs currently registered and receiving aid from the Government of Jharkhand › SABAL awards 3rd edition, rolled out in FY 2021-22, with record entries of 730 PwDs participating from 24 states and 4 Union Territories › SABAL app launched as a real time database tracking government entitlement to PwDs across 5 districts

Initiatives	Impact
Jamshedpur to be free of the worst forms of child labour	› 1,950 children covered (47% girls) from ~8,000 target numbers, out of which 1,054 children mainstreamed till date into the formal schooling system › 5 residential and 28 non-residential facilities in Jamshedpur functioning under Masti Ki Pathshala with all centres equipped with tabs for online learning and with Tata ClassEdge systems
Ensure the facilitation of all children across all villages to complete their schooling till grade 10 and receive guidance for future study or a vocation	› 4,235 SC/ST students supported for their education through Jyoti Fellowship and Tata Steel Scholarship
Enabling identified women with leadership potential to have an effective voice in community decision-making processes	› 693 women enrolled as part of the DISHA project, which is an effort to develop 6,000 women leaders through a structured process of social, political and digital empowerment measures
Ensuring basic health parameters of population proximate to Tata Steel operations; catered through provision of primary healthcare services as well as enhancing healthcare awareness	› Over 0.23 million people provided with primary healthcare services across the operating locations of Jharkhand and Odisha
Ensure identification, development and facilitation of serious sporting talent in the fields of athletics, hockey, football and archery amongst youth across all villages	› 2 players have been selected in U-17 India Football team camp at Bhubaneswar › 7 players selected for Centre for Excellence, Archery, run by Government of Jharkhand › 2 players participated in 56th National Cross Country Meet at Kohima › 11 football players got selected in regional level of Reliance Foundation Young Champs, conducted for football
Infrastructure is established to enable access of communities to improved standard of living	› 1,25,182 people benefited from repair / construction of 853 drinking water structures, provisioning water through tankers and other initiatives › 134 ponds created across locations, generating an irrigation potential for ~162 hectares › 4,849 people supported by creating irrigation potential for ~200 hectares through creation of 156 water harvesting structures and irrigation projects › 28 model schools completed and handed over to the Government of Odisha


Inauguration of Sabal Centre at Jamshedpur


Jyoti Fellowship to support education of meritorious tribal and Dalit students


Ponds created for groundwater recharge and providing additional income to farmers

>1.05 million
CSR beneficiaries of non-COVID initiatives


Masti Ki Paathshala initiative - a residential bridge course (RBC) for all-round development of street children and child labourers

Embed a societal perspective in key business processes and products

Initiatives	Impact
Ensuring community interests are considered in business strategy through (a) Employee volunteering leveraged to address social issues in our community (b) a unique and immersive experience of life in rural India for a broad cross-section of employees to see community perspectives and empathise with their issues and (c) meaningful engagement of our business ecosystem's key upstream and downstream partner organisations and their employees to enhance effectiveness of their community development initiatives	Volunteering initiative went digital in the form of #FarRishta programme during the pandemic, which then continued in a phygital model, combining physical and digital model mode, with the following outcomes: › Highest ever volunteering hours in FY 2021-22 at 51,825 hours › Addressed 205 social issues through 1,972 unique volunteers › Lives impacted in FY 2021-22 crossed the 3,00,000 mark, 470% higher than last year › 1.45 hours per capita volunteering hours in FY 2021-22 › 27 cities in 19 States/Union Territories of India covered through digital volunteering

For information on our performance in Social and Relationship Capital, please refer to 'ESG Factsheet' Page 128

COMPLIANCE AND ETHICS

Built on a strong foundation

Our business actions and practices are underpinned by good governance, ethical practices and effective control and accountability.

Compliance

Tata Steel considers compliance as the foundation of corporate management. Compliance is integral to our value system and Tata Steel takes its compliance obligations with utmost seriousness, as part of its efforts to establish even stronger relationships of trust with society, customers, and stakeholders. The Company endeavours to manage its businesses responsibly and in compliance with the statutory requirements of the locations in which it operates, and the Management envisages to serve as the anchor and play a pivotal role in implementing the compliance interventions.

With Tata Steel set to achieve 40 MnTPA by 2030, the focus is on establishing an integrated compliance programme which will enable us to review business risk to strategy and its execution not just from operations standpoint, but also from compliance perspective. The function has adopted a **10-step holistic Compliance Framework**, which brings about a paradigm shift, from monitoring compliance based on compliances listed in the compliance tool, to a business process-driven approach for ensuring compliances. The Compliance Framework is designed to bring forth advanced compliance infrastructure, compliance content that is par excellence, sector specific insights, global trends on managing compliances and keeping the Compliance Management Framework future-ready.

The function is headed by the Company Secretary & Chief Legal Officer (Corporate & Compliance), who is primarily responsible for overseeing and managing regulatory compliances. The function is adequately staffed with compliance managers who are responsible for establishing business and industry-specific standards in all units across the organisation. Adherence to compliance obligations is among the subjects covered in audits by the Tata Steel Internal Audit function. Observations from such audits are placed before the Audit Committee and the Board of Directors.

10-step holistic Compliance Framework

Overarching framework towards achieving Compliance Assurance

Corporate Ethics

Tata Steel strives for global leadership in standards of ethics. We are laying a future-ready culture based on the strong foundation of Tata Values, Tata Code of Conduct (TCoC) and its principles that enable excellence. This involves cultural transformation, focussing on people, digitalisation, innovation, and driving excellence through a performance focus bringing agility at every level for faster decision-making, and strengthening of deployment through effective implementation. TCoC is deployed through a formalised Management of Business Ethics (MBE) framework that reflects our commitment to shared values and principles.

Pillars of MBE framework

Leadership Engagement	Compliance Structure
Communication & Training	Measurement of Effectiveness

Deployment methods

Well-defined vigil mechanism
Guidelines and policy formulation
Awareness through communication
Training
Extensive use of IT tools and platforms
Feedback-based actions

Leadership Engagement

The Chief Ethics Counsellor has the overall responsibility of driving MBE initiatives and reports to the CEO & MD, who is also the Principal Ethics Officer. Apart from the dedicated ethics department, the extended arms of the Chief Ethics Counsellor include Divisional Ethics Coordinators, Departmental Ethics Coordinators (DECs), and Ethics Champions. Tata Ethics Torch Bearers (TETB) have been identified at TSM and local POSH representatives have been introduced as extended arms of Internal Committee (IC) members. The Senior Leadership Team (SLT) leads in communicating from the front in various forums, addressing different stakeholders across divisions and ensuring open and transparent culture.

Compliance Structure

- A robust vigil mechanism, where deployment of policies is tracked and reviewed digitally
- 'Speak Up' - a third-party whistle blowing helpline, root cause analysis of identified concerns, and robust Consequence Management Framework (CMF) to ensure stakeholder confidence in the whistle blowing process
- Mobile-enabled Ethics Compliance Register with annual disclosures questionnaire to mitigate associated risks, declaration of gifts (giving and receiving), hospitality, and travel
- Onboarding of third party (a subject matter expert) has been done for due diligence of business associates (BA)

The GoodnessXchange

Tata Steel's first-ever, internal, online auction for charity, auctions gifts received by employees that are beyond the acceptable criteria

Kashmakash

An online platform to resolve ethical dilemma where one may choose to remain anonymous and remain connected for response

Communication & Training

Innovative and diverse approaches/ tools used for communicating policies/ guidelines including Neeti Katha / Neeti Sanchaar snippet stories, quizzes and polls, campaigns, speaker sessions and celebrations. Violation cases are circulated to SLT and open forum discussions are regularly held. Collaborative approach with other teams such as Safety and HRM is also undertaken for communication and Training.

Steel O Sphere

A pan-India distributor meet on ethics and sustainability organised

Measurement of Effectiveness

The effectiveness of the ethics programme is measured by the number of concerns reported, poll surveys, MBE survey, benchmarking exercises and internal MBE assessments. The feedback is incorporated into the annual plan for MBE deployment.

Samman

Initiative launched to address feedback on perceptions of ethics deployment at Tata Steel consisting of various programs and communications.

AWARDS AND RECOGNITION

Acknowledged for our excellence

worldsteel

Steel Sustainability Champion 2022 for the 5th year in a row

Member of worldsteel's Sustainability Charter 2022

Ranstad Employer Brand Research (REBR) 2021

Featured amongst the Top 5 most attractive employer brands

worldsteel Safety & Health Recognition 2021

Recognised for Ensuring Workforce Safety & Business Continuity by mitigating COVID-19 Risks

Great Place to Work®

Featured amongst the Top 100 organisations as a 'Best Company to work for'

India's Best Employers Among Nation-Builders 2021

Certified as Great Place to Work for the 5th time

Featured amongst India's Best Workplaces in Manufacturing for 2022 for the 5th time

Government of India

Prime Minister's Shram Awards for the year 2018

Working Mother and Avtar

Featured amongst 100 Best Companies for Women in India in 2021

BRICS Solutions for SDGs Awards 2021

For Tata Steel Foundation's coveted programme 'MANSI'

Confederation of Indian Industry (CII) 3R Awards 2021

Excellence in waste management

World Economic Forum

Global Lighthouse recognition for Tata Steel Jamshedpur

Great Place To Work. Certified DEC 2021-DEC 2022 INDIA

Best Workplaces in Manufacturing. Great Place To Work. INDIA 2022

Great Place To Work. India's Best Employers Among Nation-Builders 2021

WORKING MOTHER AVTAR 100 BEST COMPANIES FOR WOMEN 2021

Tata Steel is delighted to be recognized on CDP's 2021 Supplier Engagement Leaderboard. CDP SUPPLIER ENGAGEMENT LEADER 2021

CDP

2021 'Supplier Engagement Leader'

Federation of Indian Chambers of Commerce & Industry

Indian Circular Economy Award 2021

India Workplace Equality Index

Dun & Bradstreet Corporate Awards 2021

Best Sectoral Performance in the Iron & Steel category

8th Edition of The India Risk Management Awards

Masters of Risk - Metals & Mining Sector in the Large Cap category for the 6th consecutive year

2021 GOLD employer for LGBT+ inclusion

India Workplace Equality Index

'Gold' employer in India Workplace Equality Index (IWEI) 2021 for leading the way in LGBT+ inclusion

World Economic Forum

Joins the Global Parity Alliance as a founding member to accelerate Diversity Equity & Inclusion outcomes

Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA

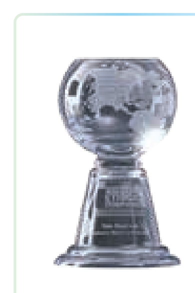
Sustainability CHARTER MEMBER worldsteel 2022

Dow Jones Sustainability Indices Assessment 2021

Retained its position in Emerging Markets Index for 10 consecutive years

The Risk Management Society

RIMS India ERM Award of Distinction for the year 2021



CII Industrial Innovation Awards 2021

Top Innovative Company (Large) in Manufacturing category (one of the joint winners)

Hurun Research Institute, Capri Global Capital Hurun India Impact 50, 2021

Featured amongst the Top 10 Sustainable Organisations of India

ESG INDICATORS FACTSHEET

Tata Steel ESG Indicators Factsheet FY 2021-22

Tata Steel Standalone, Tata Steel Long Products, Tata Steel United Kingdom (UK), Tata Stee Netherlands and Tata Steel Thailand account for ~ 90% of our global group turnover. This Factsheet represents our ESG performance for these entities.

Note: In FY 2021-22 Standalone figures include performance of the newly amalgamated erstwhile business of Tata Steel BSL Limited.

	UOM	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Basic information						
Crude Steel Production						
Tata Steel Standalone	MnT	12.48	13.23	13.16	12.19	18.38
Tata Steel Long Products Limited - Gamharia	MnT	-	-	0.59	0.65	0.68
Tata Steel UK	MnT	3.51	3.13	3.38	3.27	3.40
Tata Steel Netherlands	MnT	6.90	6.90	6.62	6.07	6.45
Tata Steel Thailand	MnT	1.20	1.03	0.99	1.09	1.31
Environmental						
CO_2 emissions (based on worldsteel user guide V9.5)						
Tata Steel Standalone - Jamshedpur, Kalinganagar, Meramandali						
Absolute emissions -Scope 1+1.1	MnT	30.5	31.7	31.1	29.4	46.2
Absolute emissions - Scope 2	MnT	1.2	1.2	1.1	1.0	1.7
Absolute emissions - Scope 3	MnT	-2.0	-1.8	-1.8	-2.0	-3.2
Total absolute emissions (Scope 1+1.1+2 + 3)	MnT	29.7	31	30.4	28.3	44.7
CO_2 emissions intensity	tCO_2/tcs	2.37	2.35	2.31	2.32	2.43
Tata Steel Long Products Limited - Gamharia						
Absolute emissions - Scope 1	MnT	-	-	3.0	3.1	3.2
Absolute emissions - Scope 2	MnT	-	-	0.0	0.0	0.0
Absolute emissions - Scope 3	MnT	-	-	-0.3	-0.4	-0.3
Total absolute emissions (Scope 1 +2 + 3)	MnT	-	-	2.7	2.8	3.0
CO_2 emissions intensity	tCO_2/tcs	-	-	4.52	4.29	4.39
Tata Steel UK						
Absolute emissions - Scope 1	MnT	7.0	6.4	7.1	6.5	6.9
Absolute emissions - Scope 2	MnT	0.5	0.4	0.4	0.3	0.4
Absolute emissions - Scope 3	MnT	0.6	0.5	0.5	0.5	0.4
Total absolute emissions (Scope 1 +2 + 3)	MnT	8.1	7.4	8.0	7.3	7.7
CO_2 emissions intensity (Port Talbot)	tCO_2/tcs	2.18	2.21	2.22	2.14	2.16
Tata Steel Netherlands						
Absolute emissions - Scope 1+1.1	MnT	13	12	12	11	12
Absolute emissions - Scope 2	MnT	(0.15)	(0.18)	(0.13)	(0.06)	(0.10)
Absolute emissions - Scope 3	MnT	0.08	0.15	0.16	0.17	0.27
Total absolute emissions (Scope 1+1.1+2 + 3)	MnT	13	12	12	11	12
CO_2 emissions intensity (IJmuiden)	tCO_2/tcs	1.79	1.77	1.76	1.77	1.78
Tata Steel Thailand						
Absolute emissions - Scope 1	MnT	0.2	0.2	0.2	0.2	0.2
Absolute emissions - Scope 2	MnT	0.4	0.4	0.4	0.4	0.5
Absolute emissions - Scope 3	MnT	0.1	0.1	0.1	0.1	0.1
Total absolute emissions (Scope 1 +2 + 3)	MnT	0.7	0.7	0.7	0.7	0.8
CO_2 emissions intensity	tCO_2/tcs	0.62	0.64	0.67	0.64	0.61

Calculations of Scope 1, 2, 3 emissions are as per worldsteel methodology

	UOM	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
GHG emissions (based on GHG Protocol)						
Tata Steel Standalone						
Absolute emissions -Scope 1	MnT	-	-	-	32.5	49.7
Absolute emissions - Scope 2	MnT	-	-	-	3.9	5.1
Absolute emissions - Scope 3	MnT	-	-	-	5.2	6.4
Total absolute emissions (Scope 1 +2 + 3)	MnT	-	-	-	41.5	61.2
Tata Steel Long Products Limited						
Absolute emissions - Scope 1	MnT	-	-	-	3.9	4.1
Absolute emissions - Scope 2	MnT	-	-	-	0.0	0.0
Absolute emissions - Scope 3	MnT	-	-	-	0.6	0.6
Total absolute emissions (Scope 1 +2 + 3)	MnT	-	-	-	4.5	4.7
Tata Steel UK						
Absolute emissions - Scope 1	MnT	-	-	-	6.6	7.0
Absolute emissions - Scope 2	MnT	-	-	-	0.2	0.2
Absolute emissions - Scope 3	MnT	-	-	-	1.0	1.0
Total absolute emissions (Scope 1 +2 + 3)	MnT	-	-	-	7.7	8.3
Tata Steel Netherlands						
Absolute emissions - Scope 1	MnT	-	-	-	11.0	11.7
Absolute emissions - Scope 2	MnT	-	-	-	0.7	0.8
Absolute emissions - Scope 3	MnT	-	-	-	1.8	1.8
Total absolute emissions (Scope 1 +2 + 3)	MnT	-	-	-	13.6	14.2
Tata Steel Thailand						
Absolute emissions - Scope 1	MnT	-	-	-	0.2	0.2
Absolute emissions - Scope 2	MnT	-	-	-	0.4	0.5
Absolute emissions - Scope 3	MnT	-	-	-	0.2	0.2
Total absolute emissions (Scope 1 +2 + 3)	MnT	-	-	-	0.8	0.9
Tata Steel Consolidated (including other TSL entities)*						
Absolute emissions - Scope 1	MnT	-	-	-	66.0	75.7
Absolute emissions - Scope 2	MnT	-	-	-	4.8	5.6
Absolute emissions - Scope 3	MnT	-	-	-	12.6	11.9
Total absolute emissions (Scope 1 +2 + 3)	MnT	-	-	-	83.4	93.2

** worldsteel methodology allows credits due to export to various co-products / byproducts (incl. gases). No such credits are included in GHG Protocol estimation. Scope 1.1 emissions under worldsteel scope considered direct emissions under scope 1 for steelmaking sites.*

Consolidated emissions of Tata Steel has been arrived at by using equity based approach

For TSJ, TSK and TSM, Absolute Scope 1 emissions are 46.7 MntCO2e, Absolute Scope 2 emissions are 4.4 MntCO2e, Absolute Scope 3 emissions are 1.5 MntCO2e.

	UOM	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Air emissions						
Tata Steel Standalone						
Stack dust emissions	Kilo tonnes	5.75	5.59	5.04	4.10	7.22
Dust emission intensity	kg/tcs	0.46	0.42	0.38	0.34	0.39
SOx emissions	Kilo tonnes	12.50	7.37	8.57	7.83	30.40
SOx emission intensity	kg/tcs	1.00	0.56	0.65	0.64	1.65
NOx emissions	Kilo tonnes	12.81	8.89	8.70	7.53	16.01
NOx emission intensity	kg/tcs	1.03	0.67	0.66	0.62	0.87
Tata Steel Long Products Limited - Gamharia						
Dust emissions	Kilo tonnes	-	-	1.69	1.17	1.03
Dust emission intensity	kg/tcs	-	-	2.86	1.81	1.50
SOx emissions	Kilo tonnes	-	-	5.11	4.88	6.01
SOx emission intensity	kg/tcs	-	-	8.66	7.53	8.79
NOx emissions	Kilo tonnes	-	-	0.97	1.08	1.21
NOx emission intensity	kg/tcs	-	-	1.64	1.67	1.77

	UOM	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Tata Steel UK (CY*)						
Dust emissions	Kilo tonnes	2.05	1.96	1.94	2.23	1.96
Dust emission intensity	kg/tcs	0.57	0.64	0.57	0.69	0.55
SOx emissions	Kilo tonnes	7.19	7.07	7.09	6.61	4.96
SOx emission intensity	kg/tcs	2.02	2.29	2.10	2.04	1.40
NOx emissions	Kilo tonnes	4.97	3.84	4.83	5.14	5.05
NOx emission intensity	kg/tcs	1.39	1.24	1.43	1.58	1.43
Tata Steel Netherlands[@] (CY*)						
Dust emissions	Kilo tonnes	1.91	1.80	1.88	1.80	1.57
Dust emission intensity	kg/tcs	0.28	0.26	0.28	0.30	0.24
SOx emissions	Kilo tonnes	3.23	3.13	3.16	3.04	2.79
SOx emission intensity	kg/tcs	0.47	0.46	0.48	0.50	0.42
NOx emissions	Kilo tonnes	5.78	5.73	6.03	5.13	5.35
NOx emission intensity	kg/tcs	0.85	0.84	0.91	0.85	0.80
**Calendar year reporting (1 January - 31 December)*						
Water						
Tata Steel Standalone						
Fresh water consumption	Million m^3	48.7	46.3	40.8	32.9	50
Specific fresh water consumption	m^3/tcs	3.90	3.50	3.10	2.7	2.71
Effluent discharge volume	Million m^3	11.5	10.3	9.5	8.3	9
Effluent discharge intensity	m^3/tcs	0.92	0.78	0.72	0.68	0.52
Tata Steel Long Products Limited - Gamharia						
Fresh water consumption	Million m^3	-	-	6.79	6.78	6.99
Specific fresh water consumption	m^3/tcs	-	-	7.71	7.53	6.23
Effluent discharge volume	Million m^3	-	-	Zero process water discharge		
Effluent discharge intensity	m^3/tcs	-	-			
Tata Steel UK (CY*)						
Fresh water consumption	Million m^3	17	19	22	28	31
Specific fresh water consumption	m^3/tcs	4.83	6.01	6.51	8.73	8.70
Effluent discharge volume	Million m^3	17	33	20	18	21
Effluent discharge intensity	m^3/tcs	4.71	10.79	5.76	5.40	6.02
Tata Steel Netherlands[@] (CY*)						
Fresh water consumption	Million m^3	34	34	33	32	33
Specific fresh water consumption	m^3/tcs	4.95	4.96	4.93	5.20	4.76
Effluent discharge volume[#]	Million m^3	179	182	194	185	204
Effluent discharge intensity	m^3/tcs	26.3	26.6	29.0	30.4	30.6
Tata Steel Thailand						
Fresh water consumption	Million m^3	-	1.85	1.95	1.72	1.73
Specific fresh water consumption	m^3/tcs	-	1.80	1.59	1.28	1.22
Effluent discharge volume	Million m^3	Zero process water discharge				
Effluent discharge intensity	m^3/tcs					
**Calendar year reporting (1 January - 31 December)*						

@ All figures for primary steelmaking, IJmuiden production site

@ Total (scope 1+2+3): based on methodology of worldsteel, including credits for slag delivery to cement industry., Primary Steelmaking, IJmuiden production site

sea water intake and return to sea ~161 million m3/year as for cooling Calculations of Scope 1, 2, 3 emissions are as per worldsteel V9.5 methodology

	UOM	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Waste						
Tata Steel Standalone						
Solid waste generated	Kilo tonnes	-	-	9,967	9,427	15,041
Solid waste utilised	Kilo tonnes	-	-	9,967	9,417	14,815
Solid waste sent to landfill / incineration	Kilo tonnes	-	-			
Solid waste utilisation	%	-	-	100	99.9	98.5
Tata Steel Long Products Limited - Gamharia						
Solid waste generated	Kilo tonnes	-	-	-	947.2	1023.4
Solid waste utilised	Kilo tonnes	-	-	-	1,057.1	851.2
Solid waste utilisation	%	-	-	-	100	87
Tata Steel UK (CY*)						
Solid waste generated	Kilo tonnes	-	-	230.8	186.3	111.4
Solid waste utilised	Kilo tonnes	-	-	221.2	112.7	84.8
Solid waste sent to landfill / incineration	Kilo tonnes	-	-	4.27	3.62	6.58
Solid waste utilisation	%	-	-	95.9	60.5	76.1
Tata Steel Netherlands[@] (CY*)						
Solid waste generated	Kilo tonnes	228	193	218	201	170
Solid waste utilised	Kilo tonnes	187	143	170	159	127
Solid waste sent to landfill	Kilo tonnes	35	48	42	36	38
Solid waste utilisation	%	82.0	74.1	78.3	79.1	74.7
Tata Steel Thailand						
Solid waste generated	Kilo tonnes	199.7	211.1	200.7	221.6	265.9
Solid waste utilised	Kilo tonnes	199.3	210.4	200.3	221.1	265.2
Solid waste sent to landfill / incineration	Kilo tonnes	0.35	0.70	0.36	0.46	0.69
Solid waste utilisation	%	99.9	99.7	99.8	99.8	99.7
**Calendar year reporting (1 January - 31 December)*						
Energy						
Tata Steel Standalone						
Specific energy consumption	GJ/tcs	25.11	24.35	24.17	24.11	23.62
Tata Steel Long Products Limited - Gamharia						
Specific energy consumption	GJ/tcs	-	-	29.16	29.25	32.47
Tata Steel UK						
Specific energy consumption	GJ/tcs	23.60	24.20	23.80	22.80	23.10
Tata Steel Netherlands[@]						
Specific energy consumption	GJ/tcs	20.06	19.99	19.79	20.22	20.38
Tata Steel Thailand						
Specific energy consumption	GJ/tcs	9.50	9.90	10.00	9.86	9.30
Biodiversity						
Tata Steel Standalone						
Total sites covered under Biodiversity Management Plans (BMPs)	%	-	-	-	52.3	61.9
Tata Steel Long Products Limited - Gamharia						
Total sites covered under Biodiversity Management Plans (BMPs)	Nos.	-	-	-	-	Initiated at 3 sites
Tata Steel UK						
Discrete sites under biodiversity management	Nos.	-	-	-	-	7

based on crude steel production volumes

EMS - Environment Management System @ primary steelmaking, IJmuiden production site

	UOM	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Management						
Tata Steel Standalone						
Workforce (permanent+contract) working in EMS (ISO 14001) certified steel production facilities	%	-	-	100	100	100
Tata Steel Long Products Limited - Gamharia						
Workforce (permanent+contract) working in EMS (ISO 14001) certified steel production facilities	%	-	-	100	100	100
Tata Steel UK						
Workforce (permanent+contract) working in EMS (ISO 14001) certified steel production facilities	%	-	-	100	100	100
Tata Steel Netherlands						
Workforce (permanent+contract) working in EMS (ISO 14001) certified steel production facilities	%	-	-	100	100	100
Tata Steel Thailand						
Workforce (permanent+contract) working in EMS (ISO 14001) certified steel production facilities	%	-	-	100	100	100
Scrap recycling						
Tata Steel Standalone						
Steel scrap recycled (internal & external)	Kilo tonnes	-	-	-	598	1,252
Steel scrap recycled (internal & external)	%	-	-	-	4.9	6.8
Tata Steel Long Products Limited - Gamharia						
Steel scrap recycled (internal & external)	Kilo tonnes	-	-	21.9	20.4	29.7
Steel scrap recycled (internal & external)	%	-	-	3.7	3.2	4.3
Tata Steel UK						
Steel scrap recycled (internal & external)	Kilo tonnes	559	531	497	554	596
Steel scrap recycled (internal & external)	%	16.0	17.1	14.7	16.9	17.5
Tata Steel Netherlands						
Steel scrap recycled (internal & external)[@]	Kilo tonnes	1,095	1,140	1,150	1,019	1,137
Steel scrap recycled[#] (internal & external)	%	15.9	16.5	17.4	16.8	17.6
Tata Steel Thailand	Primary raw material used is steel scrap which is 100% recyclable					
Spend on Climate Change and Environment						
Tata Steel Standalone						
Spend on Climate Change and Environment (Capex)	₹ crore	544	286	283	139	554
Tata Steel Long Products Limited - Gamharia						
Spend on Climate Change and Environment (Capex)	₹ crore	-	-	-	7.9	8.7
Tata Steel Netherlands						
Spend on Climate Change and Environment (Capex)	Million Euros	6.9	16.9	48.3	51.0	33.5

Standalone figures of FY 2021-22 includes performance of the recently merged business of erstwhile TSBSL now renamed as Tata Steel Meramandali (TSM). We are horizontally deploying best practices of our Jamshedpur and Kalinganagar facillities at Meramandali and plan to improve its environmental performance to best possible level in due course of time.

	UOM	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Social						
Health & Safety						
Tata Steel Standalone						
Fatalities	Nos.	3	2	3	3	3
Lost-time Injury (LTI) - employee	Nos.	42	38	58	48	58
Lost-time Injury (LTI) – contractor	Nos.	22	30	69	47	107
Lost-time Injury (LTI) – Total	Nos.	64	68	127	95	165
Lost-time Injury Frequency Rate (LTIFR) - employee	Index	0.50	0.47	0.78	0.63	0.67
Lost-timeInjury Frequency Rate (LTIFR) – contractor	Index	0.16	0.19	0.4	0.49	0.55
Lost-time Injury Frequency Rate (LTIFR) – Total	Index	0.29	0.29	0.52	0.55	0.59
Sites with Safety Management System (ISO 45001/ OHSAS 18001)	%	-	-	-	100	100
Organisational Health Index	Score out of 16	12.47	12.62	12.7	12.83	13.05

	UOM	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Tata Steel Long Products Limited						
Fatalities	Nos.	-	-	0	1	0
Lost-time Injury (LTI) – employee	Nos.	-	-	-	3	7
Lost-time Injury (LTI) – contractor	Nos.	-	-	-	21	7
Lost-time Injury (LTI) – Total	Nos.	-	-	15	24	14
Lost-time Injury Frequency Rate (LTIFR) – Total	Index	-	-	1.07	1.38	0.66
Sites with Safety Management System (ISO 45001/ OHSAS 18001)	%	-	-	100	100	100
Tata Steel UK						
Fatalities	Nos.	0	0	2	0	0
Lost-time Injury (LTI) – employee	Nos.	25	19	36	30	33
Lost-time Injury (LTI) – contractor	Nos.	7	8	7	9	15
Lost-time Injury (LTI) – Total	Nos.	32	27	43	39	48
Lost-time Injury Frequency Rate (LTIFR) - employee	Index	1.47	1.13	2.25	1.93	2.1
Lost-time Injury Frequency Rate (LTIFR) – contractor	Index	1.42	1.61	1.43	2.1	3.17
Lost-time Injury Frequency Rate (LTIFR) – Total	Index	1.46	1.24	2.06	1.97	2.35
Sites with Safety Management System (ISO 45001/ OHSAS 18001)	%	-	-	4.76	15	16.66
Tata Steel Netherlands						
Fatalities	Nos.	1	0	0	0	0
Lost-time Injury (LTI) – employee	Nos.	19	19	18	17	19
Lost-time Injury (LTI) – contractor	Nos.	11	20	13	9	8
Lost-time Injury (LTI) – Total	Nos.	30	39	31	26	27
Lost-time Injury Frequency Rate (LTIFR) - employee	Index	1.02	1.03	0.99	0.93	1.01
Lost-time Injury Frequency Rate (LTIFR) – contractor	Index	2.24	3.71	3.31	2.81	2.36
Lost-time Injury Frequency Rate (LTIFR) – Total	Index	1.27	1.63	1.40	1.21	1.21
Sites with Safety Management System (ISO 45001/ OHSAS 18001)	%	0	0	24	28	36
Tata Steel Thailand						
Fatalities	Nos.	0	0	0	0	1
Lost-time Injury (LTI) – employee	Nos.	1	4	0	0	0
Lost-time Injury (LTI) – contractor	Nos.	0	3	0	1	3
Lost-time Injury (LTI) – Total	Nos.	1	7	0	1	3
Lost-timeInjury Frequency Rate (LTIFR) - employee	Index	0.35	1.5	0	0	0
Lost-time Injury Frequency Rate (LTIFR) – contractor	Index	0	1.07	0	0.42	1.34
Lost-time Injury Frequency Rate (LTIFR) – Total	Index	0.17	1.28	0	0.21	0.63
Sites with Safety Management System (ISO 45001/ OHSAS 18001)	%	100	100	100	100	100

Standalone figures of FY 2021-22 includes performance of the recently merged business of erstwhile TSBSL now renamed as Tata Steel Meramandali (TSM).

	UOM	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Human Resource Management						
Tata Steel Standalone						
Nos. of employees*	Nos.	34,072	32,984	32,364	31,189	35,927
New employee hires	Nos.	-	1,977	1,820	2,129	1,704
Employee productivity (steel volume)	tcs/employee/ year	768	800	803	745	854
Female employees in workforce	%	6.1	6.5	6.9	7.4	6.9
Female employees in management positions in workforce	%	11.1	11.6	12.0	12.6	11.7
Age break-up of the workforce (<30 years)	%	-	15.1	15.5	18	23
Age break-up of the workforce (30 - 50 years)	%	-	54.8	55.3	57	59
Age break-up of the workforce (>50 years)	%	-	30.1	29.2	25	17
Employee turnover rate	%	6.1	6.4	6.8	7.5	6.9

	UOM	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Workforce covered through formal trade unions	%	89.3	88.9	87.4	86.1	79.6
Diversity Mix (% of employees who belong to categories of - Affirmative Action/Women/ PWD/LGBTQ+)	%	-	-	19	20	18
Investment in employee training and development	₹ crore	-	-	133	152	159
Employee training	Thousand person days	194	248	253	199	413
Employee training	person-days/ employee/year	5.62	7.52	7.81	6.38	11.51
Tata Steel Long Products Limited						
Nos. of employees	Nos.	-	-	2,496	2,395	2,357
New employee hires	Nos.	-	-	51	19	106
Employee productivity (steel volume)	tcs/employee/ year	-	-	456	548	665
Female employees in workforce	%	-	-	2.2	2.4	2.8
Female employees in management positions in workforce	%	-	-	0.6	0.7	1.2
Age break-up of the workforce (<30 years)	%	-	-	9.9	8.0	6.6
Age break-up of the workforce (30 - 50 years)	%	-	-	67.7	69.6	70.7
Age break-up of the workforce (>50 years)	%	-	-	22.5	22.5	22.7
Employee turnover rate	%	-	-	1.2	1.2	2.5
Employee training	Thousand person days	-	-	10.2	30.46	43.04
Employee training	person-days/ employee/year	-	-	4.09	12.72	18.26
Tata Steel Europe (UK + Netherlands business)						
Nos. of employees	Nos.	21,247	21,454	20,379	20,047	20,161
New employee hires	Nos.	1,855	1,881	1,077	923	1,708
Female employees in workforce	%	11.1	11.1	11.2	11	10.8
Female employees in management positions in workforce	%	16.9	18.1	18.2	18	18.1
Age break-up of the workforce (<30 years)	%	13.9	15.1	14.2	13.7	14.2
Age break-up of the workforce (30 - 50 years)	%	43	42.2	41.5	41.5	41.8
Age break-up of the workforce (>50 years)	%	43.1	42.7	44.3	44.8	44.0
Employee turnover rate	%	14.4	7.2	9.3	5.5	7.1
Employee productivity (steel volume)[@]	tcs/employee/ year	490	467	491	466	489
Tata Steel Thailand						
Nos. of employees	Nos.	1,236	1,187	1,151	1,101	1,092
New employee hires	Nos.	91	60	35	2	26
Employee productivity (steel volume)	tcs/employee/ year	985	972	1,043	1,184	1,221
Female employees in workforce	%	16.7	17.4	17.4	17.3	17.2
Female employees in management positions in workforce	%	19.8	19.2	18.4	16.4	15.7
Age break-up of the workforce (<30 years)	%	24.3	22.8	23.5	17.4	14.7
Age break-up of the workforce (30 - 50 years)	%	65.8	66.0	63.3	67.9	68.6
Age break-up of the workforce (>50 years)	%	9.90	11.10	12.90	14.60	16.70
Employee turnover rate	%	4.40	6.50	4.40	2.00	1.60
Employee training	thousand person-days	7.6	7.3	4.5	6.6	7.4
Employee training	person-days/ employee/year	6.2	6.2	4.3	6	6.8

Standalone figures of FY 2021-22 includes performance of the recently merged business of erstwhile TSBSL now renamed as Tata Steel Meramandali (TSM).

[@] Definition includes all employees at TSE which is different from India definition.

	UOM	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Economic & Governance						
Ethics						
Tata Steel Standalone						
Whistleblower cases*- Received	Nos.	-	436	881	777	845
Whistleblower cases* - Closed	Nos.	-	334	602	541	601
Whistleblower cases* - Open	Nos.	-	102	279	236	244
Sexual harassment cases - Received	Nos.	16	20	34	21	22
Sexual harassment cases - Closed	Nos.	8	19	26	15	18
Sexual harassment cases - Open	Nos.	24	1	8	6	4
Training on Tata Code of Conduct - officers	person-hours	-	4,003	17,064	26,458	31,142
Training on Tata Code of Conduct - frontline employees	person-hours	-	7,080	2,763	5,086	14,630
Training on Tata Code of Conduct - contract employees	person-hours	-	23,798	24,307	15,380	60,898
Business associates** trained on Tata Code of Conduct	Nos.	-	-	-	1,747	2,114
Tata Steel Long Products Limited						
Whistleblower cases*- Received	Nos.	6	5	19	31	34
Whistleblower cases* - Closed	Nos.	6	5	19	31	30
Whistleblower cases* - Open	Nos.	0	0	0	0	4
Sexual harassment cases - Received	Nos.	1	0	2	1	0
Sexual harassment cases - Closed	Nos.	1	0	1	2	0
Sexual harassment cases - Open	Nos.	0	0	1	0	0
Training on Tata Code of Conduct - officers	person-hours	0	0	1,209	1,142	541
Training on Tata Code of Conduct - frontline employees	person-hours	-	-	1,060	636	828
Training on Tata Code of Conduct - contract employees	person-hours	-	-	896	454	9,092
Business associates** trained on Tata Code of Conduct	Nos.	-	-	-	35	235
Tata Steel Europe (UK + Netherlands business)						
Whistleblower cases - Received	Nos.	40	33	51	48	34
Whistleblower cases - Closed	Nos.	40	33	51	48	34
Training on Tata Code of Conduct	No. of persons	-	75	180	135	105
Tata Steel Thailand						
Training on Tata Code of Conduct	No. of persons	91	60	35	2	26

**exclusive of sexual harassment cases*

***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	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Supply Chain						
Tata Steel Standalone						
Active supplier base	Nos.	-	>5,000	5,132	5,071	6,264
Local suppliers	Nos.	-	1,316	1,806	1,671	1,944
Critical suppliers	Nos.	-	-	-	-	450
Business volume of local suppliers	₹ crore	-	-	-	2,397	4,587
Number of Affirmative Action (AA) suppliers	Nos.	-	70	70	71	71
Business volume of Affirmative Action (AA) suppliers	₹ crore	-	75	61	53.5	70
Suppliers assessed based on safety	Nos.	-	1,035	850	745	1,022
Suppliers trained through Vendor Capability Advancement Program (VCAP)	Nos.	-	1,426	1,330	844	450
Critical suppliers made aware on Responsible Supply Chain Policy	Nos.	-	-	-	223	327
Critical suppliers assessed on Responsible Supply Chain Policy	Nos.	-	-	-	200	258
Steel Processing Centers (SPC) assessed on Responsible Supply Chain Policy	Nos.	-	-	-	-	31
Distributors assessed on Responsible Supply Chain Policy	Nos.	-	-	-	-	106

	UOM	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Tata Steel UK						
Active suppliers	Nos.	3,735	3,584	3,354	2,808	2,851
Tata Steel Netherlands						
Active suppliers	Nos.	3,914	3,901	3,462	3,129	3,329
Tata Steel Europe (UK + Netherlands business)						
Active suppliers	Nos.	7,649	7,485	6,816	5,937	6,180
Active suppliers made aware on Responsible Procurement Policy (RPP)*	%	83	86	88	90	91
**The percentage of active suppliers made aware on the RPP is the same across UK and Netherlands*						
Intellectual Capital						
Tata Steel Standalone						
Collaborations/memberships of academia and technical institutes	Nos.	34	40	50	20	35
Patents filed	Nos.	-	-	119	119	125
Patents granted	Nos.	-	-	58	109	121
New products developed	Nos.	-	114	155	79	62
R&D employees*	Nos.	-	-	-	246	270
R&D Spend	₹ crore	182	216	259	231	213
R&D Spend	% of revenue	0.30	0.31	0.43	0.36	0.17
Investment in new processes and products (Capex + R&D)	₹ crore	2,709	3,893	5,008	2,353	6,501
Investment in new processes and products (Capex + R&D)**	% of revenue	4.6	5.65	8.52	3.71	5.1
Tata Steel UK						
Collaborations/memberships of academia and technical institutes	Nos.	-	-	-	-	7
New products developed	Nos.	8	5	2	4	3
R&D employees	Nos.	64	76	75	70	65
R&D Spend	Million Euros	9	11	9	7	10.5
R&D Spend	% of revenue	0.38	0.46	0.42	0.35	0.34
Investment in new processes and products (Capex + R&D)	Million Euros	159	148	264	211	93.5
Investment in new processes and products (Capex + R&D)**	% of revenue	6.67	6.15	12.32	10.68	2.99
Tata Steel Netherlands						
Collaborations/memberships of academia and technical institutes	Nos.	-	-	-	-	158
Patents granted	Nos.	155	137	133	142	202
Patents filed***	Nos.	32	32	36	19	15
New products developed	Nos.	15	17	20	12	10
R&D employees	Nos.	311	316	311	300	299
R&D Spend	Million Euros	63	63	57	54	62
R&D Spend	% of revenue	1.23	1.16	1.20	1.24	0.90
Investment in new processes and products (Capex + R&D)	Million Euros	160	129	111	64	73
Investment in new processes and products (Capex + R&D)**	% of revenue	3.10	2.40	2.36	1.47	1.06

Standalone figures of FY 2021-22 includes performance of the recently merged business of erstwhile TSBSL now renamed as Tata Steel Meramandali (TSM).
**includes contract employees*
***based on worldsteel assocation methodology*
****The patents filed refer to priority (i.e. first) filings.*

Statutory Reports

BOARD'S REPORT

To the Members,

Your Directors take pleasure in presenting the 7th Integrated Report (prepared as per the framework set forth by the International Integrated Reporting Council) and the 115th 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, 2022.

A. Financial Results

(₹ crore)

Particulars	Tata Steel (Standalone)		Tata Steel (Consolidated)	
	2021-22	2020-21	2021-22	2020-21
Revenue from operations	1,29,021.35	84,132.92	2,43,959.17	1,56,477.40
Total expenditure before finance cost, depreciation (net of expenditure transferred to capital)	77,891.50	57,009.21	1,80,469.22	1,25,973.14
Operating Profit	51,129.85	27,123.71	63,489.95	30,504.26
Add: Other income	1,452.02	755.11	784.89	895.60
Profit before finance cost, depreciation, exceptional items and tax	52,581.87	27,878.82	64,274.84	31,399.86
Less: Finance costs	2,792.08	4,541.02	5,462.20	7,606.71
Profit before depreciation, exceptional items and tax	49,789.79	23,337.80	58,812.64	23,793.15
Less: Depreciation and amortisation expenses	5,463.69	5,469.26	9,100.87	9,233.64
Profit / (Loss) before share of profit/(loss) of joint ventures & associates, exceptional items & tax	44,326.10	17,868.54	49,711.77	14,559.51
Share of profit / (loss) of Joint Ventures & Associates	-	-	649.16	327.34
Profit / (Loss) before exceptional items & tax	**44,326.10**	**17,868.54**	**50,360.93**	**14,886.85**
Add/(Less): Exceptional Items	(235.45)	741.30	(134.06)	(1,043.16)
Profit before tax	**44,090.65**	**18,609.84**	**50,226.87**	**13,843.69**
Less: Tax Expense	11,079.47	1,531.87	8,477.55	5,653.90
(A) Profit/(Loss) after tax	**33,011.18**	**17,077.97**	**41,749.32**	**8,189.79**
Total Profit / (Loss) for the period attributable to:				
Owners of the Company	-	-	40,153.93	7,490.22
Non controlling interests	-	-	1,595.39	699.57
(B) Total other comprehensive income	694.90	411.41	1,305.42	(7,211.01)
(C) Total comprehensive income for the period [A + B]	33,706.08	17,489.38	43,054.74	978.78
Retained Earnings: Balance brought forward from the previous year	**46,480.00**	**30,803.97**	**16,476.70**	**18,127.82**
Add: Profit for the period	33,011.18	17,077.97	40,153.93	7,490.22
Less: Distribution on Hybrid perpetual securities	1.46	242.34	1.46	242.34
Add: Tax effect on distribution of Hybrid perpetual securities	0.37	60.99	0.37	60.99
Add: Other Comprehensive Income recognised in Retained Earnings	5.67	64.01	366.39	(7,627.26)
Add/(Less): Change in Capital Structure and other movements within equity	9.99	(138.68)	1656.02	(187.98)
Balance	79,505.75	47,625.92	58,651.95	17,621.45
Which the Directors have apportioned as under to:-				
(i) Dividend on Ordinary Shares	3,007.08	1,145.92	3,004.16	1,144.75
Total Appropriations	**3,007.08**	**1,145.92**	**3,004.16**	**1,144.75**
Retained Earnings: Balance to be carried forward	**76,498.67**	**46,480.00**	**55,647.79**	**16,476.70**

Notes:

i. The Board of Directors of the Company, at its meeting held on April 25, 2019, had approved the Composite Scheme of Amalgamation of Bamnipal Steel Limited and Tata Steel BSL Limited (formerly known as Bhushan Steel Limited) into and with the Company (**'Scheme of Amalgamation'**). The Hon'ble National Company Law Tribunal, Mumbai Bench had pronounced the Order on October 29, 2021, approving the aforesaid Scheme of Amalgamation.

The Company, in its standalone financial statements, had accounted for the amalgamation using the pooling of interest method retrospectively for all periods presented as prescribed in Ind AS 103 – "Business Combinations". The figures for the previous periods in the standalone financial statements have been accordingly restated from April 1, 2020. The consolidated financial results include the impact of the Scheme of Amalgamation on accounting adjustments in accordance with the applicable Ind AS provisions. Consequent to the amalgamation, Bamnipal Steel (including Tata Steel BSL) is no longer presented as a separate segment and its steel business is included in Tata Steel India segment with previous periods restated accordingly.

ii. Consequent to the re-classification of South East Asian Operations from "Held for Sale" during the quarter ended March 31, 2021, results from "Continuing Operations" for the previous periods wherever applicable have been re-stated to include these businesses which were earlier presented as "Discontinued Operations". During the year under review, the Company sold its stake in its Singapore operations of NatSteel Holdings Pte. Ltd. (**'NSH'**). The wires business of NatSteel in Thailand (Siam Industrial Wires) has been retained by Tata Steel as part of the downstream wires portfolio.

iii. Figures for the previous periods have been regrouped and reclassified to conform to the classification of the current period, where necessary.

iv. The exceptional items (Consolidated Accounts) in Financial Year 2021-22 primarily represents:

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 and at Tata Steel Utilities and Infrastructure Services Limited.

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 Tata Steel Europe (**'TSE'**) and Tata Steel Thailand.

c. Provision for Employee Separation Scheme (**'ESS'**) amounting to ₹331 crore includes provisions made primarily under Sunehere Bhavishya Ki Yojana (**'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 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 Tata Steel Long Products Limited.

f. Redundancy provisions at TSE amounting to ₹14 crore.

g. Impairment on outstanding deferred consideration at TSE ₹81 crore.

Partly offset by,

a. Profit on sale of subsidiaries and non-current investments in NatSteel Holdings Pte. Ltd. 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.

The exceptional items (Consolidated Accounts) in Financial Year 2020-21 primarily include:

a. Impairment charges (net of reversal) of ₹1,954 crore in respect of property, plant and equipment (including capital work-in-progress), right-of-use assets and other assets primarily at Tata Steel Europe (**'TSE'**), mining operations carried out in Canada, South-East Asian Operations, offset by reversal at Tata Steel Special Economic Zone Limited.

b. Loss from liquidation of subsidiaries amounting to ₹10 crore at TSE.

c. Net Provision for Employee Separation Scheme (**'ESS'**) amounting to ₹444 crore includes provisions primarily made under Special Scheme at Company's Jharia Collieries amounting to ₹467 crore, offset by credit for ESS under Sunehere Bhavishya Ki Yojana (**'SBKY'**) scheme amounting to ₹23 crore at Tata Steel Limited (Standalone).

d. Fair valuation loss on investment in debentures of a joint venture company amounting to ₹50 crore at Tata Steel Limited (Standalone).

Partly offset by,

a. Restructuring and write-back of provisions which primarily includes write-back of provisions at TSE ₹88 crore.

b. Reversal of fair value loss amounting to ₹1,230 crore on reclassification of South-East Asian businesses, earlier recognised as "held for sale".

c. Reversal of impairment of investments provided earlier in one of the Associate company of Tata Steel amounting to ₹70 crore.

d. Profit on sale of subsidiaries includes profit of ₹26 crore on realisation of deferred consideration at TSE.

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 2021-22, the Board has recommended a dividend of ₹51/- per fully paid-up Ordinary (equity) Share (previous year: ₹25/- per fully paid-up Ordinary (equity) Share) and in respect of the outstanding partly paid-up Ordinary (equity) Shares of the Company on which call money remains unpaid as on the date of book closure for the dividend payment, the dividend will be paid in proportion to the amount paid-up on such shares i.e. ₹12.75 per partly paid-up Ordinary (equity) Share of ₹10/- each (paid-up ₹2.504 per share) [previous year: ₹6.25 per partly paid-up Ordinary (equity) Share].

The Board has recommended dividend based on the parameters laid down in the Dividend Distribution Policy and dividend will be paid out of the profits for the year.

The dividend on Ordinary Shares (fully paid-up as well as partly paid-up) is subject to the approval of the Shareholders at the Annual General Meeting (**'AGM'**) scheduled to be held on Tuesday, June 28, 2022 and will be paid on and from Saturday, July 2, 2022.

Based on the Ordinary Shares (fully paid-up as well as partly paid-up) as on the date of this report, the dividend, if approved would result in a cash outflow of ~₹6,233.11 crore. The dividend on Ordinary Shares (fully paid-up as well as partly paid-up) is 510% of the paid-up value of each share. The total dividend pay-out works out to 19% (previous year: 18%) 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 17, 2022 to Tuesday, June 28, 2022 (both days inclusive) for the purpose of payment of the dividend and AGM for the financial year ended March 31, 2022.

3. Transfer to Reserves

The Board of Directors has decided to retain the entire amount of profit for FY 2021-22 appearing in the statement of profit and loss.

4. Capex and Liquidity

During the year under review, the Company, on a consolidated basis spent ₹10,522 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 ₹37,470 crore as on March 31, 2022, comprising ₹24,513 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 is annexed to this Report (**Annexure 1**).

B. Integrated 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 developed by the International Integrated Reporting Council (now known as Value Reporting Foundation).

Our 7th 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.

C. Operations and Performance

1. Impact of COVID-19 on the economy and Company's initiatives in addressing the challenges of the pandemic

The COVID-19 pandemic has led to the unprecedented health crisis and has disrupted economic activities and global trade while weighing on consumer sentiments. During the year under review, the nation experienced high severity and mortality of citizens brought by the second wave of the ongoing COVID-19 pandemic. With intermittent nationwide lockdowns and disruption in regular economic activities, there was price volatility of raw materials and sluggish market demand during first half of the year under review. However, the Company dealt with the pandemic by continuing to focus on operational excellence, marketing strategies, and keeping its employees and community at the core of it.

The health and safety of employees and the communities in which the Company operates continue to be the foremost priority of the Company. To mitigate the risks and challenges faced by the Company during the pandemic, the Company enhanced safety and hygiene norms at offices, implemented work from home, staggered shift timings for safety of employees and leveraged digital platforms for its day-to-day operations. The Company, in collaboration with state governments and hospitals, contributed immensely towards maintaining dedicated covid-care units, providing of liquid oxygen & maintaining oxygen processing plants and undertaking vaccination drives. Further, the Company's three pronged communication strategy – awareness, engagement and reinforcement helped spreading awareness amongst various communities.

During the challenging times, the Company maintained its liquidity position by minimizing cash outflows and maintaining a judicious mix of funding instruments to fulfil its operational requirements.

Further details on various initiatives taken by Tata Steel in addressing the challenges posed by COVID-19 pandemic forms part of the Management Discussion and Analysis forming part of this Report.

2. Tata Steel (Consolidated)

During the year under review, the Tata Steel Group (**'TSG'**) recorded total consolidated crude steel production of 31.03 MnT (previous year: 28.54 MnT), an increase by 9% primarily due to better steel demand. TSG recorded total consolidated deliveries of 29.52 MnT (previous year: 28.50 MnT), an increase by 4%, due to higher exports and higher domestic demand primarily during second half of the year under review.

The turnover of TSG was ₹2,43,959 crore during the financial year 2021-22 (previous year: ₹1,56,477 crore), an increase by 56% primarily contributed by higher steel realisations across geographies along with increase in deliveries. Further, the EBITDA of TSG was ₹63,830 crore [(>2x) of previous year] during the financial year 2021-22, significantly higher as compared to ₹30,892 crore in the previous year, owing to higher revenues, partly offset by increase in input cost.

During the year under review, TSG reported a consolidated profit after tax of ₹41,749 crore which is almost five times higher than the profit after tax of ₹8,190 crore in the previous year. The increase was mainly due to improvement in EBITDA, lower net finance charges due to pre-payments and lower exceptional charge, partly offset by higher tax charge in India due to higher profits.

3. Tata Steel (India Operations)

During the year under review, total deliveries at Tata Steel Limited (Standalone) were at 17.62 MnT (previous year: 16.66 MnT). Turnover was ₹1,29,021 crore (previous year: ₹84,133 crore), an increase of ~53% than that of the previous year. EBITDA from Tata Steel Limited (Standalone) was ₹51,456 crore (previous year: ₹27,340 crore), 88% higher than that of the previous year. During the year under review, the crude steel production in Tata Steel Limited increased by 13% to 18.38 MnT as the previous year was impacted due to COVID-19 pandemic.

Total deliveries of Tata Steel from its Indian operations (including Tata Steel Long Products Limited) stood at 18.27 MnT which is higher than the previous year by 6%. The turnover was ₹1,35,823 crore, an increase by ~53% than previous year and EBITDA (excluding inter-company eliminations and adjustments) was ₹52,745 crore, 85% increase than previous year, both owing to sharp increase in steel realisations and higher steel deliveries which was partly offset by higher operating cost due to increase in imported coal prices and higher iron ore prices.

4. Tata Steel (Europe Operations)

During the year under review, liquid steel production from Europe operations was 10.11 MnT (previous year: 9.55 MnT), an increase of 6%. Deliveries from Europe operations increased by ~2% to 9.02 MnT primarily due to increased demand. Turnover from operations was ₹90,023 crore (previous year: ₹56,051 crore), significantly higher due to increase in average revenue per tonne due to continued increase in selling price and higher deliveries in view of market demand.

Despite the headwinds from COVID-19, there was significant improvement in EBITDA which stood at ₹12,164 crore primarily on account of higher prices, which was partly offset by the increase in raw material prices, increase in maintenance spend, energy prices and employee cost.

D. Key Developments

1. Amalgamation

Amalgamation of Bamnipal Steel Limited and Tata Steel BSL Limited into and with Tata Steel Limited

The Board of Directors of the Company, at its meeting held on April 25, 2019, approved the amalgamation of Bamnipal Steel Limited and Tata Steel BSL Limited (**'TSBSL'**), into and with the Company by way of a composite scheme of amalgamation (**'Scheme'**). The Scheme was approved by the shareholders of the Company by requisite majority at their meeting held on March 26, 2021. On receipt of the approval of the shareholders, the Company filed the 'Company Scheme Petition' with the Hon'ble National Company Law Tribunal (**'NCLT'**), Mumbai Bench with the prayer to sanction the Scheme. After several hearings, on October 29, 2021, the NCLT pronounced the Order sanctioning the above-mentioned Scheme (the Appointed Date being April 1, 2019). On November 11, 2021, the parties to the Scheme made necessary filings with the statutory authorities and accordingly, the Scheme became effective from November 11, 2021.

As per the terms of the Scheme, the Board of Directors of the Company at its meeting held on November 11, 2021, approved the issuance of one fully paid-up Equity Share of Tata Steel Limited of face value ₹10/- each for every fifteen Equity Shares of TSBSL of face value ₹2/- each upto 1,99,34,052 equity shares, to eligible shareholders of TSBSL as on the Record Date i.e. November 16, 2021. Further, cross-holding of equity shares and/or preference shares amongst the parties to the Scheme, inter-se, stood cancelled. On November 23, 2021, the Board of Directors of the Company approved the allotment of 1,82,23,805 fully paid-up Equity Shares to the eligible shareholders of TSBSL. As on date, Bamnipal Steel Limited and TSBSL stands amalgamated into and with Tata Steel Limited.

2. Acquisitions, Investments and Portfolio Restructuring

Acquisition of Neelachal Ispat Nigam Limited

On January 31, 2022, Tata Steel Long Products Limited (**'TSLP'**), a listed subsidiary of the Company, was announced as the winner of the bidding process to acquire 93.71% stake in the 1 MnTPA Neelachal Ispat Nigam Limited (**'NINL'**) in accordance with the process run by Department of Investment and Public Asset Management, Government of India. NINL is a strategic acquisition for Tata Steel due to its close proximity to Kalinganagar Steel Plant, its steel making capacity, its 2,500 acres of land for future growth and iron ore reserves of around 100 MnT. This will help Tata Steel to boost its long products business.

On March 10, 2022, the Company and TSLP executed a Share Sale and Purchase Agreement with NINL and its principle shareholders for acquisition of the said stake for an aggregate consideration of ₹12,100 crore, which reflects the enterprise value (including all recorded liabilities) as part of the said acquisition.

Investment in Tata Steel Long Products Limited

On March 17, 2022, Tata Steel acquired 10,00,00,000 – 0.01% Non-Convertible Redeemable Preference Shares of face value ₹100/- each (**'NCRPS'**) of Tata Steel Long Products Limited (**'TSLP'**), aggregating to ₹1,000 crore. On March 30, 2022, Tata Steel further acquired 117,00,00,000 NCRPS of TSLP, aggregating to ₹11,700 crore. Through these fundings, Tata Steel assisted TSLP in funding growth plans including acquisition of NINL.

The Company's equity shareholding in TSLP remains at 74.91%.

Acquisition of Rohit Ferro-Tech Limited

The Company was exploring opportunities to meet its production target for ferro alloys and considering the strategic attractiveness, competitive intensity and expected synergy benefits, identified Rohit Ferro-Tech Limited (**'RFT'**) as a target company to be acquired through Tata Steel Mining Limited (**'TSML'**), wholly-owned subsidiary of Tata Steel, under the Corporate Insolvency Resolution Process (**'CIRP'**) of the Insolvency and Bankruptcy Code, 2016 (**'Code'**).

On June 5, 2021, the Committee of Creditors, in terms of the CIRP of the Code, declared TSML as the successful resolution applicant for the acquisition of RFT, subject to necessary regulatory approvals including approval from the NCLT, Kolkata Bench. On April 7, 2022, the NCLT pronounced the Order approving the Resolution Plan submitted by TSML for acquisition of RFT. As per the Resolution Plan, TSML acquired 90% equity stake in RFT for ~₹617 crore.

On April 11, 2022, in terms of the Resolution Plan, the Company (through TSML) completed the acquisition of 90% stake in RFT and the remaining 10% stake was acquired by the assenting financial creditors of RFT towards conversion of a portion of their loans. For the purpose of this acquisition, the Company, as one of the funding modes, infused ₹625 crore into TSML by acquiring 32,63,70,757 equity shares of TSML of face value ₹10/- each for a premium of ₹9.15 per share.

Acquisition of Preference Shares of Angul Sukinda Railway Limited

On December 15, 2021, the Company executed a long-term agreement with Angul Sukinda Railway Limited (**'ASRL'**), for the construction, operation and maintenance of an alternate railway line (**'Additional Rail Line'**). The agreement has been entered into for a period of 20 years to meet the logistic requirements of the Company's Kalinganagar Steel Plant. The entire expenditure for construction of the Additional Rail Line of ₹400 crore will be funded by the Company in a phased manner by subscribing to 40,00,00,000 Non-Convertible, Non-Cumulative, Redeemable Preference Shares of face value ₹10/- each of ASRL.

Increase in stake in Medica TS Hospital Private Limited

On January 7, 2022, the Company's equity stake in Medica TS Hospital Private Limited (**'MTSHPL'**), a joint venture of Tata Steel, increased from 26% to 51% due to conversion of 5,102 Optionally Convertible Debentures (**'OCDs'**) of ₹1,000 each into 5,10,200 Equity Shares of ₹10/- each of MTSHPL. Further, 4,92,298 OCDs of ₹1,000 each were also converted into 0.1% of Optionally Convertible Redeemable Preference Shares of ₹10/- each of MTSHPL. Accordingly, during the year under review, MTSHPL became a subsidiary of the Company from being a joint venture of the Company.

Acquisition of stake in Ceramat Private Limited

The Company has identified Advanced Ceramics as one of the new materials for strategic growth. The Company was exploring opportunities to set up a world-class facility to produce medical materials and identified Ceramat Private Limited as a special purpose vehicle for this purpose.

On February 28, 2022, Tata Steel Limited through Tata Steel Advanced Materials Limited, wholly owned subsidiary of the Company, executed a Share Purchase cum Shareholders' Agreement for acquisition of 90% equity stake in Ceramat Private Limited. The said acquisition was completed on March 16, 2022 for a cash consideration of ₹90,000.

Acquisition of itemized assets from Stork Ferro and Mineral Industries Private Limited

On March 30, 2022, the Company executed an Asset Transfer Agreement with Stork Ferro and Mineral Industries Private Limited for acquisition of itemized assets to produce ferro alloys for a cash consideration of ₹155 crore (excluding applicable taxes).

Acquisition of entire stake held by Steel Authority of India Limited in S & T Mining Company Limited

On April 5, 2022, the Company had executed a Share Purchase Agreement with the Steel Authority of India Limited (**'SAIL'**) for acquisition of the entire equity stake of SAIL (50%) held in S&T Mining Company Limited (**'S&T Mining'**). On April 11, 2022, the said acquisition was completed and S&T Mining ceased to be joint venture of the Company and became its wholly-owned subsidiary.

Portfolio restructuring of Tata Steel Group Companies

The Company had previously announced that it is embarking on a comprehensive strategic organization level restructuring and consolidation of its diversified business portfolio of its group companies (**'Tata Steel Group Companies or TSGCs'**). The strategic objective is to group the TSGCs under 4 distinct clusters viz. (a) Long Products (b) Downstream (c) Mining and (d) Utilities and Infrastructure Services, each controlled through a subsidiary company of the Company, which will be responsible for nurturing and scaling the business of its respective cluster to become a leading strategic player in the industry.

In line with the above objective, the Company during the year under review, transferred its entire shareholdings in (a) Tata Steel Special Economic Zone Limited, (b) Adityapur Toll Bridge Company Limited (c) Himalaya Steel Mill Services Private Limited (d) Tata Pigments Ltd. (e) Jamipol Limited (f) Nicco Jubilee Park Limited to Tata Steel Utilities and Infrastructure Services Limited (Company's wholly-owned subsidiary), and entire shareholding in Tata Steel Advanced Materials Limited (formerly Tata Steel Odisha Limited) to Tata Steel Downstream Products Limited (Company's wholly-owned subsidiary).

3. Divestments

Sale of shares in NatSteel Holdings Pte. Ltd.

On September 30, 2021, T S Global Holdings Pte. Ltd. (**'TSGH'**), an indirect wholly owned subsidiary of Tata Steel Limited, set up in South-East Asia, executed definitive agreements with Toptip Holding Pte Ltd. to divest its entire stake held in NatSteel Holdings Pte. Ltd., for an equity value of US$ 172 million (₹1,275 crore). However, the wires business of NatSteel in Thailand (Siam Industrial Wires) will continue to be in operations under TSGH as part of downstream wires portfolio.

4. Financing and Debt Redemption

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 ₹7.496 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, issued by the Company, on a Rights basis, pursuant to the Letter of Offer dated January 22, 2018.

Pursuant to the First and Final Call, the Stakeholders' Relationship Committee (**'SRC'**), duly authorised by the Board, on March 24, 2021 approved the conversion of 7,02,49,241 partly paid-up equity shares of face value ₹10/- each into fully paid-up equity shares of face value ₹10/- each, against which the first and final call money of ₹461/- (comprising ₹7.496 towards face value and ₹453.504 towards securities premium) per share was received.

During the year under review, the SRC, approved the conversion of 71,64,259 partly paid-up equity shares of face value ₹10/- each into fully paid-up equity shares of face value ₹10/- each, against which the First and Final Call money of ₹461/- per share was received. The converted shares rank *pari passu* with the existing fully paid-up equity shares of the Company.

As on March 31, 2022, the Company has 2,23,288 partly paid-up equity shares on which the first and final call money remains unpaid.

Debenture Redemptions

On May 11, 2021 the Company exercised its Call Option to redeem 11.50% Perpetual Hybrid Securities of the Company aggregating to ₹775 crore, as per their terms of issue. On April 22, 2022, the Company redeemed its 2% Non-Convertible Debentures aggregating to ₹1,500 crore as on the due date.

Credit rating

During the year under review, international rating agency S&P Global Ratings upgraded Tata Steel's Corporate Family Rating by four notches to 'BBB-' Outlook: Stable from 'B+' Outlook: Stable. With the upgrade, Tata Steel has become an investment-grade rated entity in the international markets. Further, Moody's also upgraded the rating by one notch to 'Ba1' Outlook: Stable from 'Ba2' Outlook: Stable due to its better-than-anticipated operational performance and reduction in gross debt during FY 2021-22.

Domestic rating agencies upgraded Tata Steel's Ratings by one notch: India Ratings upgraded Tata Steel's long-term credit rating by one notch to 'AA+' Outlook: Stable from 'AA' Outlook: Stable. CARE Ratings upgraded Tata Steel's long-term credit rating by one notch to 'AA+' Outlook: Stable from 'AA' Outlook: Negative'. Brickwork Ratings also upgraded Tata Steel's long-term credit rating to 'AA+' Outlook: Stable from 'AA' Outlook: Stable.

Sub-division of Ordinary Shares of the Company

On May 3, 2022, the Board of Directors of the Company, in order to enhance the liquidity in the capital market, to widen shareholder base and to make the shares more affordable to small investors, 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, subject to the approval of the Shareholders of the Company and other necessary approvals.

Further, there will be consequential amendments in the Capital Clause of the Memorandum of Association of the Company and Articles of Association of the Company, subject to approval of the Shareholders of the Company at the ensuing AGM scheduled to be held on June 28, 2022.

Details on the proposal forms part of the AGM Notice forming part of this Integrated Report & Annual Accounts 2021-22.

5. Operations

Commissioning of first Steel Recycling Plant in Rohtak, Haryana

On August 18, 2021, the Company commissioned its new 0.5 MnTPA Steel Recycling Plant at Rohtak, Haryana in collaboration with Aarti Green Tech Limited on 'Build-Own-Operate' basis. It is the first such facility in the country and is equipped with modern and mechanized equipment such as Shredder, Baler, Material Handler amongst others. The scrap would be procured from various market segments such as end-of-life vehicles, obsolete households, construction & demolition, industrial etc., and processed through mechanised equipment and the high-quality processed scrap would be supplied for downstream steel making. Steel produced through this recycled route will lead to lower carbon emissions, resource consumption and energy utilisation.

E. Sustainability

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. Aspirations of taking the Company's carbon emissions to <1.8 tCO_2/tcs, mitigating dependence on fresh water by lowering specific freshwater consumption to <1.5 m^3/tcs, no harm to biodiversity and inclusion of critical supply chain partners for Company's ESG risk assessment and mitigation are significant facets of this strategy. In Europe, the Company has embraced a target to achieve carbon neutrality of its steel making operations by 2050.

The Company takes it as its inherent responsibility to protect the rights of its stakeholders. During the year under review, the Company has adopted the Business and Human Rights Policy and institutionalised a governance structure towards its deployment. 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 in February 2020, 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 sustainable supply chain.

The Company continues to be committed to serve its customers through a portfolio of eco-friendly products and disclosure of the environmental impact of its products by using 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. The Company has completed the LCA study for products manufactured at its plants at Meramandali (Odisha), CRM Bara in Jamshedpur (Jharkhand) and the plant site of its subsidiary, Tata Steel Long Products Limited situated at Gamharia (Jharkhand). The Company has also carried out LCA study for structural tubes and hollow section products manufactured at Tata Steel Tubes division, Jamshedpur (Jharkhand) and other production units across India. The Company has also carried out LCA study for its Fibre Reinforced Polymer (**'FRP'**) product to understand its environmental impact. During the year under review, Tata Tiscon became India's first GreenPro certified TMT rebar brand. 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 react 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 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, 2022, the Company has implemented BMPs across 13 locations in India.

1. Environment

Being a responsible corporate citizen, Tata Steel continues to strive for environmental sustainability across operations. Towards 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 all its operating locations, globally. The Company endeavours to practice responsible advocacy on regulatory issues and actively participates in various national and international organisations on diverse issues.

Guided by our Code of Conduct and internal corporate policies, Tata Steel 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. Towards this, the Company has taken several initiatives in areas of resource conservation, pollution control and sustainable practices for waste management, amongst others. Tata Steel has adopted environment friendly processes, best available technologies, real-time monitoring systems and IT enabled dashboards to facilitate environmental responsiveness. Tata Steel maintains transparency in its environmental performance through various disclosures and reporting made to stakeholders from time to time. The Company has digitized 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. During the year under review, these digital monitoring practices have been recognised as "synergized" in the DATOM assessment forming part of the established digital ecosystem across enterprise and its value chain. During the year under review, Tata Steel has taken initiatives to retain its Indian benchmark position in CO_2 intensity, specific stack dust emissions and specific water consumption. The Company's newly commissioned UV based Cyanide treatment plant at Coke Oven#2 at Angul Works, got recognition by Tata Innovista Awards 2021.

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 across all geographies. The Company is committed to being aligned with India's Nationally Determined Contribution (**'NDC'**) and the European Union's commitment on climate change. In India, the Company has successfully reduced its carbon footprint in past sixteen years by improving resource efficiency and technology and strives to attain carbon emission intensity of <1.8 tCO_2/tcs by 2030. To be aligned to its carbon emission target, Tata Steel is taking a range of efforts across the organisation for Greenhouse Gas Emission reduction activities that include increasing efficiency of operations, use of recycled clean scraps, Carbon Capture and Utilization (**'CCU'**), and hydrogen-based steelmaking.

The Company is signatory to the Task Force on Climate-related Financial Disclosures (**'TCFD'**) for climate change 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. To move closer towards lower carbon pathway, the Company is working towards installing 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. During the year under review, the Company has successfully tried injection of Coal Bed Methane (type of natural gas) in one of its Blast Furnaces to reduce carbon intensity by replacing metallurgical coke.

In India, the Company, in collaboration with various startups, academia and other organizations of repute, is working towards developing various projects with primary focus on decarbonization. During the year under review, the Company commissioned the CCU pilot plant at Jamshedpur Works, the first of its kind in India that extracts CO_2 directly from the Blast Furnace gas. The Company aspires to emerge as a business leader across the hydrogen and CCU value chain.

Tata Steel is also working towards minimising emission standards. With the advent of electrification of vehicles and renewable energy system, the Company is taking efforts to increase the use of renewable energy along with inclusion of high range electric mobility system. During the year under review, Tata Steel became the first steel producer in India in transporting steel products in Electronic Vehicles with a minimum carrying capacity of 35 tonnes of steel.

Tata Steel is collaborating with wide range of organisations in developing the ecosystem to mitigate climate change transition risk. The Company is also working on the assessment of the physical risks present at plant sites of operation and developing adaption strategies for the same.

3. Health and Safety

Health and Safety Management remains the Company's foremost priority and we are committed to achieve 'Zero Harm'. In pursuit of this objective, the Company continues to work on six strategies viz. build safety leadership capability at all levels to achieve zero harm, achieve zero harm to contract employees by strengthening deployment of contractor safety management standard, improve competency and capability for hazard identification & risk management, improve road & rail safety across the Company, excellence in process safety management, and establish industrial hygiene and improve occupational health.

During the year under review, the Company undertook proactive measures to minimize the impact of the COVID-19 pandemic on the Company's workforce through agile decision making and timely and effective deployment of several policies and measures for the benefit of the employees. A novel initiative, the 'POD concept', which involves self-sufficient groups of people having self-contained set of skills to do an intended job, was formed. It was deployed at manufacturing and raw material locations as well as at profit centres to tackle the spread of COVID-19 within the Company premises. During the year under review, the Company's efforts for ensuring safety and business continuity during the pandemic period was recognized by the World Steel Association.

The Company took several initiatives to improve the health and safety standards of its employees, including rolling out a Reward and Recognition Policy for Indian operations to encourage positive safety behavior among employees. Further, to boost employee morale during the pandemic situation, the Company organized the 'SHE Excellence Award', recognizing and rewarding employees/departments for their remarkable contribution towards maintaining 'safety, health and sustainability' within the Company.

The Company took initiative to enhance the competency of the workforce and provided safety training at the Safety Leadership Development Centre formed by the Company. The Company took several efforts in training the majority workforce in simplified safety standards through e-modules which helped the Company to strengthen safety competency.

Contractor's safety has always been a priority for the Company. During the year under review, the Company introduced 'Ghar Se Ghar Tak' programme for the contractor workers along with their families, to improve discipline and behavior amongst themselves. Contractor Safety Management System (**'CSMS'**) has been deployed in all stockyards and Steel Processing Centres of Tata Steel as well as across Tata Steel Group Companies.

Further, the initiative to roll out Process Safety through 'Centre of Excellence' (**'CoE'**) methodology gained momentum, enhancing the process safety competency for employees. Currently, the process safety through CoE, has been rolled out to 43 departments across locations as well as amongst Tata Steel Group Companies. The Company has rolled out an integrated Asset Management Framework across India operations after considering a similar framework existing in Europe.

The Company has set up 'Tactical Centre', for business continuity management during emergencies at Tata Steel Jamshedpur. This centre will be responsible for triggering control measures through digital information feed from various stakeholders and similar facilities are being established at Tata Steel Kalinganagar and Tata Steel Meramandali. To provide a holistic approach towards the adoption of digital and technology in maintaining safety within the organization, the Company has formed an internal Apex Digital & Technology Safety Sub-Committee to focus on maximizing the leverage of current digital initiatives and designing new initiatives to bolster our key strategies.

Towards Occupational Health, the Company has implemented a comprehensive Industrial Hygiene program 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, more than 500 awareness sessions on 'Health & Well-being' have been organized across Tata Steel India for the employees and contract employees. These sessions have helped in reduction of high-risk cases of lifestyle diseases by 57%.

Fatality of people working at Tata Steel premises has been the topmost safety concern for the Company. It is with deep regret that the Company reports 3 fatalities during the year under review. The Company launched hazard specific Safety campaigns viz. 'Slip/Trip/Fall', 'Hands are not Tools', 'Zero Toppling', amongst others, across locations to address gaps and improve safety awareness. Deployment of various safety initiatives helped the Company in achieving 14% reduction in first-aid cases where as increase in Slip/Trip/Fall related Lost Time Injuries still remain a major concern.

At Tata Steel Europe, health and safety continues to be of utmost priority. In another year dominated by the COVID-19 pandemic, the Company responded with pace and with a coordinated agile approach to protect the health and well-being of all employees and stakeholders. Effective communication and engagement was key to maintain safe and healthy working environment and to recognize the challenges to employee's health and well-being. With this backdrop, the overall safety performance of the Company improved, and the Company reported no fatalities in Europe during the year under review.

4. Research and Development

Conservation of the environment and sustainability has always been an important area for the Company. During the year under review, the Research and Development (**'R&D'**) team of the Company has focused in areas such as reduction in Green House Gas emissions, achieving water neutrality and use of low-grade raw materials. The Company strives towards reducing its carbon footprint and in alignment to this, the Company has significantly progressed towards setting up and operating high-end technology driven plant such as 5 TPD (tonne per day) CO_2 capture plant and Cyanide removal plant based upon patented UV oxidation process.

The Company has also demonstrated continuous injection of Coal Bed Methane in Blast Furnace at Jamshedpur operations in order to reduce use of coal/coke in Blast Furnace which in turn would further reduce CO_2 emissions. Hydrogen is seen as another potential solution to decarbonize steel industry and towards this, the Company has initiated several research programs in collaboration with research institutes towards production of hydrogen through sustainable process. Working in line with the theme of efficient usage of raw materials, a novel slag modifier has been developed which allows smooth Blast Furnace operations even with high alumina iron ore material. This process is patented and has potential to substantially contribute towards the cost saving of the Company.

Amongst the notable new product development, the R&D team of the Company has developed a novel process of manufacturing a new variant of pearlitic (C80) steel used to modify the microstructure to spheroidised carbides in hot rolled condition. Crash is one of the most important design considerations for automotive engineers. Tata Steel has established a facility for studying deformation behaviour of steels at high strain rates which are usually seen during crash.

Tata Steel R&D team is a pioneer in adding this facility which is so far available only at a few Government Research Centres in India.

Our thrust on innovation is visible as the Company has filed 125 new patent applications during the year under review, which is highest ever number achieved by Tata Steel.

In Europe, R&D has contributed to the development of various new products and has been involved in the development and implementation of new process control models and other process improvements. In the Netherlands, the Company has progressed in its product developments which includes 27 & 38MnB5 steels (high strength heat treatable BMn steels used in agricultural applications by the engineering-sector), Serica-FLO (a new GI-based, zinc coating for exposed panels used by automotive sector) and HR-S355MC with guaranteed toughness at thick gauge (a HSLA grade with high impact toughness at low temperatures). The Company has also introduced various process improvements which includes implementation of coating weight control on Galvanising Line to visualise the hearth wear in Blast Furnaces, and setting up of new design of oxygen blow profiles to prevent slopping at convertor processes. Further, R&D has also been vital in getting many potential new products to reach higher level of Technology Readiness throughout the year and support the customer interactions on a technical level. Research & Development continues to help the Company 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.

In the United Kingdom, the R&D department supports the business needs of new product development, process and product improvements and providing customer support. The Company has identified automotive VAVE/EVI, Engineering Performance Analyses, Construction and Conveyance Solutions as specific competency areas. Amongst new process development, the Company has developed a software for automated release of Hot Rolled products, the use of Through Process Record set tool and Advanced Analytics Toolbox to investigate the long-standing caster laminations problem. The Company has made significant achievement in product differentiation by innovating eco-friendly Microwave curing coatings on steel. During the year under review, the Company has strengthened its collaboration with various global Universties so as to contribute to research and development and deliver the much needed technology support to meet business requirements. The Company has also worked with Steel and Metals Institute SaMI at Swansea University on better utilisation metrics.

5. New Product Development

During the year under review, the Company developed 62 new products in India. For superior customer experience, the Company has adopted best in class manufacturing practices, invested in product branding and developed its products to best serve its customers. During the year under review, the Company has taken initiatives to develop high end, niche products in Automotive and Industrial Products, Projects and Exports segment through continuous engagement with customer. On the automotive segment, some of the significant developments bolstering growth in high end automotive grades in India includes development of 22MnB5 used for heat treated long member application, S700MC [thin] used for automotive structural application, E450 used for axle housing applications and JSH 590B having >75% hole expansion ratio. In the API (American Petroleum Institute) segment, noteworthy developement includes successful commercialization of J55 for OCTG (Oil Country Tubular Goods) application in export segment. During the year under review, the Company has moved to advance stages of development of X42 and X60 with stringent sour performance guarantee. The Company made significant advancement towards niche Lifting & Excavation (**'L&E'**) products by developing S700MC, first of its kind in India, with guaranteed toughness at -40°C, primarily used in telescopic boom application. This product advancement had led to import substitution and customer delight.

Further, to maintain leadership position in rebar segment, the Company developed Fe550SD with higher strength and ductility and commercialized it in size range of 6mm to 25mm. Also, higher sizes of high strength rebars of Fe600HD and Fe550D were developed to cater to niche requirements in various projects in areas of construction and infrastructure. In order to cater to the new requirements of high strength wire rods for LRPC and spring application, new grades such as HC82Cr[LR HT], HC82BCr[SH HT], PC300K were developed. These grades have been developed as first of their kind in India and they provide increased drawing speed, increase in die life and better mechanical properties in the final product.

In Europe, 13 new products were launched during the year. These launches include major developments for automotive, engineering, and construction markets in the Netherlands and construction and energy markets in the United Kingdom. In the Netherlands, in the automotive segment, the Company improved the product performance of Serica® range thereby offering premium surface finish for market-leading paint appearance for automotive outer body applications. Additionally, to cater to premium customers, the Company has introduced new offerings of nickle-plated steel for application in rechargeable batteries used in Electric Vehicles. In the construction sector, the Company launched products which extended the capability of linepipe offerings for offshore Oil & Gas application in the X65/X70 grade range and improved the sustainability of the Contiflo® range of precision tubes with an odour free and low environmental impact internal coating aligned to latest environmental standards. The Company also introduced Sinusoidal Roof Panel which is the future-proof solution for asbestos replacement market. In the engineering sector, the Company has launched two additional hot-rolled grades - 27MnB5 and 38MnB5, to strengthen its heat treatable, manganese boron portfolio. In the United Kingdom, the

Company commercialized the Colorcoat® High Reflect Liner A+ organic coated steel product, thereby catering to customer requirement towards a sustainable internal coating with A+ VOC which will reduce energy consumption and CO_2 emission in construction sector. Additionally, the API X65/X70 energy tube range produced at Tata Steel's Hartlepool facility was extended to target the large diameter, thin wall segment to cater to the requirements of a niche market.

6. Customer Relationship

The year under review continued to be a challenging year for the global economy with two major waves of COVID-19 pandemic. During such challenging times, the Company stood steadfast with its customers, partners, and other stakeholders and continued to work on its effort to strengthen this relationship. The Company's digital initiatives served as a big game changer during the pandemic and helped the Company to revitalize its engagement with existing customers and reach new customers in unserved territories and markets.

The Company continued its efforts to enhance its relationship with automotive manufacturers and their large value chain partners. Considering the changing business requirements and to serve the customers better, the Company focused towards fast growth 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, the Company's digital initiatives such as digital VAVE (Value Analysis and Value Engineering) workshops through e-DRIVE platform, supply chain visibility through COMPASS platform and complaint handling through TSLCares app, has enhanced value driven engagements with customers.

In B2B segment, the Company has formed cross functional Customer Service Teams (**'CST'**) with key customer accounts for building and nurturing relationships. VAVE initiatives for L&E segment also helped in customer value creation. Further, to enhance service levels to Oil & Gas customers during the pandemic, the Company extended virtual third-party inspection facility through close co-ordination amongst multiple internal and external stakeholders. The Company has also collaborated with the World Steel Association (through ConstructSteel forum) to support them in their effort to improve steel intensity in construction in India.

The Company continued to nurture the relationship with MSME customers through 'Ecafez', an online platform where training workshops, events, quality focused webinars and Micro-segment specific Engagement Programs were conducted. During the year under review, 180 Ecafez Qualithon engagements were conducted and the 'Ecafez 360' app saw 8,000+ new influencers. The Company also conducted eight new ECA connects for insightful discussions with over 800 MSMEs / ECAs (Emerging Corporate Accounts) spread across 20 microsegments. DigEca, a digital solution for ECA business, has created real-time, segment visibility of sales for channel partners and end customers.

Our flagship galvanized retail brands, Tata Shaktee and Tata Kosh, undertook various marketing initiatives to engage with stakeholders and increase brand loyalty among consumers. Tata Sampoorna, the channel management platform for Tata Shaktee was launched for improving consumer (R2C) level leads visibility. Tata Shaktee reached out to over 10,000 farmers across India via Kisan meets conducted on Kisan Diwas. The Company's e-selling platform "Aashiyana" through which we sell multiple B2C brands crossed a turnover of ₹1,468 crore as against ₹726 crore in previous year. Further, Tata Kosh doubled its volumes to 125 KT in FY 2021-22 as against 67 KT in FY 2020-21 by reaching out to over 35 lakh consumers and over 5,000 fabricators.

'Golden Home Consumer' - Tata Tiscon's loyalty and advocacy programme for Individual House Building segment, strengthened its digital platform and the brand touched 19,000+ consumers.

In the Services and Solutions segment, the Company has two major offerings – Tata Pravesh steel doors and windows and Nest-In, a smart steel based modular construction solution. During the year under review, amidst the pandemic, Tata Pravesh became the first brand in doors and fenestration industry to set up Authorized Service Centre - SmartCare for its customers to provide them with superior and uniform customer experience through professionally trained service team, supported by augmented IT infrastructure and best in class industry practices. During the year under review, Tata Pravesh installations grew by ~34% over previous year. Additionally, Tata Pravesh expanded its Privileged Dealer network to 350 outlets.

Nest-In has built competency in developing and sustaining long-term value-creating partnerships with its customers and channel partners through unique interventions and innovative services across several stages of the customer life cycle. The Company has taken initiatives towards strengthening customer relationships by leveraging digital tools like SFDC for lead management, MS Project for time and cost compliance, AR-VR (Augmented Reality - Virtual Reality) facility for providing key solutions to customer amongst others. These initiatives have helped the Company to transfer information seamlessly with customers starting from their order placement till product delivery. Additionally, Nest-In has developed capability of executing more than 60 projects across locations at any given time which has helped in converting revenues into profits and strengthening customer relations.

Further, the Company also launched two new brands - Tata FerroBaled® and Tata FerroShred® for the baled & shredded ferrous scrap processed in the new facility at Rohtak, Haryana, India. These are high quality processed scrap and they promise to provide the much-needed raw material fillip to Tata Steel /Indian steel industry by making available quality processed ferrous scrap and reducing the dependency on imports.

In Europe, the Company partners with customers to help them excel in their market, co-creating more responsible and sustainable value throughout the entire value chain. As part of its Transformation Programme, the Company has improved its integrated initiatives such as the 'Commercial Topline' for driving quality improvements, and has undertaken initiatives to optimise the product mix, and identify and capture additional opportunities in the market. 'Commercial Excellence' improvement has been acknowledged in the Tata Business Excellence Model assessment. The Company also has a value chain transformation programme previously known as 'Ops 1 & 2' which focusses on performance throughout the value chain. European operations are increasing its focus on business development to achieve a balanced portfolio in terms of both products and customer setup. 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. Along with products, the Company also offers services such as e-Commerce webshops and coil sales utilising Dutch Auction methodology.

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 around 2.87 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, prioritizing 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 ₹406 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 Europe, the Company maintains close relationship with employees, customers, local residents, NGOs and educational institutions in driving community development programmes and provides guest lectures on various environmental related topics including role of steel in our society and processing method of steel. In the Netherlands, the Company is closely involved in the Technochallenge Foundation, which organises various activities for primary and secondary schools. During 2021, Promotie Evenement Techniek event in Beverwijk, Holland was attended by 67 primary schools who were introduced to recent technologies. Further, on April 21, 2021, the Company also celebrated 'Girl's Day' and organized an online programme to introduce girl students to the world of science and technology.

The Company strives to contribute to the future social wellbeing of its local communities through a Community Partnership Programme, 'Future Generations' which makes donations and organises activities focused on education, environment as well as health and well-being. The Company sponsors local activities and supports charities. The Company also co-operates a programme named 'Telstar at home in the neighbourhood'. As part of this programme, children with learning difficulties are coached towards a healthy lifestyle.

The Company also sponsors local sports teams and children's events which promote community spirit and brings improvement in fields of healthy eating, teamwork and behavior. The Company also engages with communities as an existing and potential workforce, running programmes to involve young people, and girls in particular, so that they can discover the interesting career opportunities that our organisation offers.

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, is annexed to this Report (**Annexure 3**).

1. Meetings of the Board and Committees of the Board

The Board met six 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 Report.

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 and 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;

During the year under review, there were no substantive changes in the Policy except to align the Policy with amendments made to applicable laws and the same is available on the website of the Company at https://www.tatasteel.com/media/6816/policy-on-appointment-and-removal-of-directors.pdf

3. Familiarization 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 familiarize 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 organized 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/familiarization-programme-for-independent-directors-for-website.pdf

4. Evaluation

The Board evaluated the effectiveness of its functioning, of the Committees and of individual Directors, pursuant to the provisions of the Companies Act, 2013 (**'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 Chairperson 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 IDs and the meeting of NRC, the performance of the Board, its committees, and individual Directors were discussed.

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 the ESG landscape, stakeholder engagement, safety performance including digital interventions and risk management.

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 (**'KMP'**) 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, KMP 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 and Non-Executive Directors.
- 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 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 Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, 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.

7. Directors

The year under review saw the following changes to the Board of Directors (**'Board'**).

Inductions to the Board

i. Based on the recommendations of the NRC, the Board, on August 12, 2021, in terms of the provisions of the Companies Act, 2013, appointed Ms. Farida Khambata (DIN: 06954123) as an Additional Director of the Company. 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. Khambata as an Independent Director of the Company, not liable to retire by rotation, for a period commencing from August 12, 2021 through December 10, 2024, (i.e. up to Ms. Khambata attaining the age of 75 years). Ms. Khambata brings to the Board her extensive knowledge and experience in areas of Governance, Risk Management and Finance. On March 25, 2022, the Shareholders of the Company, by way of a special resolution passed through postal ballot, approved the appointment of Ms. Khambata as an Independent Director of the Company for the above-mentioned tenure.

ii. Based on the recommendations of the NRC, the Board of Directors of the Company, on October 11, 2021, in terms of the provisions of the Companies Act, 2013, appointed Mr. David W. Crane (DIN: 09354737) as an

Additional Director of the Company. 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 Mr. Crane as an Independent Director of the Company, not liable to retire by rotation, for a period commencing from October 11, 2021 through October 10, 2026. Mr. Crane brings to the Board his extensive knowledge and experience in areas of health, safety, environment and sustainability. On March 25, 2022, the Shareholders of the Company, by way of a special resolution passed through postal ballot, approved the appointment of Mr. Crane as an Independent Director of the Company for the above-mentioned tenure.

iii. The NRC after considering, (1) performance evaluation of Mr. Deepak Kapoor (DIN: 00162957) as a Member of the Board/Commitees, (2) his contribution in Board/ Committee deliberations during his tenure as an Independent Director and (3) his skills, background and experience, recommended to the Board for his re-appointment as Independent Director for a second term of five years. The Board unanimously endorsed the view of the NRC and recommended to the Shareholders of the Company, the re-appointment of Mr. Kapoor as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years, effective April 1, 2022 through March 31, 2027. On March 25, 2022, the Shareholders of the Company, by way of a special resolution passed through postal ballot, approved the re-appointment of Mr. Kapoor as an Independent Director of the Company for the above-mentioned tenure.

iv. Based on the recommendations of the NRC, the Board of Directors of the Company, on March 28, 2022, in terms of the provisions of the Companies Act, 2013, appointed Mr. Noel Naval Tata (DIN: 09354737) as an Additional Director (Non-Executive, Non-Independent) of the Company. Further, the Board considering his experience, designated Mr. Noel Naval Tata as the Vice – Chairman of the Board. Mr. Noel Naval Tata brings to the Board his extensive knowledge and experience in areas of operations, strategy, risk management, financial, societal and governance matters.

v. Mr. V. K. Sharma has served as a Non-Executive Director on the Board of the Company since August 24, 2018. At the time of the appointment as a Member of the Board, Mr. Sharma was the Chairman of Life Insurance Corporation of India (**'LIC'**), a shareholder of Tata Steel Limited. Mr. Sharma ceased to be the Chairman of LIC effective December 31, 2018. On March 28, 2022, Mr. Sharma conveyed his intention to step down as representative of LIC and resigned as the Non-Executive Director of the Company with immediate effect. However, the NRC, after considering, (1) his performance as Member of the Board, (2) background, qualification, skills & attributes and (3) his contribution to Board/Committee deliberations during his tenure as a Director of the Company, considered the proposal to appoint Mr. Sharma as an Independent Director of the Company for a term of five years from March 28, 2022 through March 27, 2027 (both days inclusive) and accordingly recommended the same to the Board.

Based on the recommendations of the NRC, the Board of Directors of the Company, on March 28, 2022, in terms of the provisions of the Companies Act, 2013, appointed Mr. V. K. Sharma (DIN: 02449088) as Additional Director of the Company. 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 Mr. Sharma as an Independent Director of the Company, not liable to retire by rotation, for a period commencing from March 28, 2022 through March 27, 2027. Mr. Sharma will continue to bring to the Board his extensive knowledge and experience in the areas of strategic planning, product development and branding, risk oversight, compliance and other governance matters.

The necessary resolutions for the appointment of Mr. Noel Naval Tata as Non-Executive Director and Mr. V.K. Sharma as Independent Director, as mentioned above in point (iv) and (v), form part of the Postal Ballot Notice dated May 3, 2022. The profile and particulars of experience, attributes and skills that qualify the above-mentioned Directors for Board membership, are disclosed in the said Notice. The Notice will be sent to eligible shareholders as on the cut-off date of April 29, 2022. The e-voting period for the same shall stay open from 9:00 a.m. (IST) on Thursday, May 12, 2022 through 5:00 p.m. (IST) on Friday, June 10, 2022.

Re-appointment of Directors retiring by rotation

In terms of the provisions of the Companies Act, 2013, Mr. Koushik Chatterjee (DIN: 00004989), Director of the Company, retires at the ensuing AGM and being eligible, seeks re-appointment. The necessary resolution for re-appointment of Mr. Chatterjee forms part of the Notice convening the ensuing AGM scheduled to be held on Tuesday, June 28, 2022.

The profile and particulars of experience, attributes and skills that qualify Mr. Chatterjee for Board membership, are disclosed in the said Notice.

Cessations

Dr. Peter Blauwhoff, Independent Director, resigned as a Member of the Board effective July 13, 2021.

In accordance with the retirement policy applicable for the Company's Board of Directors (Independent Directors to retire on attaining 75 years of age), Mr. Aman Mehta, Independent Director, retired from the Board on August 31, 2021.

The Board of Directors places on record its deep appreciation for the contribution of these Directors during their 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. O. P. Bhatt (Chairman), Mr. Deepak Kapoor, Ms. Farida Khambata, Mr. David W. Crane and Mr. Saurabh Agrawal. The Committee met six times during the year under review, the details of which are given in the Corporate Governance Report forming part of this 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 has 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 Report.

12. Risk Management

Tata Steel's Enterprise Risk Management (**'ERM'**) process is based on international standards like Committee of Sponsoring Organization of the Treadway Commission (**'COSO'**) and ISO 31000.

Risk Management Committee (**'RMC'**) of the Board provides oversight and sets the tone for implementing the ERM framework across the organization. It reviews the status of key risks, progress of ERM implementation across locations and any exceptions as flagged to it, on quarterly basis.

The risk appetite of the organization was approved by the RMC and the Board during FY 2020-21. The risk appetite is aligned to the Vision of the organization and is an important metric 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 consider impact of climate change through the internal carbon pricing framework; and
- 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 risk appetite has been cascaded across the organization including the Tata Steel Group Companies through focused communication during the Annual Business Plan cycle.

For better focus on Risk Governance and ERM implementation, the Company has set up a Management Committee called Apex Risk Committee (**'ARC'**). ARC has the primary responsibility of implementing the Risk Management Policy of Tata Steel and developing a risk intelligent culture that fosters business resilience. ARC reviews include detailed discussions on key risk themes, progress of mitigation plans, exceptions as flagged to it and new initiatives related to ERM.

Central ERM is a dedicated business vertical that has been set up to ensure deployment of the 5 Step bottom-up process across the organization. The team is led by Vice President - Corporate Finance, Treasury & Risk Management who acts as the Chief Risk Officer of the Company. The ERM team continuously scans the external environment for developments which may throw up risks for the organization. The risk flags and risk insights are shared with the Business Units (**'BUs'**). These form inputs to the BUs 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 coordinated risk assurance and the ERM process is integrated with Corporate Audit, Strategy & Business Planning, Corporate Legal, Ethics & Compliance functions. The two-way communication with these functions brings further rigor in driving the process across the organization and the Tata Steel Group Companies. The ERM process being data intensive, an in-house built IT system has been developed across the organization 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 ERM framework is used while identifying, assessing, evaluating, monitoring & reviewing risks.

Tata Steel was conferred with the 'RIMS India ERM Award for Distinction', the only company to receive this award in India in 2021. The Risk and Insurance Management Society (RIMS) Global ERM Award of Distinction honors organizations that create and retain value through their Enterprise Risk Management programs and ERM excellence that demonstrates ERM innovation in creating and preserving organizational value, and the program's ability to build sustaining risk management capabilities. The Company has also been adjudged 'Masters of Risk in Metals & Mining' and 'Risk Technology' categories, at the 8th edition of 'The India Risk Management Awards' for the sixth time in a row.

Risk intelligent culture of Tata Steel has established ERM as an enabler to proactively manage the uncertainties in an unprecedented and volatile business environment and achieve business objectives. During the year under review, with the resurgence of COVID-19 pandemic, "Scenario-based risk assessment" was revisited across Tata Steel to understand the change in best-case and worst-case scenarios. The focus was on identification of "Early Warning Indicators" for proactive Risk Management. Real-time digital dashboard was developed and reviewed by the Senior Leadership Team periodically for decision making. The Company continues its focus on creating sustainable value for building resilience amidst dynamic and uncertain business environment.

During the year under review, the Company continued to be vigilant of the evolving pandemic situation to proactively manage risks. Health and safety of employees and the communities in the vicinity of the Company's operations remained the top-most priority for the Company, whilst simultaneously ensuring continuity of our business operations.

Implementation of focused risk mitigation strategies coupled with improvement in the global and domestic macro environment has significantly improved Tata Steel's risk profile for FY 2021-22. Despite the challenges posed by COVID-19, the Company has been able to deleverage beyond the target set in the past two years.

13. Vigil Mechanism

Tata Steel always believes in promoting a culture of trust and transparency. The vigil mechanism in Tata Steel resonates with the same values. 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 protective disclosures about the 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 includes policies viz. the Whistleblower Policy for Directors & Employees, the Whistleblower Policy for Business Associates, the Whistleblower Protection Policy for Business Associates (vendors/customers), the Gift and Hospitality Policy, the Conflict of Interest Policy for Employees, the Anti-Bribery & Anti-Corruption (**'ABAC'**) Policy, and Anti-Money Laundering (**'AML'**) Policy.

The Whistleblower Policies for Directors & Employees and Business Associates and TCoC encourage every Director, employee, and Business Associate to promptly report any actual or possible violation of the TCoC or any event that he or 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 would be treated as a violation of the TCoC. This 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 SEBI Listing Regulations.

The Whistleblower Protection Policy for Business Associates including vendors and customers provides protection to Business Associates from any victimization or unfair trade practices by the Company. While the Whistleblower policy encourages Whistleblowers to make protected disclosures in good faith, it also forbids raising concerns with malicious intent.

The ABAC and AML policies primarily cover risk assessment, third party due diligence, training & awareness, and audit & reporting.

The Gift and Hospitality Policy aims to provide guidance to directors, officers and 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 frames prescribed in the Whistleblower Policy.

The Company continues to make available a Third-Party Whistleblowing helpline service through an external service provider across the Company as well as Tata Steel Group Companies. The Ethics helpline services includes toll free number, web access, postal services and e-mail facilities. This helpline service acts as a platform within the Tata Steel Group Companies, to raise concerns on unethical behavior and enhance 'zero tolerance towards unethical activities'. Around 40% of the reportees use this medium to raise their whistleblowing concerns. During the year under review, the Company has conducted several training sessions for its employees, vendors and distributors, spreading awareness towards TCoC, ABAC & AML Policy, Whistleblower Policy and other ethical practices of the Company.

During the year under review, the Company received 845 whistleblower complaints of which as on March 31, 2022, 601 complaints were investigated and appropriate actions were taken and investigations were underway for the remaining 244 complaints.

14. Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has 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 Company received 22 complaints of sexual harassment, of which 18 complaints have been resolved by taking appropriate actions and 4 complaints are under investigation.

15. 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. During the year under review, the Policy has been amended to incorporate the regulatory amendments in the SEBI Listing Regulations. The updated 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. Also, there were no material related party contracts entered into by the Company during the year under review.

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 FY 2021-22 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 2021-22.

16. 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 FY 2021-22.

Accordingly, pursuant to Section 134(5) of the Act, 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 are adequate and operating effectively.

17. Business Responsibility and Sustainability Report

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 (**'BRR'**) 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 capitalization, to transition to BRSR from FY 2022-23 onwards.

For FY 2021-22, the Company has followed the <IR> framework of the International Integrated Reporting Council (now known as Value Reporting Foundation), to report on all the six capitals that are used by the Company to create long-term stakeholder value. The Company has done the requisite mapping of principles between the Integrated Report, the Global Reporting Initiative (**'GRI'**) and the BRR principles as prescribed by SEBI and the same is available on our website at www.tatasteel.com. Our Integrated Report has been assessed and Price Waterhouse & Co Chartered Accountants LLP has provided the required assurance.

18. Subsidiaries, Joint Ventures and Associates

We have 172 subsidiaries and 45 associate companies (including 25 joint ventures) as on March 31, 2022. 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 at 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**).

19. 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 for a period of five years commencing from the conclusion of the 110th AGM held on August 8, 2017 until the conclusion of 115th AGM of the Company to be held in the year 2022.

In terms of the provisions of the Companies Act, 2013, an audit firm acting as the statutory auditor of a company is eligible to be appointed as statutory auditors for two terms of five years each. The first term of PW as statutory auditors of the Company expires at the conclusion of the 115th AGM of the Company scheduled to be held on June 28, 2022. Considering their performance as auditors of the Company during their present tenure, the Audit Committee of the Company, after due deliberation and discussion, recommended the re-appointment of PW as statutory auditors of the Company for a second term of five years to hold office from the conclusion of the 115th AGM to be held on June 28, 2022 through the conclusion of the 120th AGM of the Company to be held in the year 2027. Further, the remuneration to be paid to Statutory Auditors for FY 2022-23 is ₹10 crore plus out of pocket expenses and applicable taxes and the remuneration for the remaining tenure of their second term as Statutory Auditors shall be mutually agreed between the Board of Directors and PW, from time to time.

The above proposal forms part of the Notice of the AGM for your approval.

The report of the Statutory Auditor forms part of this Integrated Report and Annual Accounts 2021-22. The said report does not contain any qualification, reservation, adverse remark or disclaimer. During the year under review, the Auditors did not report any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

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, 2023. 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.

Further, Tata Steel BSL Limited has amalgamated into and with Tata Steel Limited effective November 11, 2021, pursuant to the Composite Scheme of Amalgamation of Tata Steel BSL Limited and Bamnipal Steel Limited into and with Tata Steel Limited as sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench, vide Order dated October 29, 2021. Consequent to the amalgamation, the scope of cost audit has enhanced. Accordingly, the Board, based on the recommendation of the Audit Committee, has approved an increased remuneration to ₹30 lakhs plus applicable taxes and reimbursement of out-of-pocket expenses payable to the Cost Auditors for conducting cost audit of the Company for FY 2022-23. 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 Auditors to conduct Secretarial Audit of the Company for the FY 2021-22 and their Report is annexed to this report (**Annexure 7**). There are no qualifications, observations, adverse remarks or disclaimer in the said Report.

20. Annual Return

The Annual Return for FY 2021-22 as per provisions of the Act and Rules thereto, is available on the Company's website at https://www.tatasteel.com/media/15859/mgt7-combine.pdf.

21. 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.

22. 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**).

23. 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**).

24. 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.

25. 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 Company Secretaries of India and such systems are adequate and operating effectively.

J. Acknowledgements

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic. 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 3, 2022

ANNEXURE 1

Management Discussion and Analysis

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 the FY 2021-22. This should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Integrated Report. 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

The global economy enters 2022 in a weaker position than previously expected. As the new Omicron COVID-19 variant spreads, countries have reimposed mobility restrictions. Rising energy prices and supply disruptions have resulted in higher and more broad-based inflation than anticipated, notably in the United States and many emerging market and developing economies. Further, the ongoing retrenchment of China's real estate sector and slower-than-expected recovery of private consumption and the ongoing tension between Russia and Ukraine have limited the growth prospects.

Outlook

Global growth is projected to slow-down from an estimated 6.1% in 2021 to 3.6% in 2022—0.8 percentage-point lower than what was envisioned in the last World Economic Outlook (WEO) of January 2022, largely reflecting forecast markdowns in USA and China. In USA, a revised assumption of removing the Build Back Better fiscal policy package from the baseline, earlier withdrawal of monetary accommodation, and continued supply shortages have induced a downgrade in the outlook by 1.2 percentage-points. In China, pandemic-induced disruptions related to the zero-tolerance COVID-19 policy and protracted financial stress among property developers have induced a 0.8 percentage-point downgrade. Global growth is expected to slow down to 3.6% in 2023.

Elevated inflation is expected to persist longer, with ongoing supply chain disruptions and high energy prices continuing in 2022. Risks to the global baseline are tilted to the downside which is primarily brought by the new COVID-19 variant which may prolong the pandemic and induce renewed economic disruptions. Moreover, supply chain disruptions, energy price volatility, and localized wage pressures have enhanced the uncertainty around inflation and policy paths. Other global risks may crystallize with the surging geopolitical tensions, and the ongoing adverse climate conditions leading to the probability for natural disasters.

With the pandemic continuing to maintain its grip, the emphasis on an effective global health strategy is more salient than ever. Worldwide access to vaccines, tests, and treatments have become essential to mitigate the risks posed by new variants of COVID-19. Monetary policy in many countries will need to curb inflationary pressures, while fiscal policy will need to prioritize health and social spending.

2. Indian Economy

Amidst the challenges brought by the COVID-19 pandemic leading to disruptions in supply chain and surging inflation rate, the Indian Government introduced various policies to cushion the impact on the domestic economy and in specific vulnerable sections of society and the business sector. Through its policies, the Government significantly increased capital expenditure on infrastructure projects to build back medium-term demand and aggressively implemented supply-side measures to prepare the economy for a sustained long-term expansion. With the vaccination programme having covered the majority of the population, recovering economic momentum and the likely long-term benefits of supply-side reforms in the pipeline, the Indian economy is in a good position to witness GDP growth of around 8.0%-8.5% in 2022-23.

III. Steel Industry

1. Global Steel Industry

The global steel industry has partially recovered with increase in global steel production by 3.7% during 2021, compared to 2020. This is primarily due to economies opening up after wide scale vaccinations, gradual commencement of economic activity, and significant change in retail consumer behaviour mainly in automotive and construction sectors. Further, increase in raw material prices mainly concerning coking coal, iron ore and oil & fuel have pushed the market prices of steel. Global crude steel production reached at 1,951 MnT in 2021, which was higher by 70 MnT than 2020. While China continued to be the largest global crude steel producer, there were moderate growth in steel production in countries such as India, Japan, USA, Germany and Brazil, amongst others, signifying normalcy in operations during the pandemic.

The details of top 10 steel producing nations are as follows:

(mn tonnes)

Rank	Country	2022	2021	Change (%)
1	China	1,033	1,065	(3.0)
2	India	118	100	17.7
3	Japan	96	83	15.7
4	Russia	76	72	6.1
5	United States	86	73	18.3
6	South Korea	71	67	5.2
7	Turkey	40	36	12.8
8	Germany	40	36	12.3
9	Brazil	36	31	16.1
10	Iran	29	29	(1.7)

Source: World Steel Association (WSA)

2. Demand Outlook

The Short-Range Outlook (**'SRO'**) by worldsteel had forecasted that steel demand will grow by 4.5% in 2021 and reach 1,855.4 MnT. It is expected that in 2022, the steel demand will see a further increase of 2.2% to 1,896.4 MnT. The current forecast assumes that, with the progress of vaccinations across the world, the spread of variants of the COVID -19 virus will be less damaging and disruptive than seen in previous waves. Strong manufacturing activity bolstered by pent-up demand will remain as a significant contributor. The developed economies have outperformed the expectations by a larger margin than the developing economies, reflecting the positive benefit of higher vaccination rates and government support measures. In the emerging economies, especially in Asia, the recovery momentum was interrupted by the resurgence of pandemic.

While the manufacturing sector's recovery remained more resilient to the new waves of infection than expected, supply-side constraints led to a levelling off the recovery in the second half of the year thereby preventing a stronger recovery in 2021. However, with high backlog orders combined with a rebuilding of inventories and further progress in vaccinations in developing countries, we expect steel demand will continue to recover in 2022. Persistent rising inflation, continued slow vaccination progress in developing countries and further growth deceleration in China continues to pose threat to this forecast.

3. Steel Consuming Sectors

The construction sector has remained more resilient than the manufacturing sector to the pandemic shock. However, in many developing economies, construction activity was severely disrupted by a total stoppage of projects. However, in 2021, backed with domestic policies, the global construction sector remained resilient to the impact of pandemic. The sector saw robust recovery backed by low interest rates and domestic governments focusing on infrastructure projects. However, the recovery plans were affected by two conflicting forces. While few governments, specially in developing nations, pumped in funds in infrastructure sector making it a recovery tool aligned with green initiatives, on the other side, governments were hit with poor fiscal standing due to the pandemic, thereby affecting the ability towards financing infrastructure projects.

The residential sector has benefited from accumulated savings during the lockdown and the spread of working from home, which has resulted in rising demand for home space. However, the non-residential sector will see a sluggish recovery due to reduced demand for office space.

The automotive sector, which saw the sharpest decline among the steel using sectors during the first phase of pandemic saw a strong recovery subsequently. Although supply chain disruption is still evident in some markets, the recovery is driven by pent-up demand and increased household savings. The disruption in the supply chain is significantly undermining the global automotive industry's recovery. With pent-up demand dissipating, the growth in auto production in 2022 will decelerate, though high order backlogs will provide some support.

4. World Steel Price Trends

The Russia-Ukraine conflict has caused panic in the market about supply shortage with the result that prices have moved north radically, be it iron ore or coking coal. Prices of steel have also responded to the crisis but its northward movement so far has been limited. Increasing risk of procurement, constraints of financial approval, non-accessibility due to port blockage, growing uncertainty about availability, rising safety and security concerns are among the major factors that have driven sentiments in the commodity markets around the world. To what extent, steel prices would be impacted hinges significantly on the extent of aggravation of the Russia-Ukraine crisis and its longevity.

5. Global Raw Material Market (Iron Ore and metallurgical coal)

The raw materials market in the FY 2021-22 was markedly volatile driven by policy changes and a shift in global trade flows primarily in the coal markets.

i) Demand & Supply

Total global crude steel production for 2021 stood at 1.033Bt, or 3% lower on the year. However, in second half of 2021, production was up by 11.6% compared to the same period in 2020. Chinese steel production mainly led this increase due to a continually recovering economy post COVID -19. However, in the later half of 2021, Chinese steel production declined due to efforts on decarbonisation.

China's iron ore imports ended 3.9% weaker on the year to 1.12Bt, largely due to the lower overall steel production. Additional factors were also that major miners faced several port and mining disruptions, like Rio Tinto's five-week Dampier port maintenance and Vales' mine stoppages at Timbopeba and Alegria in second half of 2021.

Global trade flows in coking coal saw major shifts from a year prior, post China's informal ban on Australian coking coal till October 2020. China's coking coal imports were down ~25% on the year at 54.7Mt, with fresh Australian imports effectively at zero compared to 35Mt the year prior.

The result led to a surge in demand for Atlantic coals, with Chinese mills willing to pay high premiums for seaborne PLV. The rise in CFR China sentiment had supportive impacts on Australian FOB prices as Ex-China buyers were replacing lost Atlantic tonnages with Australian material. Australian coking coal exports in 2021 were at the same time 2.5% lower on the year at 166.1Mt.

China had also embarked on an aggressive coal production regime towards the end of 2021 due to peaking import prices. This saw production volumes on a steady uptrend from August 2021, eventually hitting record highs of 384Mt in December 2021. The government has held a similar focus on improving domestic supply in 2022, with production hitting a new record high of 395Mt in March 2022.

Australian iron ore exploration spending surged 41% to $557.5mn in 2021, as cost of exploration got elevated due to higher fuel costs and a shortage of skilled labour. Record high iron ore prices in 2021 had also encouraged sellers to look at growth options, boosting spending on iron ore exploration.

Meanwhile, spending on Australian coal plunged to 3-year-low at $225.4mn in 2021, down 22.7% on year, as financing on coal projects thinned out with major banks and coal importing countries such as China, Japan and South Korea adopting carbon neutrality goals.

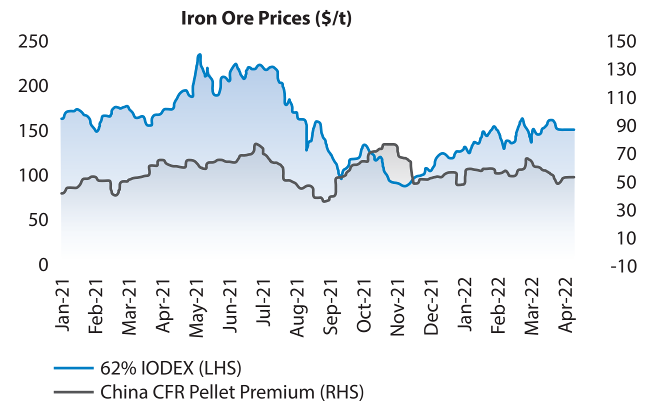
ii. Prices

Seaborne Iron ore prices hit historically high levels in 2021. 62% Fe CFR China prices ranged between $87.20/t and $233.1/t. Average iron ore prices stood at ~$160.1/t for the year, an increase from ~$109/t for 2020.

Record high iron ore prices were noted in May 2021 as crude steel production was on an uptrend and also hitting its highest monthly levels of 99.5MnT in the same month. Prices in the later half of 2021 however declined sharply as the government began to enforce strict production curbs to cap 2021 output at 2020 levels.

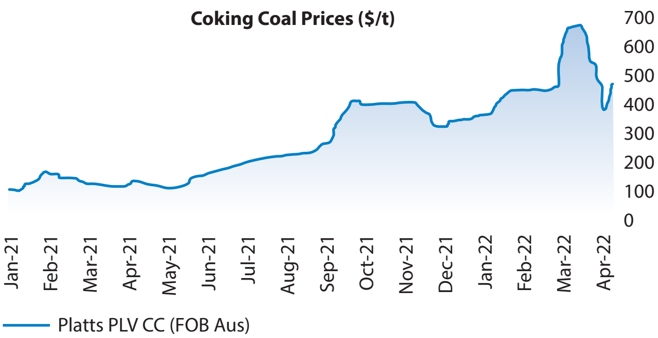
Iron ore prices started to recover in Q1 FY 2022, as Chinese steel production recovered q-o-q due to the refreshing of a new steel quota. On the supply end, Brazil faced extreme wet weather in the south eastern regions, which caused shipments to fall 13.5% y-o-y.

Into 2022, Iron ore prices stand near yearly highs as market participants hold optimism on downstream recovery, considering government focus on sustaining economic growth. Upside potential however has been curbed by several factors viz., i) Re-emergence of COVID variants in China, ii) Sluggish real estate and auto sector, iii) government intention to further reduce 2022 crude steel production y-o-y.



Seaborne Coking coal prices were largely firm for 2021. PHCC FOB Australian prices ranged between $102/t and $408.5/t in 2021. Average coking coal prices stood at $313.4/t for the year, up from $117.1/t the year prior.

FOB Australian prices were largely driven by an unprecedented rally in China's domestic coal prices, as the nation struggled with tight local and seaborne supply. This saw CFR China PLV prices skyrocketing 203% from start of 2021 to peak at $615/t mid-October 2021. Prices however started to tumble 45% till the end-December 2021 to $337.5/t CFR China as China's NDRC stepped into intervene and stabilize coal prices.



In second half of 2021, persistent tight availability of spot cargoes from major miners led Ex-China buyers to contend for material. BHP had several maintenances during July-December 2021 for its PHCC mines like Grosvenor and Peak Downs, which caused overall production to be 8.8% lower y-o-y.

Meanwhile, global steel production and demand for raw materials recovered swiftly in 2021, which created a disequilibrium between supply and demand dynamics.

In 2022, Coking coal prices have seen huge volatility over developments surrounding EU sanctions over Russia. Prices however are likely to cool from the record highs of ~$670/t seen in the January-March quarter 2022, with Australian supply expected to improve in coming quarters. Market participants are also becoming less anxious of supply tightness, with Russian coal expected to be redirected to markets like China and India.

Initiatives by Tata Steel

The Company took several key initiatives in its raw material procurement.

- Tata Steel's strategic engagement and relationship management with Raw Material suppliers has led to efficient inventory control thereby managing/avoiding any adverse effect due to major global events such as Indonesia's ban on coal exports.
- Tata Steel invested in developing a predictive analytics tool for forecasting coking coal prices incorporating 13,000+ data inputs. This has been integrated with the Company's customised e-auction tool to mainly execute metallurgical coal spot trades and better adjust Laycan timing of term cargoes.
- As a result of China's ban on Australian coal, stranded Australian cargoes were available at attractive prices. This opportunity was utilised to procure ex-China cargoes.
- The Company continued to reduce its working capital requirement on account of raw materials. This was through implementation of Vendor Managed Inventory at Indian ports for coal and supplier credit enhancement.
- Group synergies through centralized procurement, technical optimization and knowledge sharing continued to result in substantial savings and efficiency improvement.
- Discussions have been initiated with leading coal suppliers on sustainability which is expected to introduce various technologies in reducing carbon footprint.

IV. Tata Steel Group Operations

Major Highlights

During the year under review, the consolidated crude steel production for Tata Steel Group (**'TSG'**) was 31.03 MnT as against 28.54 MnT of FY 2020-21, an increase of 9% primarily due to better steel demand. The production increased at Tata Steel (Standalone) to 18.38 MnT which was higher by 13% (FY 2020-21: 16.28 MnT), Tata Steel Europe produced 10.11 MnT, higher by 6% (FY 2020-21: 9.56 MnT), Tata Steel Long Products produced 0.68 MnT (FY 2020-21: 0.65 MnT), partly offset by lower production at South-East Asia by 10% at 1.86 MnT (FY 2020-21: 2.06 MnT) due to disposal of Singapore operations of NatSteel Holdings Pte. Ltd. (**'NSH'**) during the year. The consolidated steel deliveries of TSG was at 29.52 MnT in FY 2021-22 as against 28.50 MnT in FY 2020-21, an increase of 4% primarily at Tata Steel (Standalone) and TSE due to increase in steel demand.

The Turnover of TSG was higher over FY 2020-21 by ₹87,482 crore (56%) on account of higher steel realizations across geographies attributable to increase in demand, along with higher steel deliveries by 1.01 MnT.

The EBITDA was higher over FY 2020-21 by ₹32,938 crore (107%) in line with higher revenues which was offset by increase in input cost mainly in coking coal and iron ore along with adverse foreign exchange rate movement at other foreign entities.

TSG reported a consolidated Profit after Tax of ₹41,749 crore which was significantly higher (>5x) over FY 2020-21 in line with significant increase in EBITDA, along with lower net finance charges by ₹2,082 crore which is primarily due to pre-payments of loans and lower exceptional charges of ₹134 crore in FY 2021-22 against a charge of ₹1,043 crore in FY 2020-21, partly offset by higher tax charge by ₹2,824 crore mainly at Tata Steel (Standalone) (net of deferred tax credit at TSE).

1. Tata Steel Limited (Standalone)

The turnover and profit/(loss) figures of Tata Steel Limited are given below:

(₹ crore)

	FY 22	FY 21
Turnover	129,021	84,133
EBITDA	51,456	27,340
Profit before tax (PBT), before exceptional	44,326	17,869
Profit before tax (PBT)	44,091	18,610
Profit after tax (PAT), before exceptional	33,247	16,337
Profit after tax (PAT)	33,011	17,078

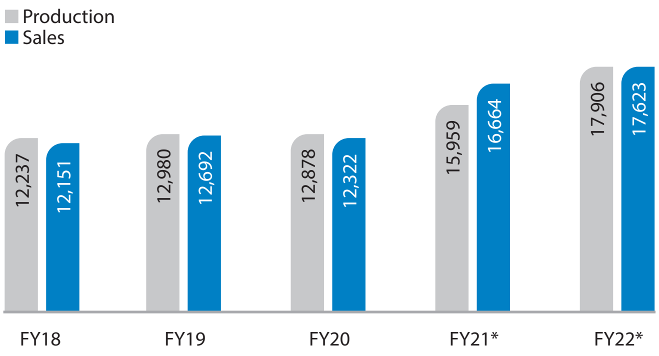
a) Operations

(mn tonnes)

	FY 22	FY 21	Change (%)
Hot Metal	18.90	17.14	10
Crude Steel	18.38	16.28	13
Saleable Steel	17.91	15.96	12
Sales	17.62	16.66	6

The saleable steel production and sales trend over the years is as follows:

Production and Sales of Steel Division (kt)



*Note: Production and sales of FY21 and FY22 includes TSM post-merger

The combined saleable steel production of FY 2021-22 stood at 17.91 MnT which was higher than that of FY 2020-21 by 12% and the combined steel sales of FY 2021-22 stood at 17.62 MnT, higher by ~6% over FY 2020-21 (16.66 MnT).

i) Tata Steel Jamshedpur

Tata Steel Jamshedpur (**'TSJ'**) produced crude steel of 10.25 MnT in FY 2021-22 as against 9.34 MnT in FY 2020-21 which was higher by ~ 10%. The hot metal production of FY 2021-22 stood at 10.83 MnT as against 9.87 MnT in FY 2020-21 higher by ~10%. The Blast Furnaces operated at a fuel rate of 535 kg/thm in FY 2021-22 as against 538 kg/thm in FY 2020-21 which was better by 3 kg/thm. In steel making, scrap consumption increased to 83kg/tcs in FY 2021-22 from 78 kg/tcs in FY 2020-21 with an objective of achieving lower CO_2 emission.

During FY 2021-22, there have been few operational improvements such as increase in agglomerate consumption, lower consumption of ferro alloys, lime, refractories and specific energy. The Company has continuous operational improvement programs through Shikhar 25, a focused EBITDA improvement program which works across departments of Tata Steel to improve operational efficiency, lower costs, optimize 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 two years. During the previous year, in the midst of the second wave of the pandemic, TSK followed the existing controls, discipline of the workforce, and the learnings from the first wave helped TSK deal with the pandemic without disrupting operations. TSK aided the community by helping with the supply of liquid oxygen and the augmentation of TS Medica Hospitals. A great deal of agility was demonstrated while making the COVID care home for employees inside the plant and the same was made functional in less than a month.

By having all the COVID protocols in place and maintaining raw material stocks through robust supply chain management, TSK operated without any major hurdles. FY 2021-22 had been a great year in terms of production and operating KPIs. Almost all the operating units achieved their best ever annual production figures. The production volumes reached by the various plants (FY 2020-21 numbers in bracket) are - Coke Plant – 1.55 (1.46)MnT of Gross Coke, Blast Furnace – 3.47 (3.36) MnT hot metal, Steel Melting Shop – 3.24 (2.85) MnT crude steel, and Hot Strip Mill – 3.27 (2.81) MnT of Hot Rolled Coils. After the admittance into the Global Lighthouse Network in FY 2019-20, TSK continued its digital journey in all areas with a special focus on the capability development of employees in digital. The Digital Asset Monitoring System (**'DAMS'**) at TSK was well appreciated during the Tata Business Excellence Model (**'TBEM'**) and Data and Analytics Target Operating Model (**'DATOM'**) assessments.

During the year under review, the product mix comprised of 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. Successful trials for casting and rolling of 0.6% Si Electrical steel were carried out, and 1.2% and 2.4% Si trials are planned in Q1 FY 2022-23. This grade will help Tata Steel foray into the fast-growing EV industry.

Robotics applications were implemented in wagon tippler to eliminate man and machine interface during the coupling of wagons. To enhance workplace safety, 5S and Visual Workplace Management was strongly driven across all the departments in TSK.

More than 2 lakh plantations were carried out in FY 2022. TSK achieved the best-ever figures in CO_2 emission intensity (2.38 tCO_2/tcs) and specific water consumption (3.35m3/tcs). The coming year's focus is on executing the Zero Effluent Discharge projects.

TSK has embarked upon the second phase of expansion which will ramp-up the production capacity to 8 MTPA. Pellet Plant & Cold Rolling Mill (**'CRM'**) are expected to be commissioned in the second half FY 2022-23. The Pellet plant will support the agglomerate mix for the Blast Furnace, and CRM will cater to high-strength cold-rolled products to meet the requirements of the auto customer. Construction activity at BF-2, Coke ovens, and Caster – 2 has also caught momentum.

To ensure better socio-economic development of the people in the peripheral areas of its operations, TSK focussed on Health, Education, Infrastructure Development, Livelihoods, skill upgradation and Women Empowerment among others.

iii. Tata Steel Meramandali (TSM)

The Board of Directors of the Company, at its meeting held on April 25, 2019, approved a Composite Scheme of Amalgamation of Bamnipal Steel Limited and Tata Steel BSL Limited (formerly known as Bhushan Steel Limited) into and with the Company. The Mumbai Bench of the National Company Law Tribunal (NCLT), through its order dated October 29, 2021 has approved the scheme. Accordingly, the Company has accounted for the merger using the 'pooling of interest method' retrospectively for all periods presented in the standalone financial statements as prescribed in Ind AS 103. The previous periods' figures in the standalone financial statements have been accordingly restated from April 01, 2020.

On merger, the plants and supporting units of erstwhile Tata Steel BSL will now be known as Tata Steel Meramandali. TSM has produced hot metal during FY 2021-22 of 4.59 MnT as against 3.90 MnT during FY 2020-21, an increase by ~18% and production of saleable steel stood at 4.61 MnT in FY 2021-22 as against 3.92 MnT in FY 2020-21 thereby registering an increase in production by 18%. The sales for FY 2021-22 stood at 4.70 MnT as against 4.31 MnT in FY 2020-21, thereby registering an increase by ~9% over previous year.

b) Marketing and Sales

During the FY 2021-22, the Company recorded sales of 17.62 MnT, which is marginally higher over the previous year by 6%. Sales performance are summarised as below:

(mn tonnes)

	FY 22	FY 21
Automotive & Special products	2.22	1.74
Branded Products, Retail & Solutions	5.28	4.77
Industrial Products & Projects	6.10	5.45
Domestic	**13.60**	**11.96**
Exports	2.61	3.53
Domestic + Exports	**16.21**	**15.49**
Transfers (Wires, Tubes, IBMD, Agrico)	1.41	1.17
Total Deliveries	**17.62**	**16.66**

Automotive and Special Products: While FY 2020-21 had ended with bullish Automotive production in Q4 across all segments, FY 2021-22 started off on a negative note with the impact of COVID second wave, delayed post-COVID demand recovery (especially in rural markets), and sustained shortage in semiconductor supplies. In first half of FY 2021-22, production across Personal Vehicle (**'PV'**) and Commercial Vehicle (**'CV'**) segments were 15%-25% lower than corresponding numbers in Q4 FY 2020-21. Demand recovered in the second half of FY 2021-22 backed by strong festive season retail sales, easing of semiconductor supply situation and pickup in industrial activities across construction, infrastructure projects and mining sectors. The sector ended the year with overall growths of 20% and 28% in PV and CV respectively (Y-o-Y).

Automotive sales constitute 16%-20% of Tata Steel's annual domestic sales. It registered sales of 2.22 MnT in FY 2021-22, a Y-o-Y growth of 28% (including 115 k tonnes of PV outer panels and 190 k tonnes of high tensile steels). The segment continues to command market leadership with overall market share of 48.4% and high SOB in all new model launches, including entry into import intensive OEMs.

Tata Steel continues to be a differentiator through its offerings to Automotive customers amidst changing business realities. Also, multiple digital initiatives have been able to enhance value driven engagements with customers in these tough times.

Branded Products and Retail (BPR): BPR sales during FY 2021-22 was 5.28 MnT, a Y-o-Y growth of 11% (which is ~39% of domestic sales of FY 2021-22).

The B2C segment achieved sales volume of 1.9 MnT in FY 2021-22. Tata Tiscon became 1st rebar brand to introduce 550 SD (superior & differentiated product offering), enabling savings (upto 6%) for the Individual House Building consumer. The Pan India distribution network was further strengthened by expanding physical & virtual reach (appointment of 1000+ dealers, 600+ express counters, 1280+ new pin codes served via Aashiyana). This enabled achievement of best ever annual sales of 1.5 MnT in FY 2021-22 in Retail segment with a Y-o-Y growth of 15% over FY 2020-21. Tata Tiscon also became the 1st Green Pro certified rebar brand in India. Tata Kosh, the Retail GP brand has achieved best-ever sales of 211 k tonnes in FY 2021-22 through brand building, consumer/fabricator engagement activities and channel augmentation. Social media presence for Tata Shaktee and Tata Kosh helped reach out to over 2 crore consumers digitally, enabled by the launch of Online Reputation Management, Lead Capturing, Audience Acquisition campaigns and Tata Shaktee's first ever Facebook live event.

During FY 2021-22, B2ECA (Business to Emerging Corporate Accounts) business clocked a volume of 3.3 MnT and in the process serviced 9,000+ customers. Value Added Products contributed 24% of overall ECA Volumes. This was achieved through market development and access to key micro segments (Railways, Wagons, Transmission Line tower, PEB, Solar, Appliances).

Leveraging synergy benefits, Tata Astrum (HR brand) & Tata Steelium Super (CR Retail brand) was launched from TSM. In its first year, Tata Astrum from TSM achieved 80KT sales (1% increase in Market Share) and Tata Steelium Super achieved 16KT sales (2% market share) while setting up a new network of 500+dealers. The ECA Coated brands GalvaRoS, Galvanova & Colornova (launched from TSM in FY 2020-21) achieved a Y-o-Y growth of 105% and a turnover of ~₹1,300 crore.

Industrial Products, Projects and Exports ('IPPE'): IPPE is made up of four segments – commercial, engineering, downstream and exports. IPPE sales during FY 2021-22 was 8.71 MnT, a Y-o-Y degrowth of 3% only. With revival of domestic demand, exports reduced contributing to the degrowth.

Engineering segment: Tata Steel continued its focus on Engineering segments and Value-Added Products (VAP) through an enriched product portfolio. Engineering Segment also achieved best ever sales with a growth of 29% Y-o-Y driven by 2X supplies of high-end grades API X70 in Oil & Gas segment. Tata Steel increased its market share in Lifting & Excavation and Pre-Engineering Building segments with a growth of 28% and 25% Y-o-Y respectively and increased its presence in niche segments comprising of solar, transmission towers, crash barriers and water pipeline with a combined growth of 36% Y-o-Y. Overall, the segment is estimated to have contributed towards construction of 2,300 kms of O&G pipeline, ~300Mn sq ft of PEB structures and ~22,000 L&E equipment in FY 2021-22.

Downstream: Downstream business contributed ~700 k tonnes sales in FY 2021-22, a growth of 5% over FY 2020-21. In our effort to position ourselves as a leading supplier and serving to Indian Appliance, Solar, Packaging, and General Engineering industries, we focus on serviceability and customization of products for all our customers. In FY 2021-22, supplies to building and construction segments was 135 k tonnes against previous year supplies of 113 k tonnes, on a similar path high value medium and high carbon supplies increased to 22 k tonnes against previous year sales of 20 k tonnes. In a journey towards supporting green initiatives supplies to solar segment increased to 27 k tonnes in FY 2021-22 against earlier milestone of 13 k tonnes in FY 2020-21. Tiscon Readybuild, the Downstream solution provided by Tata Steel as Cut & Bend rebars, achieved highest ever volume of 148 k tonnes in FY 2021-22 and was used in key marquee projects like Delhi-Meerut RRTS, Bullet Train Package, PWD Covid hospitals & Light House project in Ranchi.

Exports: Steel exports contributed ~2.6 MnT sales in FY 2021-22. In our efforts to increase the geographical footprint, HRC exports were done to France, S. Korea & UK. In neighbouring markets, a y-o-y growth of 30% over FY 2020-21 was registered by enabling highest ever barge shipments to Bangladesh and highest ever HRC sales to Nepal. Steel exports ventured into new agile ways of transforming the order to cash cycle by executing and broad-basing blockchain based paper-less transactions in geographies viz. Bangladesh, Europe and Middle East covering three different shipment modes viz. Road, Breakbulk and Containers.

Services & Solutions: In FY 2021-22, Tata Pravesh Doors and Windows registered Gross Merchandise Value of ₹250 crore. The installation figures have increased to 107K units in FY 2021-22, a Y-o-Y increase of 34%. In FY 2021-22, Nest-In also achieved an order book & execution of ₹325 crore and ₹200 crore respectively against a plan of ₹180 crore and ₹135 crore, with almost 2X growth over FY 2020-21.

Digital Initiatives: Tata Steel Aashiyana, an early engagement & e-commerce platform for Individual Home Builders (IHB) achieved a growth of 109% over FY 2020-21. Aashiyana has helped serve customers from 7466 pin codes, out of which 2966 pin codes had no physical dealership presence, thereby increasing reach of Tata Steel B2C brands. Tata Steel rolled out its channel and sales management application, Sampoorna, across its retail business verticals during the year under review.

Tata Steel has scaled up its lead management platform for distributors, DigEca, and now offers it to ECAs, allowing a direct Tata Steel driven touchpoint for ECAs to place enquiries, interact with distributors and track their orders. The platform has helped Tata Steel track and reduce sales loss from an average of 22% in FY 2020-21 to 9% in FY 2021-22. For ECA distributors, MagicBox, an online bidding platform, offered an average of 14KT of non-prime orders per month in FY 2021-22, helping Tata Steel improve value realization for co-products generated 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 verticals.

c) Engineering & Projects

Engineering & Projects (**'E&P'**) continued to support Tata Steel's growth and sustenance plan by ensuring project progress amidst COVID-19 pandemic. In line with Company's long-term vision to attain leadership position in India, capacity expansion project of Tata Steel Kalinganagar phase 2 (3 MTPA to 8 MTPA), some Raw Material locations, sustenance projects at Tata Steel Jamshedpur and other locations were continued. Quick adaptation to the new normal was done and commissioning of various projects were successfully completed with limited local and remote support from technology supplier. The Company continued to focus on attractive opportunities to deploy capital optimally to increase the future returns of the business. These projects will enhance the downstream capabilities, increase value added capacities and reduce costs. Besides these the compliance related projects on improving the Environment related parameters were pursued.

During FY 2021-22, the division has successfully completed the following projects:

- Expansion of Khonbond Iron Ore Mine project from 1 MTPA to 8 MTPA (Run of Mines) – The Crushing and Washing plant with auxiliary facilities was commissioned and commenced production in Q3 FY 2022
- Enhancement of Dispatch capacity in Noamundi Iron Ore Mine - Upgradation of 3000 TPH (tons per hour) Dispatch Circuit, 500 TPH Dispatch Circuit and Barrel Reclaimer
- Sustenance and Environment improvement related projects at Jamshedpur, Kalinganagar and Meramandali locations

The key projects currently under execution are:

- Capacity expansion at Tata Steel Kalinganagar (**'TSK'**) Phase 2 (3 MTPA to 8 MTPA) with a target of commissioning key facilities: Pellet Plant and part of Cold Rolling Mill in FY 2023
- Iron Ore Expansion up to 49 MTPA

- Rebuilding of Coke Oven Batteries (1 MTPA) and installation of Air Separation Unit (1800 TPD) at Jamshedpur
- Construction of Coke Dry Quenching#1 and other environment related projects at Meramandali
- Installation of Solar Power Plants

The Division has also undertaken Capability Building Initiatives.

Significant initiatives are mentioned below:

- Strengthening in-house Design and Engineering capability to promote standardization and adapting state of the art engineering tools.
- Leveraging digital technologies to commence trials and commission facilities
- Revisiting the processes through Program for Accelerated Capital Execution to ensure consistent project delivery across locations.

Tata Steel aspires to double its crude steel capacity to ~ 40MTPA. To achieve this, the company is preparing itself to be future ready by ensuring safety at all touch points, strengthening its supply & service base, building vendor partnership, focussing on standardization and strengthening its in-house capability for equipment manufacturing.

d) Sustainable Steel Business Initiatives

i) New Materials Business

The New Materials Business (**'NMB'**) was set up with the vision of making Tata Steel future ready by seeding and scaling up businesses in new materials of future and to counter cyclicality of the steel business. NMB has three material verticals – Composites, Graphene and Medical Materials & Devices.

Fibre Reinforced Polymer ('FRP') Composites

Composites industry in India is dominated by institutional businesses and is largely dependent on infrastructure, industrial and railway sectors.

FY 2021-22 was challenging for the composites business not only due to the immediate disruptions and uncertainty caused by repeated waves of pandemic but also due to the steep increase in cost of raw materials including crude oil-based resins and glass fiber.

One of the key initiatives of the business was to convert to FRP many applications where steel is currently being used. Value proposition of this is the lower life cycle cost of FRP because of its higher corrosion resistance and lower maintenance cost. With this initiative, sales to the industrial sector grew by 5X over the previous year. Railways has been a promising customer for the division. The division has been leveraging group synergies for the railway business by offering integrated solutions jointly with other Tata Group companies. The composites division has registered a substantial growth in business revenues in FY 2021-22 over previous year.

Graphene

During FY 2021-22, the graphene business had an overall 7X growth over the last year. Graphene business has significant number of applications under development as "Design in the pipe-line". However, it has successfully established Graphene enriched poly vinyl chloride and high-density polyethylene pipes in the market, branded as 'WONDRA'. Industrial products from range of Elastomers & Polymers enriched with graphene are under market validation. Applications of graphene in the areas of energy, lifestyle and well-being are under evaluation.

Medical Material and Devices

During the year under review, the division consolidated its position in the import dominated Advanced Ceramics material market with a dedicated bio-ceramic production facility. Medical grade approval of the finished product was achieved during the year. This is in line with the 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. The first sales were clocked in FY 2021-22 for thermal spray grade Hydroxyapatite powder. The division also has a pipeline of Medical Materials and Medical Devices under development and validation in collaboration with premiere research institutes and start-ups.

ii) Steel Recycling Business

The Steel Recycling Business (**'SRB'**) completed its first year of operations from its Rohtak Plant. It is a 0.5 MTPA state-of-the-art plant with mechanised equipment such as Shredder, Baler, Material Handler etc. for processing, handling & producing top quality scrap. The plant clocked ~112 k tonnes dispatch with a revenue of ~₹460 crore in FY 2021-22.

Going forward, the focus would be to ramp up the Rohtak Unit and expand the footprints of SRB through additional units in South & West India.

Both its products- Shredded and Baled ferrous scrap have received good traction & feedback from the market. The products have also been used internally in Tata Steel plants at Jamshedpur, Kalinganagar & Meramandali.

The scrap is procured through the digital FerroHaat App, a first of its kind in the world. Over 180 vendors have been registered in the app for supply of scrap.

Indian scrap market is poised to grow at a CAGR of ~7% to reach ~40 MTPA by 2027. Policies like Vehicle scrappage policy and Steel Scrap Recycling Policy are likely to give an impetus to this sector. Further scrap imports are likely to become more difficult owing to protectionist measures by Exporting countries. Accordingly, the role of SRB gains prominence in securitizing the supply chain of scrap which is one of the future raw material for steel production. Besides Sustainability benefits, the steel recycling route 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

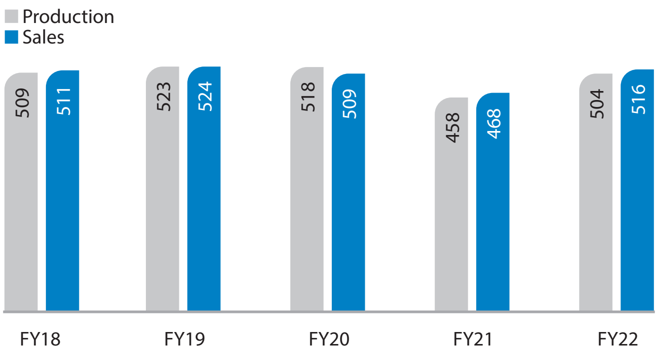
The Company's Tubes Strategic Business Unit is a leading manufacturer of pipes and tubes in India having its manufacturing facility situated at Jamshedpur with an annual production capacity of around ~500 k tonnes. The three main lines of businesses are conveyance tubes (Tata Pipes), structural tubes (Tata Structura), precision tubes for auto and boiler segments.

Post-amalgamation the annual production capacity increased from 612 k tonnes to 1,034 k tonnes. The Khopoli unit has a Large Dia Tube plant, designed to serve the high-end Oil & Gas (O&G), water pipelines and infrastructure segments. These are value-added products and it is a strategic segment considering the growing demand of energy and expansion of oil and gas companies.

The industry witnessed a V-shape recovery post the removal of restrictions in Q4 FY 2022. However, in FY 2021-22, the second wave of COVID-19 posed a major setback especially to the domestic retail and automotive sector. Amidst these uncertainties, passenger vehicles recovered progressively but two-wheeler demand was hit significantly leading to third consecutive de-growth Y-o-Y. However, electric two wheelers have witnessed a significant growth post pandemic. Further, supply chain constraints led to reduced sales in passenger vehicle segment across the original equipment manufacturers. In the construction & infrastructure - government spending on infrastructure was the hallmark of this segment in FY 2021-22 - Airport and metro-rail projects were executed where hollow sections were used. Telecom towers segment had a slow growth within the country. The railways and refineries segments did not see the growth as anticipated.

The production and sales performance is as below:

Production and Sales of Tubes Division (kt)



Note: Tubes represents Jamshedpur tubes division

During the FY 2021-22, the production and deliveries of Jamshedpur were better by 46 k tonnes and 48 k tonnes respectively over FY 2020-21. The tubes and pipes of TSM was reported under steel, which is being discontinued post-merger and now is being reported under tubes.

Key Business Highlights:

- 'Aashiyana Portal', the digital platform of the division achieved sales of ~30,000 Mt in FY 2021-22 (FY 2020-21: ~20,000 Mt) which was ~20% of Brands & Retail Sales.
- Successfully implemented Block Chain based Digital Test Certificates for Boiler Sales to Channel Partners (first time).
- Launched a new product 'TATA EZYFIT', a unique product of steel tubes used in Door/Window frame application.
- 25% increase in sales of API coated pipes (in Oil & Gas) ~ 80 k tonnes in FY 2021-22 (FY 2020-21: 64 k tonnes).

Recognition:

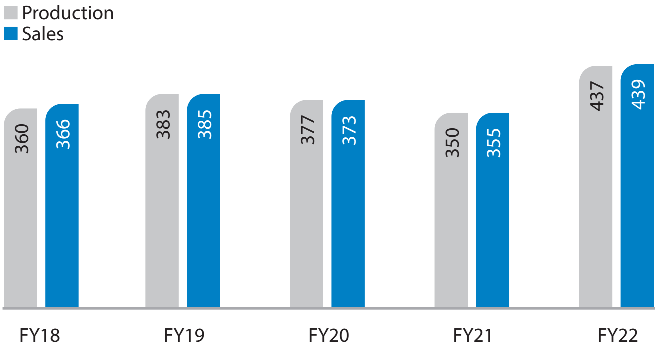
- Tata Pipes and Tata Structura have been coveted with the Super-brand 2022 Award.
- Tata Pipes Jeevan has been accredited by National Awards for Excellence in Branding & Marketing - Marketing campaign of the year (water management) for its "Boond Boond Pani Jeevan Ki Kahani".

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 the FY 2021-22, the division achieved a production of 437 k tonnes, higher by 87 k tonnes over FY 2020-21 and deliveries of 439 k tonnes higher by 84 k tonnes over FY 2020-21 as the previous year was affected by lockdowns due to COVID-19 pandemic.

Key Business Highlights:

- Induction Hardened Tempered (IHT) Wire making capacity of 7 KTPA is added to GWI product portfolio in line with focus towards Atma Nirbhar Bharat by replacing imports in Two-Wheeler Segment.
- New product "Tata Wiron DuoCoat" was introduced for grape farming in Nasik in our endeavor to improve customer centricity and stay ahead of the competition.
- Commercially launched its new fencing product "Knotted Fence" in January 2022 for high strength and durability.
- Online sales through Aashiyana grew 30% YoY with more than 6 KT Sales during FY 2021-22
- Acid Recycling Plant (400MnT/month of WPL is being treated) and Effluent Recycling Plant (Operating at the rated output of 400 m3/day) set-up in Tarapur.

Recognition:

- Tata Wiron received the Campaign of the Year Award by CMO Asia for the film #RozaanaKiDhun that celebrates the unputdownable resilience of the small businesses in India.
- Tata Wiron was awarded for the case "Electricity generation from the unutilized steam pressure to reduce the carbon footprint" in the field of innovative sustainability practice at Supplier meet conducted by JK Tyres.
- Spring Steel Plant received "GOLD" award in National Award for Manufacturing Competitiveness assessment organized by International Research Institute of Manufacturing.

g) Industrial By-Products and Management Division

Industrial By-product Management Division (IBMD) manages the solid wastes or by-products generated across the steel value chain. It endeavours to create value from waste, operating on 3R (Reduce, Reuse, Recycle) principles of circular economy. During the year under review, the division handled around ~15 MnT of by-products. Through its dedicated marketing and sales initiatives, the division witnessed a 65% Y-o-Y increase in the revenue and ensured sustainable value creation for the company. Currently, the product portfolio of IBMD spans across 25+ categories with more than 250 SKU's. IBMD strives to remain an industry benchmark in managing by-products and believes in investing and deploying state-of-the-art technology to continuously innovate new products and solutions.

During FY 2021-22, IBMD focussed on implementation of One IBMD strategy through smooth integration of TSM unit. The division played a significant role in driving the initiatives for reduction in CO_2 emission intensity by recycling higher quantity of steel scrap in steel melt shops. To facilitate the transition, IBMD sourced ~425 k tonnes of scrap from external markets in FY 2021-22, as compared to previous best of 78 KT in FY 2020-21. This was achieved through development of sources to procure ready-to-feed scrap, a digitally enabled agile supply chain and augmentation of infrastructure for handling of scrap.

IBMD continues its effort to de-commoditize the by-products generated in the steel value chain. There has been significant ramp-up of sales of Tata Aggreto and Tata Nirman – the branded steel slag products, through extensive usage in construction of national highways. This has helped in conserving natural aggregates and minimizing our environmental footprint. For safe and sustainable handling and storage of slags, a well-equipped site has been developed at Bhatkunda near the Jamshedpur plant. The processing and sales yard at Marine Drive, Jamshedpur has been augmented with new facilities for further value enhancement of by-products. Through horizontal deployment of best operational practices, steam-based steel slag weathering facility has been erected at TSK plant and is under commissioning stage.

Recognition:

- Won the "Excellence in 3R (Reduce, Reuse, Recycle)" Award by CII during International Conference on Waste to Worth 2021 for the second consecutive year under the manufacturing category for demonstrating innovative 3R initiatives in managing own wastes.

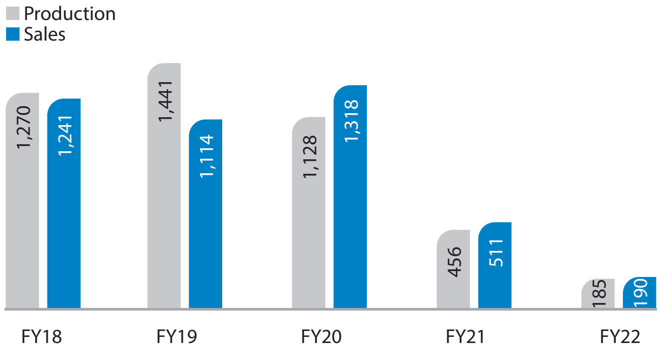
- Adjudged winner of "Indian Circular Economy Award 2021" under Large Enterprise Category during Circular Economy Symposium organized by FICCI, which recognizes company's practices to accelerate its business towards a circular model as most innovative and impactful.

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. 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. The Gomardih Dolomite mine is yet to be auctioned.

The production and sales performance is as below:

Production and Sales of FAMD (kt)



During the year under review, saleable production was lower by 271k tonnes and sales were lower by 321k tonnes primarily due to shift of chrome business under Tata Steel Mining Limited. The Mines and Minerals (Development and Regulation) Amendment Act, 2021 allowed captive lessee to sell up to 50% of total mineral produced in a year after meeting the requirement of captive plant. The Company has sold 17k tonnes low grade manganese ore during the financial year under review.

As a strategy to augment ferro alloys processing capacities, the Company acquired assets of Stork Ferro and Mineral Industries Private Limited (**'SFML'**) having a current production capacity of ~53 Ktpa located at Balasore, Odisha at a capex spend of ₹155 crore + applicable taxes. In addition, TSML has acquired 90% stake in Rohit Ferro Tech Limited through the IBC process.

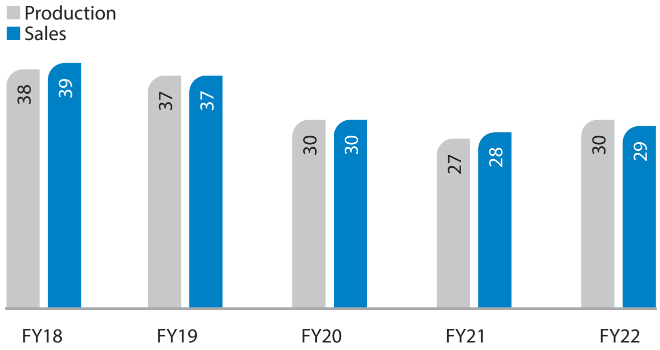
i) Bearings Division

Our Bearings Division is one of the 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 assembles 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.

During FY 2021-22, auto industry witnessed a marginal growth over FY 2020-21, while the tractor industry remained muted.

The production and sales performance is as below:

Production and Sales of Bearings Division (mn nos)



During the year under review, the division produced ~30 million numbers and achieved deliveries of ~29 million numbers which were higher over FY 2020-21 by ~2.7 million numbers in production and by ~ 1 million numbers in deliveries respectively due to increase in demand.

Key Business Highlights:

- The division designed and developed Double lip rubber seal bearing required for specific models of scooter.
- Launched multipurpose grease NLGI Grade 3.

j) Business Improvement Initiatives

i) Total Quality Management

The Total Quality Management (**'TQM'**) way of working has become a part of the DNA of Tata Steel (TSL) for the past several years. The integrated TQM framework is used as the guiding principle to drive TQM practices in the Company.

TQM group continues to raise the bar of Excellence at Tata Steel, enabling the organisation's systems and processes to continuously improve and outperform past performance levels. This has helped Tata Steel in its quest to "Be the Benchmark".

While we continued to institutionalise TQM fundamentals at new locations, we also leveraged opportunities to customise the existing tools and to add new initiatives to enlarge our TQM repertoire and take them to the next level of maturity.

Recognitions and Felicitations:

- Tata Steel is the second company in the group to have been recognised as 'Benchmark Leader' with a score of 755 out of 1000 in an enterprise-wide Tata Business Excellence Model (TBEM) Assessment completed in November'2021.
- Forerunner for data excellence based on TCS proprietary framework DATOM (Data and Analytics Target Operating Model) amongst 19 participating group companies. In February 2022, Tata Steel featured in the "Synergized" category by securing 3.8 out of 5
- Six innovative projects got recognised as Tata Steel (4 projects) and its group companies (1 each by Jamipol & Tata Steel Utilities and Infrastructure Services Limited) bagged awards in the categories of Sustainability, Piloted Technology and Implemented Innovation in November 2021 at Tata InnoVista Awards function. This was the fourth consecutive year of Tata Steel winning the highest (6 out of 15) number of awards in the function
- Recognized for being the top contributor and implementer of "Best Practices" at the Business Excellence Convention held on December 14, 2021, two of our senior leaders were also felicitated in the same convention for their contributions in DATOM assessment and Best Practice Sharing
- Recognized at ICQCC (International Convention on Quality Control Circles): Four SGA (Small Group Activity) and one MASS (Manthan Ab Shopfloor Se) teams secured the highest category "Par Excellence" award in 46th ICQCC held in November 2021. Tata Steel was also recognised for its consistent participation in the forum during the last decade
- Felicitated at ISQ (Indian Society for Quality) in December 2021, with "Harsha Award" for contributions in effective implementation of quality management principles, concepts, techniques and practices at Tata Steel

Strengthening TQM Fundamentals in New Areas:

- Total Productive Maintenance (TPM) activities were strengthened at TSK (Tata Steel Kalinganagar) and a Steering Committee was constituted for policy and direction setting
- Theory of Constraints (TOC) based project management approach has been deployed for the first time on pilot basis in growth projects at TSK Cold Rolling Mill (CRM) and Industrial Structures Business (ISB) for efficient project management
- Total 3,742 ASPIRE (Aspirational Initiatives to Retain Excellence) improvement projects covering various methodologies (TOC, Green Belt projects, Self-initiated projects) were completed.

Treading New Paths:

- *Touching the lives of employees, societies and communities we serve through usage of advance analytics:*
  i) TQM, Safety and Medical Services teams entered collaboration with SUTRA [Susceptible, Undetected, Tested (positive) and Removed Approach] team to work on COVID-19 third wave prediction model, which helped Tata Steel to proactively ward-off peak medical response requirements during the third wave at all its operating locations
  ii) Data analytics helped us understand the correlation between 5S observations logged and safety incidents. TQM and Safety departments jointly launched '5S & Visual Workplace Management Assessments" under the aegis of Apex Safety Management System and Audit Sub-committee to reduce the number of incidents at shop-floor.
- **Agility in TQM:** In order to grow at an accelerated pace Tata Steel adopted an Agile Framework for project execution. The Agile Way of Working (AWOW) approach was introduced and is being institutionalised for the deployment of APEX long-term projects (LTP). Top 10 APEX LTP projects have been taken up with AWOW approach, supported by Agile coaches deployed by TQM.

ii) Shikhar 25 (operational improvement programs)

The Company, in its growth path, has used techniques of Total Quality Management (TQM) across the value chain to achieve consistent quality and efficient performance.

The Shikhar25 program, a multi-divisional, multi-location, cross functional program, is an EBITDA focused improvement program which aims on delivering superior product quality, optimizing product mix, improving operational efficiency, lowering carbon footprint, reducing waste generation, and maximizing energy efficiency through a chain of impact centers across all locations of the Company. It intends to drive break through improvement projects with focus on safety, environment, people standards and in collaboration with internal/external stakeholders to achieve best in class operational performance. The key themes for improvement during the year under review were Optimization of cost of mining, minimisation of purchased metallics, monetizing raw material capability, increase in yield & throughput of both upstream and downstream facilities, value-in-use for procured materials, power sourcing & optimization.

During the year under review, the Company achieved performance improvements of ₹5,463 crore (including ₹2,881 crore value protection initiative). With continued effect of pandemic, it was important to be agile enough to learn and evolve faster, 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 Synergy benefit of ₹579 crore. The program was extended with the launch of new IMPACT Centres at TSML, JCAPCPL, etc.

iii) Improvement Initiatives by Strategic Procurement – Raw Materials

The division has achieved substantial savings from the following improvement initiatives:

- In view of China's ban on Australian coal, stranded Australian cargoes were available at attractive prices, which was utilised to procure Ex-China cargoes that resulted in benefits of above or US$20Mn.
- Implementation of Vendor Managed Inventory at Indian ports for coal and supplier credit enhancement resulting in free up of non-fund based working capital lines above or US$200 Mn.
- Group synergies through centralized procurement, technical optimization and knowledge sharing continued to result in substantial savings and efficiency improvement. Tata Steel along with its group companies led to a combined synergy of blend improvements, new product development and coal commonality related initiatives which led to aggregate savings of around ₹300 crore.

k) Safety Health & Sustainability

Safety: Tata Steel aspires to be the global steel industry benchmark for "Value Creation and Corporate Citizenship" with its employees and community at the core. This is derived from its 'people first' ethos; hence, the safety and wellbeing of its employees are of utmost priority to Tata Steel. Tata Steel aspires to achieve 'Zero Harm' by 2030 and become an industry leader in Safety and Health. The Company's safety policies are aligned to its aspirations as the policies provide clear direction, sound safety governance structure, robust management and reporting systems, 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 across locations. The Company's integrated value chain, from mining, iron & steel making, 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.

Be it the deployment of process safety Centre of Excellence (**'COE'**) framework or developing capabilities through state of art 'Safety Leadership Development Centre' or ensuring business continuity during emergency situations through 'Tactical Centre', Tata Steel, as an organization, is focused towards making safety a way of life. Digital solutions such as 'Connected Workforce', 'safety wearables' reiterate the Company's commitment towards culturally future ready. Few strategic interventions introduced are simplification of safety standards and development of E-learning modules, reward & recognition policy, intelligent video analytics to improve road safety etc.

Addressing COVID-19: A culture of compliance to Safety guidelines and established Safety & Health systems enabled Tata Steel to rapidly roll out initiatives that achieved a balance between workforce safety and business continuity. The setting up of an empowered committee of the Senior Leadership Team (SLT) to tackle the COVID-19 pandemic facilitated agile decision-making and quick deployment of initiatives organization-wide. The design and deployment of 'Digital Covid Safety Tracks', creation of a 'Covid Impact Centre', formulation of 'Standard Operating Guidelines' (SOG)s and implementation of an innovative 'POD' concept ensured that Tata Steel could operate at business usual level. Tata Steel has been recognized by World Steel Association in Safety & Health Excellence Recognition program 2021 for Ensuring Workforce Safety & Business Continuity by mitigating COVID-19 Risk at Tata Steel India workplace.

Tata Steel's enduring pursuit of excellence in Safety & Health has resulted in the steady improvement of its safety performance. It remains consistently better than that at the apex level of the global steel industry, as represented by the figures of Tata Steel vis-à-vis World Steel Association (WSA). The LTIFR performance has reached a plateau and the addition of newer facilities, reinforced focus of the Company towards enhancing its safety performance way forward. During the year under review, average number of fatalities per year have reduced and various hazards such as Confined Space, Fire, Drowning, Gas Exposure, Electrical Flash & Explosion have sustained Zero Fatalities for more than 6 years. Behavioral safety along with the operation of heavy vehicles, mobile equipment and moving machinery remain continuing challenges for the Company. Tata Steel strives to address these by promoting a risk-based thinking culture, leveraging digital technologies and pursuing strategic interventions.

Occupational Health & Safety: Tata Steel implemented a comprehensive Industrial Hygiene program which includes identification of occupational health hazards & risk analysis, assessment of actual exposure through hazard quantification and implementation of hazard control measures to maintain minimum exposure level and to reduce occupational health related risks. Tata Steel also conducted Ergonomics risk assessment and implemented Ergonomics control measures in Jamshedpur in order to achieve the best mutual adjustment of man and his work. Tata Steel has conducted regular COVID-19 health screening of employees, contract employees, truck drivers & food handlers to mitigate the effect of COVID-19 pandemic at workplace. To improve health & wellbeing of employees, we have taken several initiatives like periodic medical examination, regular follow-up of high-risk cases, theme-based health awareness campaign, Doctor online program, Outdoor physical fitness program, Yoga & pranayama program amongst others.

Through all these initiatives the Health Index improved from 12.83 in FY 2020-21 to 12.91 in FY 2021-22.

Sustainability: The Company's philosophy of steel production is deep rooted in the principles of resource efficiency, circular economy, minimizing ecological footprint, zero harm (health of safety of workforce) and care for community. The United Nations Sustainable Development Goals (**'UN SDGs'**) form an integral part of the Company's long-term strategy and during the year under review, the Company has undertaken an internal assessment for prioritizing the goals and link targets relevant to its business in terms of impact and opportunity to create greater impact. Aspirations of taking its carbon emissions to <1.8 CO_2/tcs by 2030, mitigating dependence on fresh water by lowering specific freshwater consumption to <1.5 m^3/tcs by 2030, enhancing value proposition on circular economy, no net loss on biodiversity and coverage of 100% critical supply chain partners for ESG risk assessment are significant targets which forms part of the business strategy of the Company. In Europe Tata Steel is committed to achieve net neutrality by 2050.

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 values human rights, not only for those working within its premises but for all those who are even indirectly related with the Company. Tata Steel practices social responsibility in all aspects of its business, and continuously endeavour to communicate with myriad stakeholders to achieve inclusive growth. Additionally, this year Tata Steel have notified the Business & Human Rights policy and institutionalised a governance structure parallel to 'management of business ethics' to have more focus.

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'. In FY 2021-22, the Company have assessed nearly 50% of its critical vendor partners and the process is ongoing. All new incumbents are trained on the subject and have to sign the Business associate code of conduct before starting to partner with the organisation. Tata Steel aspire to integrate the sustainability score in its business decision making in the area of Supply chain.

To accelerate the efforts in becoming a leader in sustainability, Tata Steel strive to use Life Cycle Assessment (LCA) tool effectively to understand its products' environmental impact as well as to use its outcome for product related environmental disclosures. LCA studies are based on World steel LCA methodology which are guided by ISO 14040 and ISO 14044. During the year under review, the Company has completed the LCA study for products manufactured at TSM, CRM Bara (Jamshedpur) and Tata Steel Long Products Limited, Gamharia covering a total of 8 different product categories. The Company has also carried out LCA study for our structural tubes and hollow section products under the brand Tata Structura manufactured at Tata Steel Tubes division along with its seven different production units. Tata Steel has also carried out a LCA study for one of its Fibre Reinforced Polymer (FRP) product to understand its life cycle environmental impact. In FY 2021-22, Tata Tiscon became India's first GreenPro certified TMT rebar brand. In the coming years, Tata Steel aim to receive eco-labels (GreenPro and EPD) for its key products as well as maximum coverage of its products across sites under LCA to support its customers with product related sustainability information.

In order to serve the customer better, Tata Steel Europe has published Environmental Product Declarations (**'EPD'**) with entire product range of the European operations certified with BES 6001 sustainable sourcing standard. Environmental characteristics of products throughout their life cycle, for a large number of its products are declared for the use of all stakeholders, particularly customers. Tata Steel is increasingly working towards publishing EPD for many more products in its offerings. With its steel product analysis system, Tata Steel will respond proactively to the needs of its customers, who demand eco-friendly steel.

The Company has aligned its actions with the India National Biodiversity Targets set in 2014, Aichi Biodiversity Targets set in 2010 (Global level) and Sustainable Development Goals to integrate biodiversity into its business ecosystem. To augment Company's efforts in biodiversity conservation, Tata Steel has set up Biodiversity Management Plans (**'BMPs'**) for 13 locations till date. Tata Steel is supporting Task Force on Nature Related Disclosures (**'TNFD'**) in developing a risk management and disclosure framework to address the current need of the organizations to factor nature-related risks and opportunities into financial and business decisions.

Both Tata Steel Limited and Tata Steel Europe have been recognized as Sustainability Champions by World Steel Association for five consecutive years. Tata Steel is a member of the UN Global Compact (**'UNGC'**) and have been submitting Communication on Progress annually through its Integrated Report.

Climate Change: Tackling climate change is one of the biggest challenges the world faces today. Working on Climate change is a cornerstone in achieving a better sustainable future. Steel industries being one of the significant contributors to carbon emission, decarbonisation measures must be implemented within the industry to keep the planet sustainable.

The Company is committed to being aligned with India's nationally determined contribution and the European Union's commitment on Climate Change. It also has taken note and working towards steps discussed in COP26 by Prime minister of India. Tata Steel is focused on its path for net neutrality in Tata Steel Europe by 2050 and committed to <1.8 tCO_2/tcs for Tata Steel India by 2030. To achieve the target, Tata Steel is making a range of efforts across the organisation for GHG emission reduction activities that include increasing efficiency of operations, use of more recycling scraps, carbon capture, utilization, storage (CCUS), and hydrogen-based steelmaking.

The Company is signatory to the Task Force on Climate-related Financial Disclosures (**'TCFD'**) for climate change and has identified transition risks and opportunities to decarbonise operations over a period. Specific mitigation and contingency plans for each of the identified risks have been integrated within the Company's long-term strategy. To move closer towards lower carbon pathway, both in Europe & India, we are working towards installing Natural gas based DRI kiln and be future-ready in use of Hydrogen by replacing Natural gas. We are continuously working to integrate Hydrogen gas in ironmaking processes as a non-fossil fuel and reductant. We are discussing on the possible ways of Hydrogen generation and injection into Blast Furnace thereby becoming one of the world's first in this field. During the year under review, Tata Steel has successfully tried injection of Coal Bed Methane (type of natural gas) in one of the Blast Furnaces and able to reduce carbon intensity by replacing metallurgical coke.

Tata Steel India's R&D in collaboration with startups, academia and other organisations of repute are working to develop various projects focusing on decarbonization. During the year under review, Tata Steel, commissioned the Carbon Capture Use (CCU) pilot plant at Jamshedpur works, the country's first steel company to adopt carbon capture technology that extracts CO_2 directly from the BF gas. Once separated, the same could be transported to different places for use in industry. Tata Steel will move forward to emerge as a business leader across the hydrogen and Carbon capture and utilization (CCU) value chain.

In its effort towards decarbonisation, Tata Steel is also working towards minimising scope 2 & 3 emissions. With the advent of electrification of vehicles and renewable energy system, we are working to increase our renewable energy share along with inclusion of high range electric mobility system. As part of its sustainability initiative, Tata Steel has tied up with an Indian startup in deploying EVs in transporting steel products. In FY22, Tata Steel became the first steel producer in India in transporting steel products in EV with a minimum carrying capacity 35 tonnes of steel.

Tata Steel is collaborating with wide range of organisations and developing the ecosystem to mitigate climate change transition risk. The Company is also working on the assessment of the physical risks at its sites of operation and developing adaption strategies for the same. The Company is also working on the opportunities arising out of climate change with specific projects to leverage.

l) Corporate Social Responsibility

The utmost priority for Tata Steel at the very start of the global pandemic, was to ensure accurate and timely communication with all its stakeholders and collaborating with our extended stakeholder network, in order to ensure that both the internal and external communication channels were regularly updated, in the interest of safety and business continuity.

To provide an overview of the measures within its plant gates at Tata Steel, an empowered committee of the senior leadership team was immediately set up to facilitate agile decision-making and quick deployment of preventive initiatives, across the organisation. Immediately thereafter, the Company introduced manpower modulisation via PODs, to protect the health and safety of its employees.

Tata Steel also designed and deployed a tableau-based manpower monitoring system, called 'Digital COVID Safety Tracks', created a 'COVID Impact Centre' and formulated 'Standard Operating Guidelines', that were widely communicated across internal and external stakeholders. These broad efforts with their multiple levels of initiatives helped the Company immensely to create a capacity to sustain operations, at a business-as-usual level.

Tata Steel's past investments in digital technology for a 'Connected Workforce, Connected Assets and Connected Operations' platforms, enabled it to seamlessly respond to COVID-19 impacts.

Some of the interventions that were introduced during the period are:

Team Support: 'Speak Up', a Coronavirus Guidelines Violation Reporting Helpline was established and used extensively to report violations of quarantine rules.

Tata Steel set up a COVID-19 Medical Task Force, to augment and constantly review the preparedness of its hospitals and related infrastructure that were set up to cater to the needs of its employees, as well as the communities. The five key initiatives launched for the communities, in the aftermath of the lockdown, are as follows:

#DigitalBridges Gram Panchayats & 2.0: By creating an empathetic network to solve pressing challenges of stranded migrant workers across India.

#ThoughtForFood and #HopeSprings: Mobilisation by Tata Steel Foundation ensured that at least one warm wholesome meal a day was made available to the most vulnerable sections during the lockdown and that no migrant labourer passing through Jamshedpur remained hungry, thirsty or lonesome. This resulted in 27 lakh such meals being served across locations.

#StitchInTime: Local capacity was created to produce 1,00,000 three-ply cloth masks across our operational areas, catering to communities most exposed to the outbreak.

#StrongerTogether: Collaborations across peers and public systems enabled Tata Steel to identify skilling and re-skilling needs and provide job linkage opportunities. This turned out to be an extremely successful effort that impacted ~75,000 individuals in the East Singbhum District of Jharkhand.

#FarRishta: A national network of positivity, Far Rishta comprised of 50,000 employees across 19 states, all of whom worked under the motto of "being social from a distance".

The various initiatives are undertaken by the Corporate Services division are stated in the effects of COVID-19 pandemic on the Company.

Tata Steel Foundation (**'TSF'**) continues to play a key role in mobilising people and spreading awareness, coordinating, and facilitating mass testing, organising vaccination drives, while facilitating sustainable livelihood opportunities. Over 2.3 lac vaccine doses have been administered by TSF in various operating geographies of Jharkhand and Odisha

2. Tata Steel Long Products Limited (TSLP)

TSLP's current product portfolio is unique in nature and complementary to Tata Steel product basket. It primarily deals in two products viz. DRI (Direct Reduced Iron/ Sponge Iron) and Special Steel. DRI on the one hand is highly commoditized in nature and used as a Raw material (substitute to the steel scrap) in the electric arc furnaces or induction furnaces. While on the other hand, special steel is used for hi-end and critical applications such as forging, bearings, fasteners, spring etc. This enabled Tata Steel to complete its offering in the Automotive sector for critical long products-based components apart from being a dominant leader for Flat products-based parts/ components.

The turnover and profit/(loss) of TSLP for the FY 2021-22 are as follows:

(₹ crore)

	FY 22	FY 21
Turnover	6,802	4,750
EBITDA	1,288	1,154
Profit before tax (PBT), before exceptional	885	615
Profit before tax (PBT)	858	615
Profit after tax (PAT), before exceptional	657	572
Profit after tax (PAT)	630	572

The production and sales performance is given below:

(mn tonnes)

	FY 22	FY 21	Change (%)
Crude Steel	0.68	0.65	6
Saleable Steel	0.67	0.53	25
Sales	0.65	0.64	2

TSLP continues its journey of operational excellence through Shikhar program. While operational robustness was visible in the company's performance in FY 2021-22. The company has undertaken numerous customer facing and operational initiatives to improve performance.

Key Business Highlights:

- Twenty new trials were conducted across the plant to establish new operating paradigm (Polymer usage to reduce coal blend cost and usage of alternate fluxes in Blast Furnaces for improved productivity.
- In by-products, few campaigns to make the departments free from plastic and E-waste were successfully launched and driven to generate revenue for the company.
- Undertaken impactful actions to make its quality control process robust and reduce customer claims, launched customer satisfaction team for key customers to enhance engagement and provide quick resolution of the complaints.

The Shikhar program has achieved improvement savings of ₹503 crore in FY 2021-22, which contributed to improvement of EBITDA which had been pivotal in staging a successful turnaround of the financials of the company.

The company has embarked upon digitally enabled business transformation journey - Digital Twin for DRI which has been initiated to improve process efficiency by multivariate optimization, predictive modelling for loss detection, process optimization to maximize throughput and improve yield.

During the year, the company had developed 29 new products out of which the 3 first time products in India viz., Lead free steel, PC300k - Alloy LRPC and Grade 3 cable wire for horseshoe nails and DTH cables.

During FY 2021-22, TSLP had produced 839 k tonnes of sponge and 684 k tonnes of steel as against 797 k tonnes of sponge and 648 k tonnes of steel in FY 2020-21, whereas deliveries of FY 2021-22 for sponge was 594 k tonnes as against 632 k tonnes FY 2020-21, due to lower demand for sponge and steel deliveries was 652 k tonnes as against 639 k tonnes FY 2020-21 in view of higher demand. The turnover of FY 2021-22 had increased over FY 2020-21 by ₹2,052 crore primarily due to increase in average net realisation of sponge iron and of steel while the steel deliveries were marginally higher. The Profit before tax of FY 2021-22 was higher by ₹243 crore over FY 2020-21 primarily due to increased EBITDA and reduction in finance cost on account of repayment of loan.

Strategic growth in Long Products through Acquisition of Neelachal Ispat Nigam Ltd.

Department of Investment and Public Asset Management (**'DIPAM'**), Ministry of Finance had invited bids for strategic divestment of Neelachal Ispat Nigam Limited (**'NINL'**). TSLP participated in the bid process and submitted its financial bid on December 23, 2021 for the acquisition of 93.71% equity shares of NINL for a total consideration of ₹12,100 crore. DIPAM declared TSLP as the highest bidder, issued a Letter of Award, which company accepted and then executed the share purchase agreement and escrow agreement on March 10, 2022. The company has deposited 10% of the consideration in an escrow account. Currently, both the companies are in the process of completing various conditions required for closing of the transaction.

3. Tata Steel Europe (TSE)

Economic growth recovered in all regions of the world in 2021 after the economy was strongly impacted in 2020 by the COVID-19 pandemic. The recovery was strong despite continuing supply chain issues and COVID waves. Global GDP growth increased by 5.9% (2020: -3.4%). In China GDP growth accelerated to 8.1% (2020: 2.2%). Whilst China achieved strong GDP growth of 12.7% in the first half-year of 2021, the Chinese economy decelerated sharply in the second half, recording only 4.0% growth in the fourth quarter of 2021. The deceleration was mainly due to the weak real estate market and stagnant infrastructure investment, together with continued COVID waves. The EU economy grew by 5.3% (2020: -6.1%) and the UK economy by 7.4% (2020: -9.3%). The EU and UK economies recovered as vaccination allowed a progressive opening of the economies. In the first part of 2021, the economies rebounded strongly from the recession of 2020, but GDP growth decelerated in the second half due to increasing energy prices, inflation and supply chain issues.

Global steel demand increased by 2.7% in 2021 in line with the improving macroeconomic conditions (2020: 0.5%). Demand in China decreased by -5.4% (2020: 10.4%) as growth in the construction sector slowed down. Demand in the EU recovered by 16.8% (2020: -11.6%). In CY2021 the steel-using industries in the EU experienced a strong rebound in output, which peaked in the second quarter. The recovery of automotive was particularly strong. However, issues with the supply chain (especially shortage of semiconductors) negatively affected output in the automotive sector in the second half of the year. In 2021 global steel production increased by 3.6% (2020: -0.1%). Steel production in China decreased by -3.1% (2020: 6.9%) and equated to 54% of global steel production. In the EU production was increased by 15.4% (2020: -12.0%) as the idled Blast Furnaces were brought back online.

The market reference price for iron ore fines (China CFR 62%) increased in FY 2021-22 to US$154/t (+$26/t). The price was particularly high in the first half of the year with an all-time high in June 2021 of US$215/t as demand from Chinese mills was strong. The hard coking coal spot price (Australia FOB) increased to US$313/t (+$196/t). The price increased during the year due to a combination of strong seaborne demand from India, Japan, South Korea and Europe as industrial output improved, high demand for non-Australian coals from China and limited supply in the spot market. The price was at an all-time high of 594 US$/t in March 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 €437/t (+€196/t) compared to the previous financial year. The price of CO_2 increased in 2021-22 to €65/t (+€36/t), reaching an all-time high in February 2022 at €91/t. Increasing industrial output and reforms of the EU Emissions Trading System, reducing the supply of permits, have caused the price to rise. The European steel spot Hot Rolled Coil price (Germany, parity point) increased in 2021-22 to €1,055/t (+€520/t). The price increased strongly as demand for steel was high whilst supply was limited. In March 2022 the steel price was at an all-time high of €1,240/t due to the loss of supply from Ukraine and Russia.

For 2022 the outlook is highly uncertain due to the war in the Ukraine. The war in the Ukraine has a major impact on the EU due to its reliance on Russian energy and its geographic proximity to the conflict area. There are further downside risks from COVID virus infections and rising interest rates. The World Steel Association predicts that steel demand will increase 0.4% globally. Demand in the EU is expected to decline by -1.3%.

The turnover and profit/(loss) figures of TSE are given below:

(₹ crore)

	FY 22	FY 21
Turnover	90,023	56,051
EBITDA	12,164	(618)
Profit before tax (PBT), before exceptional	8,362	(4,565)
Profit before tax (PBT)	8,114	(5,907)
Profit after tax (PAT), before exceptional	9,235	(6,155)
Profit after tax (PAT)	8,986	(7,497)

The production and sales performance of TSE is given below:

(mn tonnes)

	FY 22	FY 21	Change (%)
Liquid Steel Production	10.11	9.55	6
Deliveries	9.02	8.82	2

TSE's production in FY 2021-22 was up 0.6 MnT (6%) compared to the previous year due to the impact of COVID-19 pandemic on demand in FY 2020-21 on the Group's steel products. The deliveries increased by 2% over the previous year driven by broad based improvement in most steel consuming sectors.

During the year under review, the revenue stood at ₹90,023 crore reflecting a significant improvement of 61% over FY 2020-21 primarily due to improved average revenue per tonne and higher deliveries attributable to the recovery of the European steel market aided by the improvement in the sales mix. In addition, favourable exchange impact on translation also supported higher revenue during FY 2021-22. TSE reported positive EBITDA of ₹12,164 crore during FY 2021-22 as against operating loss of ₹618 crore in FY 2020-21 mainly due to significantly higher steel margin and improved market conditions partly offset by increase in energy and maintenance expenditures. Improved operating profits led to profit before tax of ₹8,114 crore in FY 2021-22 against a loss of ₹5,907 crore in FY 2020-21. Exceptional charge was lower than that of the previous year mainly due to lower impairment on PPE.

Strategic Actions

TSE started the FY 2021-22 operating in a much improved steel market which, along with many other industries, was severely affected in FY 2020-21 following the restrictions imposed on the economy to contain the COVID-19 health crisis. TSE was well placed to serve the strong demand from the market following the economic recovery once restrictions were lifted because, whilst production was reduced in FY 2020-21, no permanent capacity reductions were made. TSE's focus during the year was to improve operational stability and respond to demand whilst managing the significant pressures on working capital arising from increases in input costs.

Through the first half of the year, TSE progressed with its plans to separate its businesses in the UK and the Netherlands into two 'Value Chains', with their own governance structures to allow each businesses to pursue different strategic paths and give them greater agility and focus, while still benefiting from operating together under the Tata Steel brand to provide a coordinated approach to customers. The separation took effect from October 1, 2021.

During the year Tata Steel announced plans to pursue a fully sustainable future for its steelworks in Ijmuiden by adopting a hydrogen route which would involve the introduction of direct reduced iron (DRI) technology which can make iron using natural gas or hydrogen before it is converted to steel in one or more electric furnaces to be invested in the future. TSE is pursuing with its ambition in IJmuiden to reduce CO_2 emissions by five million tonnes a year by 2030 and had been exploring various technological options to achieve this, including the capture and storage of CO_2 or a hydrogen route. With the announcement, the company is now undertaking a detailed assessment of the hydrogen route in IJmuiden and is in discussions with all stakeholders involved to further develop this route. In the UK, Tata Steel continues to have discussions with the UK government to seek support for the transition to low-carbon steelmaking, which is a vital part of securing a long-term sustainable future for the business.

The principal activities of TSE in the FY 2021-22 comprised the manufacture and sale of steel products. TSE's operations produced carbon steel by the basic oxygen steelmaking method at its integrated steelworks in the Netherlands at IJmuiden and in the UK at Port Talbot. During the FY 2021-22, these plants produced 10.1 MnT (previous year: 9.6 MnT) of liquid steel. Whilst TSE seeks to increase its differentiated / premium business, which is less dependent on market price movements, it still retains focus in both the UK and Netherlands on improving its operations, consistency, and taking measures to protect against unplanned interruptions and property damage.

Tata Steel Netherlands ('TSN') – Liquid steel production at IJmuiden Steel Works, Netherlands during FY 2021-22 at 6.6MnT was - despite some operational issues - 0.4MnT higher than the previous year reflecting the easing of the COVID-19 impact. Market demand was robust, although some weakness was noticeable in the automotive sector due to the global chip shortages. During FY 2021-2022 TSN continued with the Transformation 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. Continuous Caster 23, the largest investment scheme within the STAR-programme, was commissioned in October 2021. The other main items within the STAR-programme will be realised in FY 2023 and the preparations have started to operationalise the Blast Furnace#6 in 2023. Furthermore, significant progress was achieved in 'Roadmap Plus', which contains a series of measures to eliminate the environmental impact (noise, dust, odour) of the IJmuiden Steel Works.

Tata Steel UK (**'TSUK'**) – Liquid steel production at Port Talbot Steel Works, Wales during the FY 2021-22 at 3.5 MnT was 0.2 MnT higher than the previous year which was partly impacted by demand reductions associated with the COVID-19 pandemic. During FY 2021-22 TSUK commissioned a new turbine within the power plant with capability of 30Mwe internal power generation helping to reduce the reliance on external energy purchases. During the year, the Transformation programme continued to deliver benefits and TSUK broke a number of operational records including weekly production on the Hot Strip Mill and monthly production on the Zodiac galvanising line.

New Products

In TSE, 13 new products were launched during the FY 2021-22. These launches include major developments for the Automotive, Construction and Engineering end markets.

In the Automotive sector, TSE continued to maintain its leadership position in the outer panel full finish segment. It has further improved the chemistry and product performance of its Serica® range offering premium surface finish for market-leading paint appearance for Automotive outer body applications. Additionally, TSE launched a new offering of heavy gauge Nickel-plated steel for application in rechargeable batteries in premium Electric Vehicles.

In the Construction sector, TSE launched five new products. This included extended the capability of our Linepipe offerings for offshore Oil & Gas application in the X65/X70 grade range and extended the dimensional range of premium cold-formed Hybox® tubes. Further, TSE improved the sustainability credentials of the Contiflo® range of precision tubes with an odour free and low environmental impact internal coating aligned to latest environmental standards. Through the latest Building Systems facility in the Netherlands, TSE continued to enhance its product portfolio with the launch of a Sinusoidal Roof Panel which offers economic, functional, aesthetic and sustainable solutions with optimum building performance. The product provides a future-proof solution for asbestos roof replacement market.

Moreover, with the launch of two additional hot-rolled grades 27MnB5 and 38MnB5, the Engineering sector further extended its heat treatable, manganese boron portfolio. The new products offer increased wear resistance and higher strength when quenched and tempered after forming, in agriculture wear parts application.

Recognition:

TSE has been recognised by World Steel Association as a Steel Sustainability Champion for the fifth year in succession. The award recognises TSE as a company leading the way to create a truly sustainable steel industry and society and that clearly demonstrates its commitment to sustainable development and the circular economy.

4. Natsteel Holdings (NSH)

TS 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.

The turnover and profit/(loss) of NSH for the Financial Year 2021-22 (up to September 30, 2021) are as follows:

(₹ crore)

	FY 22	FY 21
Turnover	3,485	4,326
EBITDA	365	224
Profit before tax (PBT), before exceptional	275	48
Profit before tax (PBT)	(738)	48
Profit after tax (PAT), before exceptional	225	42
Profit after tax (PAT)	(787)	42

The production and sales performance of NSH is given below:

(mn tonnes)

	FY 22	FY 21	Change (%)
Saleable Steel	0.44	0.73	(39)
Sales	0.55	0.90	(39)

5. Tata Steel Thailand (TSTH)

During FY 2021-22, the demand for steel in Thailand was at 18.6 MnT, higher by 13% over the previous year, met through higher steel imports at 12.4 MnT. The demand for long products was at 6.5 MnT, higher by 3% y-o-y.

The turnover and profit/(loss) of TSTH for the FY 2021-22 are as follows:

(₹ crore)

	FY 22	FY 21
Turnover	7,431	5,264
EBITDA	736	325
Profit before tax (PBT), before exceptional	611	193
Profit before tax (PBT)	593	165
Profit after tax (PAT), before exceptional	612	179
Profit after tax (PAT)	594	151

The production and sales performance of TSTH is given below:

(mn tonnes)

	FY 22	FY 21	Change (%)
Saleable Steel	1.29	1.33	(3)
Sales	1.33	1.30	2

During the FY 2021-22 the saleable steel production decreased by 0.04 MnT and sales improved by 0.03 MnT over FY 2020-21. The turnover increased by ₹2,167 crore primarily due to increase in steel prices. The profit before tax was higher by ₹428 crore on account of higher operating profits, lower finance cost and lower exceptional charge.

Key Business Highlights

- Exported billets for the first time. The company has entered Canada and is in the process of getting certification to enter Australian and New Zealand markets.
- Initiated migration of standard rebar to Seismic rebar in retail market. Launched E-Commerce platform "BaanClickBuild".
- The company has digitalized many processess like HR Easy Connect, ERFX, Tata App, E-commerce, E-Tax invoice and E-Receipt, E-learning for training during COVID-19 as well as, internal workflow to simplify operations and prevent human errors.

Recognition:

- TSTH received "Thailand Sustainability Investment 2021" from The Stock Exchange of Thailand.
- TSTH received "The Thai Chamber of Commerce Business Ethics Standard Test Awards 2021" from The Thai Chamber of Commerce.

6. Tata Metaliks Limited

Tata Metaliks Limited (**'TML'**) has its manufacturing plant at Kharagpur, West Bengal, India which produces annually 300 k tonnes of pig iron and 200 k tonnes of ductile iron pipes. Pig iron is marketed in the brand name 'Tata eFee' (world's first brand) and ductile iron pipe is marketed in the brand name 'Tata Ductura'.

The Pig iron demand got severely impacted in Q1 FY 2021-22 due to second wave of COVID -19 as operations in all major foundry clusters got curtailed and domestic FG (Foundry Grade) PI prices remained volatile in line with related commodities viz. steel, scrap, sponge iron etc. Demand started recovering from mid-July 2021 onwards with average utilization levels reaching ~70%-80% at all major foundry clusters. In Q3 FY 2021-22, demand was moderate due to festive season and recovery from second wave of COVID and it ultimately showed sign of recovery in Q4 FY 2021-22 when utilization levels improved to 80%-90% in the foundries. However, the PI prices remained volatile throughout the year and reached all-time high levels due to unprecedented rise in raw material prices especially coking coal and coke.

In the Ductile Iron Pipe (**'DIP'**) segment, despite sufficient volume of dispatchable orders and fund clearances from the government, DIP industry witnessed muted dispatches in Q1 FY 2021-22 due to Covid induced lockdowns. With rising demand and buoyant commodity prices, DIP prices witnessed a positive movement from the beginning of FY 2021-22 and the rising trend continued throughout the year. In the second and third quarter of the year industry witnessed moderate increase in dispatches. During FY 2021-22 the industry sales was 1,996 k tonnes with TML's sale of 237 k tonnes having market share of ~12%.

Key Business Highlights:

- The hot metal production, fuel rate, coal injection of the Blast furnaces were marginally lower than the targets, as one of the Blast Furnaces took longer duration to stabilize post a maintenance shutdown.
- DIP plant performance was excellent in terms of production, yield and consumption parameters.
- Despite several challenges due to Covid restrictions, the company could complete most of the installation of Phase 1 of its new DI Pipe plant at Kharagpur. To be future ready, the company is running trials and commissioning plant equipments across locations.

Digitisation and automation: TML started its digital transformation journey in FY 2018-19 and developed a Long-term Digital Strategy Roadmap that focused on three themes—Real-time data analytics, Smart machines and Business on Mobile. In FY 2021-22 the Company took some key strategic initiatives such as (a) Data Strategy Design, with an objective to streamline different source systems and create a single source of truth for the organization and (b) Project ARUNA, another strategic initiative to drive EBITDA improvement data analytics projects across the organisation. TML has also implemented Level II Automation System for MBF 1 which is first time in any mini Blast Furnaces in India. The Company 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 company currently has seven robots operational in its DIP production lines.

The turnover and profit/(loss) figures for the FY 2021-22 are as follows:

(₹ crore)

	FY 22	FY 21
Turnover	2,746	1,917
Profit before tax (PBT)	339	306
Profit after tax (PAT)	237	220

During the FY 2021-22, the production of Pig Iron (**'PI'**) was 344 k tonnes as against 283 k tonnes in FY 2020-21 and production of ductile iron pipes (**'DI'**) was 236 k tonnes during FY 2021-22 as against 187 k tonnes in previous year. The deliveries of Pig Iron (**'PI'**) increased by 54 k tonnes and that of DI pipes were higher by 44 k tonnes.

The turnover during FY 2021-22 was ₹2,746 crore, was higher by ₹829 crore over previous year primarily due to higher prices of pig iron and DI pipes along with higher deliveries. The profit before tax during FY 2021-22 at ₹339 crore, was higher by ₹33 crore over previous year due to exceptional gain of ₹31 crore on account of sell of land and lower finance cost.

Recognition:

- Silver Recognition under Manufacturing Sector in 6th CII National Competition on Digitalisation, Robotics & Automation.
- 2nd Runner Up in Best Digitisation Kaizen under Manufacturing Sector in 5th CII National Kaizen Circle Competition 2022.

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 used for metal packaging. The Company 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 k tonnes of tinplate and tin-free steel.

The turnover and profit/(loss) figures of TCIL for the FY 2021-22 are as follows:

(₹ crore)

	FY 22	FY 21
Turnover	4,272	2,297
Profit before tax (PBT)	471	132
Profit after tax (PAT)	353	98

During the FY 2021-22, the production at 374 k tonnes, was higher over FY 2020-21 by 83 k tonnes and deliveries at 373 k tonnes, were higher by 57 k tonnes over the previous year. The turnover during FY 2021-22 was ₹4,272 crore higher by ₹1,975 crore over previous year on account of increase in average realisation along with higher deliveries. Profit before tax during FY 2021-22 was ₹471 crore, higher by ₹339 crore over previous year due to higher operating profit and higher finance income.

Key Business Highlights:

- Execution of critical capital projects like Offline Shearing Facility (SHL) at Electrolytic Tinning Lines (ETLs) and upgradation of oiler at Electrolytic Tinning Line – 1 (ETL-1), key infrastructure reinforcement projects in the Cold Rolling Mill (CRM) complex.
- Efforts to leverage benefits through collaborative work with Tata Steel Europe (TSE) and Tata Steel Jamshedpur (TSJ) brought about improvement in prime yield, reduction in quality complaints, improvement in product quality and costs notably in the consumption of Tin and Rolls
- SSPQCO (Steel and Steel Products Quality Control Order) was implemented in July 2021. The company proactively brought in changes in operating practices for transiting seamlessly to the new system.
- The company's focus has been on consistently improving its efficiency performance. Disha initiative has been instrumental in generating, reviewing, implementing and monitoring of breakthrough ideas for efficiency improvement whilst TPM has been the base for continual improvement.

8. Tata Steel Downstream Products Limited ('TSDPL')

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 ten steel processing plants and thirteen 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:

- Achieved a milestone of processing 3 million tonnes.
- During the year under review, the company continues with the EBITDA improvement initiative 'Lakshya 25' towards achieving operational efficiency and improvement in cost effectiveness resulting in significant savings in cost.
- The company has been engaged in various activities to expand in the western region, upgrades of the existing plants to enhance the overall processing capacities, digitalisation of its operations and sustainable business initiatives.

The turnover and profit/(loss) figures for the FY 2021-22 are as follows:

(₹ crore)

	FY 22	FY 21
Turnover	6,805	3,620
Profit before tax (PBT)	194	97
Profit after tax (PAT)	144	81

During the year under review, the production from tolling business was at 2,265 k tonnes, higher by 440 k tonnes than that of the previous year and for distribution business, the production was at 890 k tonnes, significantly higher by 254 k tonnes over FY 2020-21. The deliveries of the tolling business were at 2265 k tonnes, higher by 613 k tonnes and that of distribution business stood at 894 k tonnes which was higher by 233 k tonnes (35%) attributable to the improvement in the demand from the auto segment. Turnover was higher by ₹3,185 crore mainly due to higher realisation from the distribution business supported by higher sales volume. Profit before tax was higher by ₹97 crore due to higher operating profits partly offset by higher finance cost.

Recognition:

TSDPL was given certifications for its plants across locations such as IATF 16949, ISO 14001, ISO 9001, ISO 45001 and OHSAAS 18001.

9. Bhubaneshwar Power Private Limited ('BPPL')

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.

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.

Key Business Highlights:

- Power generation increased to 1011 million units as against 971 million units in FY 2020-21.
- Sale of power increased to 897 million units as against 860 million units in FY 2020-21,
- Plant operated at a better load factor of 85.48% as against 82.14% in FY 2020-21,
- Station heat rate have decreased to 2789 kcal/Kwh from 2793 kcal/Kwh in FY 2020-21,
- Auxilliary power consumption reduced to 11.29% from 11.40 % in FY 2020-21,
- Higher usage of primary coal from Mahanadi Coalfield Ltd (MCL) at marginally higher rate over previous year.

The turnover and profit/(loss) figures for the FY 2021-22 are as follows:

(₹ crore)

	FY 22	FY 21
Turnover	516	489
Profit before tax (PBT)	52	28
Profit after tax (PAT)	39	20

During the FY 2021-22, the turnover was ₹516 crore, higher by ₹27 crore over previous year due to lower rebate to customer, higher energy charges and higher sale to energy exchange grid. The Profit before tax during the FY 2021-22 at ₹52 crore, was higher by ₹24 crore over previous year primarily due to lower finance cost and marginally higher operating profit.

Recognition:

BPPL bagged Kalinga Safety Award (Gold category) for excellent Safety Management System among power plant under 500 MW category in Odisha at the 12th Odisha State Safety Conclave 2021.

10. Tata Steel Mining Limited (TSML)

TSML is in the business of mining chrome ore and converting it to value added product-ferro chrome to serve the global stainless- steel producers. Currently, the company has long term mining leases of chromite mines viz Sukinda, Saruabil and Kamarda in Jajpur district, Odisha. The company is working in compliance with the terms of Mine Development and Production Agreement signed with Government of Odisha when the leases were allotted. The company has made progress towards getting environmental clearance for expansion of Saruabil and Kamarda Mines to 1 MTPA & 0.3 MTPA respectively.

The company has a ferro-chrome plants in Athagarh and Gopalpur in Odisha. TSML had entered into long term sales contracts with the domestic and overseas customers and also continuously working with conversion partners in India, supply chain and marketing & sales division for timely supply of right quality products to its customers. The company has structured productivity and operational excellence program "Shikhar" through various projects in the areas of cost reduction, energy efficiency, throughput improvement and procurement optimisation, resulted in improvements during the current year.

Key Business Highlights:

- Scaled up ferro chrome production to 373 k tonnes in FY 2021-22 from 37 k tonnes in FY 2020-21
- Launched ferrochrome brand "TATA IndiCrome"
- Successfully received Integrated Management Certificate (IMS) on Quality, Safety and Environment for its 3 mines, 2 plants and various functions.

Strategic growth in ferro chrome business through acquisitions of Rohit Ferro Tech

The Company was exploring opportunities to meet its production target for ferro alloys and considering the strategic attractiveness, competitive intensity and expected synergy benefits, identified Rohit Ferro-Tech Limited (**'RFT'**) as a target company to be acquired through Tata Steel Mining Limited (**'TSML'**), wholly-owned subsidiary of Tata Steel, under the Corporate Insolvency Resolution Process (**'CIRP'**) of the Insolvency and Bankruptcy Code, 2016 (**'Code'**).

On June 5, 2021, the Committee of Creditors, in terms of the CIRP of the Code, declared TSML as the successful resolution applicant for the acquisition of RFT, subject to necessary regulatory approvals including approval from the Hon'ble National Company Law Tribunal, Kolkata bench (**'NCLT'**). On April 7, 2022, the NCLT pronounced the Order approving the Resolution Plan submitted by TSML for acquisition of RFT. As per the Resolution Plan, TSML acquired 90% equity stake in RFT for ~₹617 crore.

On April 11, 2022, in terms of the Resolution Plan, the Company (through TSML, its wholly-owned subsidiary) completed the acquisition of 90% stake in RFT and the remaining 10% stake was acquired by the assenting financial creditors of RFT towards conversion of a portion of their loans. For the purpose of this acquisition, the Company, as one of the funding modes, infused ₹625 crore into TSML by acquiring 32,63,70,757 equity shares of TSML of face value ₹10/- each for a premium of ₹9.15 per share.

The turnover and profit/(loss) figures for the FY 2021-22 are as follows:

(₹ crore)

	FY 22	FY 21
Turnover	4,605	535
Profit before tax (PBT)	(1,131)	14
Profit after tax (PAT)	(883)	11

During the FY 2021-22, the turnover was ₹4,605 crore significantly higher over previous year by ₹4,070 crore owing to higher volumes and prices of ferro chrome. The company during the financial year 2021-22 reported loss before tax amounting to ₹1,131 crore as against profit of ₹14 crore in previous year on account of provision for low grade inventory having no market value along with higher provisions for royalties as per Mine Development and Production Agreement.

Recognition:

Ferro Alloy Plant of TSML at Athagarh in Odisha was awarded awarded the Silver Award in Manufacturing (Medium Sector) at the 9th FICCI Safety Systems Excellence Awards.

11. Creative Port Development Private Limited

Creative Port Development Private Limited (**'CPDPL'**) is in possession of a 54 years concession 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 per annum with a potential to expand to 150 MnT per annum. 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. In the year under review, the company has made substantial progress in private land acquisition. The company is planning to start construction of road.

V. Financial Performance

1. Tata Steel Limited (Standalone)

During the Financial Year 2021-22, the Company recorded a profit after tax of ₹33,011 crore (previous year ₹17,078 crore). The increase is primarily on account of improvement in realisations and lower finance cost due to repayment of loans, which was partly offset by higher cost of production due to increase in raw material prices along with higher exceptional charge against gain as compared to that of the previous year. The basic and diluted earnings for the Financial Year 2021-22 were at ₹270.33 per share and ₹270.13 per share respectively (previous year: basic and diluted: ₹145.00 per share and ₹144.99 per share respectively).

The analysis of major items of the financial statements is given below:

a) Revenue from operations

(₹ crore)

	FY 22	FY 21	Change (%)
Sale of products	126,070	81,361	55
Sale of power and water	1,611	1,467	10
Other operating revenue	1,340	1,305	3
Total revenue from operations	**129,021**	**84,133**	**53**

During the year under review, sale of products was higher as compared to that of the previous year, primarily due to significant increase in realisations in domestic as well as export markets along with higher deliveries as previous year was impacted due to COVID-19. Ferro Alloys and Mineral Division (**'FAMD'**) registered lower revenue owing to lower volumes of Ferro Chrome due to transfer of Ferro Chrome business to one of the Group entities. Sale of power and water increased due to higher demand.

b) Purchases of stock-in-trade

(₹ crore)

	FY 22	FY 21	Change (%)
Purchases of stock-in-trade	4,089	1,689	142

During the year under review, Purchases of stock-in-trade was significantly higher as compared to that of the previous financial year primarily due to higher purchases of scrap for reducing carbon emissions along with higher scrap prices. Purchases also increased at other sustainable businesses.

c) Cost of materials consumed

(₹ crore)

	FY 22	FY 21	Change (%)
Cost of materials consumed	35,257	20,757	70

During the year under review, cost of materials consumed increased primarily due to higher imported coal prices, along with higher consumption of coal, purchased pellet, ferro alloys and other raw materials due to higher prices and higher production during the year.

d) Employee benefits expense

(₹ crore)

	FY 22	FY 21	Change (%)
Employee benefits expense	6,366	5,742	11

During the year under review, the employee benefits expense increased primarily due to higher bonus provisions on account of increased profitability, along with higher staff welfare expenses. These were partially offset by lower charge due to change in the actuarial estimates owing to change in discounting rates.

e) Depreciation and amortisation expense

(₹ crore)

	FY 22	FY 21	Change (%)
Depreciation and amortisation expense	5,464	5,469	(0)

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 22	FY 21	Change (%)
Other expenses	34,001	26,645	28

Other expenditure represents the following expenditure:

(₹ crore)

	FY 22	FY 21	Change (%)
Consumption of stores and spares	6,960	5,432	28
Repairs to buildings	47	37	25
Repairs to machinery	3,973	3,194	24
Relining expenses	204	144	42
Fuel oil consumed	377	232	63
Purchase of power	4,286	3,514	22
Conversion charges	1,798	2,249	(20)
Freight and handling charges	6,632	5,288	25
Rent	86	73	17
Royalty	5,506	2,195	151
Rates and taxes	2,066	1,234	67
Insurance charges	203	197	3
Commission, discounts and rebates	288	255	13
Allowance for credit losses/ provision for advances	63	56	13
Other expenses	3,970	3,866	3
Less:-Expenditure (other than interest) transferred to capital & other accounts	(2,458)	(1,321)	86
Total Other expenses	**34,001**	**26,645**	**28**

Other expenses were higher as compared to the previous financial year primarily due to higher royalty charges mainly on account of implementation of additional royalty on sale of iron ore along with increase in rates of iron ore leading to higher royalty charge during the year. Rates and Taxes increased in line with higher royalty and higher electricity duty due to increase in rates. Higher freight and handling charges due to increase in deliveries. Higher purchase of power and fuel along with higher repairs to machinery owing to higher production during the year. Consumption of stores and spares increased primarily on account of charging of project expenses for Kalinganagar Phase-II, majorly eliminated through transfer to capital account. Conversion charges declined mainly at FAMD due to lower level of activities.

g) Finance costs and net finance costs

(₹ crore)

	FY 22	FY 21	Change (%)
Finance costs	2,792	4,541	(39)
Net Finance costs	1,667	4,002	(58)

During the year under review, finance costs decreased significantly primarily on account of lower interest on domestic term loans owing to repayments/prepayments towards the end of previous financial year as well as in the current financial year. Interest on Non-Convertible Debentures reduced due to repayments during previous financial year, along with lower interest on short-term borrowings, unsecured foreign loans, and others, partly offset by higher charge on Commercial Papers discounting due to higher balances during the year.

Net finance charges were lower in line with lower finance cost along with higher interest income on inter- corporate deposits (ICD), partly offset by lower interest income on income tax refund received for earlier years and lower gain on sale of mutual funds.

h) Exceptional items

(₹ crore)

	FY 22	FY 21	Change (%)
Exceptional items	(235)	741	-

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 ₹344 crore (previous year: ₹1,085 crore).
- Provision for Impairment of investments/doubtful advances (net of reversals) ₹93 crore (previous year: ₹150 crore relating to provision reversal for Impairment of investments/doubtful advances provided earlier in respect of a subsidiary).
- Restructuring and other provisions ₹205 crore primarily includes charge on Employees Family Protection Scheme for COVID-19 (previous year: Nil).

- Provision for Employee Separation scheme (**'ESS'**) under Sunehere Bhavishya Ki Yojana (**'SBKY'**) scheme amounting to ₹208 crore and second innings scheme amounting to ₹123 crore (previous year: ₹444 crore).
- Fair valuation gain on debentures held by the Company in one of its Joint Ventures ₹50 crore (previous year: loss of ₹50 crore).

i) Property, Plant and Equipment (PPE) including intangibles and right of use assets

(₹ crore)

	FY 22	FY 21	Change (%)
Property, Plant and Equipment	87,946	90,405	(3)
Capital work-in-progress	14,159	10,499	35
Intangible assets	806	856	(6)
Intangible assets under development	383	409	(6)
Right of use Assets	5,538	5,883	(6)
Total PPE inlcuding intangibles & right of use assets	**108,832**	**108,052**	**1**

The movement in total PPE including intangible is marginally 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 22	FY 21	Change (%)
Investment in Subsidiary, JVs and Associates	29,167	28,197	3
Investments - Non current	14,234	890	1,499
Investments - Current	96	7,097	(99)
Total Investments	**43,498**	**36,184**	**20**

The increase in investments was predominantly on account of increase in Non-current investments mainly in preference shares of Tata Steel Long Products Limited and increase in value of other quoted non current investments. Increase in investments in Subsidiary, JVs and Associates is mainly on account of increase in investment at Tata Steel Utilities and Infrastructure Services Limited on transfer of investment held in Subsidiaries, Joint Ventures and Associates at a premium.

Decrease in current investments is on account of sale of mutual fund investments.

k) Inventories

(₹ crore)

	FY 22	FY 21	Change (%)
Finished and semi-finished goods including stock in trade	6,731	4,910	37
Work-in-progress	(0)	0	na
Raw materials	9,289	4,370	113
Stores and spares	3,923	3,578	10
Total Inventories	**19,943**	**12,858**	**55**

Finished and semi-finished inventory increased as compared to previous year mainly due to increase in rates of finished and semi-finished attributable to increase in raw material prices. Partly offset by lower quantities due to increase in sales volumes.

Raw material inventories have increased over the previous year primarily on account of increase in the prices of imported coal and coke during the year.

Stores and spares inventory increased due to higher requirement.

l) Trade receivables

(₹ crore)

	FY 22	FY 21	Change (%)
Gross trade receivables	3,453	3,024	14
Less: allowance for credit losses	173	145	19
Net trade receivables	**3,280**	**2,879**	**14**

Trade receivables increased as compared to that of the previous year primarily due to increase in group company receivables for sale of iron ore and coal, partly offset by decrease in receivables from external customers due to higher financing.

m) Gross debt and Net debt

(₹ crore)

	FY 22	FY 21	Change (%)
Gross debt	36,525	37,065	(1)
Less: Cash and Bank balances (incl. Non-current balances)	2,935	2,461	19
Less: Current investments	96	7,097	(99)
Net Debt	**33,494**	**27,507**	**22**

Gross debt was marginally lower due to pre-payments and repayments of various term loans and External Commercial Borrowings, partly offset by increase in short term borrowings and commercial papers.

Net debt was comparatively higher as compared to previous year. This is attributable to decrease in current investments which was used for investment in Preference Shares of Tata Steel Long Products, partly offset by decrease in Gross debt, and increase in and cash and bank balances.

n) Cash Flows

(₹ crore)

	FY 22	FY 21	Change (%)
Net Cash from/(used in) operating activities	41,986	37,555	12
Net Cash from/(used in) investing activities	(34,168)	(13,665)	(150)
Net Cash from/(used in) financing activities	(7,368)	(23,386)	68
Net increase/(decrease) in cash and cash equivalents	**450**	**504**	**(11)**

Net cash flow from/(used in) operating activities

During the year under review, the net cash generated from operating activities was ₹41,986 crore as compared to ₹37,555 crore during the previous year. The cash inflow from operating profit before working capital changes and direct taxes during the current year was ₹50,307 crore as compared to inflow of ₹27,227 crore during the previous year due to higher operating profits. Cash inflow from working capital changes in FY 2021-22 is mainly due to increase in Non-current/current financial and other liabilities/provisions by ₹11,112 crore primarily due to increase in trade payables on account of coal purchases, partly offset by increase in inventories by ₹7,073 crore due to increase in rates, along with increase in Non-current/Current financial and other assets by ₹1,119 crore, in trade receivables and other advances with public bodies. The income taxes paid during the current year was ₹11,240 crore as compared to ₹372 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 ₹34,168 crore as compared to ₹13,665 crore during the previous year. The outflow during the current year broadly represents Inter Corporate Deposits given net of realisation amounting to ₹22,621 crore mainly to T Steel Holdings, capex of ₹6,288 crore, investments in Subsidiaries ₹12,897 crore mainly in preference shares of TSLP, partly offset by net sale of current investments of ₹7,183 crore.

Net cash flow from/(used in) financing activities

During the year under review, the net cash outflow from financing activities was ₹7,368 crore as compared to an outflow of ₹23,386 crore during the previous year. The outflow during the current year broadly represents repayment of borrowings including finance lease (net of proceeds) ₹1,033 crore, along with payment of interest ₹2,868 crore, payment of dividend ₹3,007 crore, repayment of Hybrid Perpetual Securities ₹775 crore. These were offset by proceeds from partly paid up equity shares ₹326 crore.

o) Changes in Key Financial Ratios

The change in the key financial ratios as compared to previous year is stated below:

	FY 22	FY 21	Change (%)
Inventory Turnover [1] (days)	47	64	(27)
Debtors Turnover (days)	9	10	(10)
Current Ratio [2] (Times)	0.62	1.00	(38)
Interest Coverage Ratio [3] (Times)	22.84	5.81	293
Debt Equity (Times)	0.33	0.43	(23)
Net Debt Equity (Times)	0.30	0.32	(5)
EBITDA Margin (%)	39.88	32.50	23
Net Profit Margin [4] (%)	25.59	20.30	26
Return on average Net worth [4] (%)	29.93	19.80	51

1) **Inventory Turnover Ratio:** Decreased primarily on account of increase in turnover during the current year owing to increase in steel prices.

2) **Current Ratio:** Decreased primarily on account of increase in current liabilities and provisions mainly due to increase in raw material prices and effective working capital management.

3) **Interest Coverage Ratio:** Increased primarily on account of increase in operating profits along with lower finance cost due to prepayment of loans.

4) **Net Profit Margin and Return on average net worth:** Increased primarily on account of increase in net profits mainly attributable to higher operating profits and lower net finance charge during the current year.

2. Tata Steel Limited (Consolidated)

The consolidated profit after tax of the Company was ₹41,749 crore as against ₹8,190 crore in the previous year. The increase was mainly due to higher operating profits attributable to improvement in steel prices across geographies during the year along with decrease in finance cost due to repayment of loans and lower exceptional charge as compared to that of the previous year, partly offset by increase in raw material prices and higher tax expenses during the year due to higher profits.

The analysis of major items of the financial statements is given below.

Note: Consequent to the re-classification of South East Asian (**'SEA'**) operations from "Held for Sale" during the year ended March 31, 2021, results from "Continuing Operations" for the previous periods wherever applicable have been re-stated to include these businesses which were earlier presented as "Discontinued Operations". On September 30, 2021, T S Global Holdings Pte. Ltd. (**'TSGH'**) (an indirect wholly owned subsidiary of the Company) divested its entire stake in Nat Steel Holdings, while the wires business in Thailand which was owned by NSH was retained within the Group.

a) Revenue from operations

(₹ crore)

	FY 22	FY 21	Change (%)
Tata Steel (Standalone)	129,021	84,133	53
TSE	90,023	56,051	61
TSLP	6,802	4,750	43
South East Asia	12,195	9,589	27
Others	82,269	40,901	101
Eliminations & Adjustments	(76,351)	(38,947)	(96)
Total revenue from operations	**243,959**	**156,477**	**56**

The consolidated revenue from operations was higher by 56% as compared to that of the previous year primarily due to significant increase in realisations across geographies along with higher deliveries mainly at Standalone and TSE, partly offset by lower deliveries at South East Asia (SEA) due to sale of Nat Steel Holdings Pte. Ltd. (**'NSH'**) during the year.

Others primarily include increase at TS Global Procurement which are majorly eliminated on consolidation.

b) Purchases of stock-in-trade

(₹ crore)

	FY 22	FY 21	Change (%)
Tata Steel (Standalone)	4,089	1,689	142
TSE	4,883	2,540	92
TSLP	0	0	N.A.
South East Asia	7,425	6,702	11
Others	9,733	5,106	91
Eliminations & Adjustments	(10,817)	(6,229)	(74)
Total purchases of stock-in-trade	**15,313**	**9,808**	**56**

Expense was higher mainly at Tata Steel (Standalone) attributable to increase in purchases of scrap owing to higher quantities coupled with higher prices. Increase at TSE was mainly due to increase in external steel purchases consistent with increase in deliveries along with adverse exchange impact on translation. South East Asia (**'SEA'**) increased despite the divestment of Singapore operations at NSH, due to increase in billet production at TSTH along with increase in input metallic prices.

Others primarily include transactions at TCIL, TSDPL which are majorly eliminated on consolidation.

c) Cost of materials consumed

(₹ crore)

	FY 22	FY 21	Change (%)
Tata Steel (Standalone)	35,257	20,757	70
TSE	35,306	22,121	60
TSLP	3,930	2,182	80
South East Asia	1,248	341	266
Others	62,082	29,274	112
Eliminations & Adjustments	(62,059)	(29,382)	(111)
Total cost of materials consumed	**75,764**	**45,293**	**67**

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 increase in production along with higher coal and coke prices, higher iron ore and scrap prices and adverse exchange impact on translation. Increase at South East Asia was mainly on account of re-grouping of certain expenses from purchases during the year.

Others primarily reflects increase in transactions at T S Global Procurement which are majorly eliminated on consolidation.

d) Employee benefits expense

(₹ crore)

	FY 22	FY 21	Change (%)
Tata Steel (Standalone)	6,366	5,742	11
TSE	14,879	12,314	21
TSLP	216	215	1
South East Asia	554	573	(3)
Others	1,171	1,008	16
Eliminations & Adjustments	78	57	36
Total employee benefits expense	**23,264**	**19,909**	**17**

Increase in expenses was mainly at Tata Steel (Standalone) owing to increase in bonus provision on account of increased profitability, along with the higher staff welfare expenses.

Increase at TSE was mainly due to increase in bonus provision due to increased profitability along with adverse exchange impact on translation.

Marginal decrease at SEA was mainly due to divestment of Singapore operations at NSH in Q2 FY 2022, partly offset by higher bonus provisions at Thailand.

e) Depreciation and amortisation expense

(₹ crore)

	FY 22	FY 21	Change (%)
Tata Steel (Standalone)	5,464	5,469	(0)
TSE	2,451	2,521	(3)
TSLP	320	327	(2)
South East Asia	199	259	(23)
Others	735	744	(1)
Eliminations & Adjustments	(68)	(86)	21
Total depreciation and amortisation expense	**9,101**	**9,234**	**(1)**

Expense was marginally lower than that of previous year mainly on account of lower depreciation charge at TSE, partly offset by adverse exchange impact on translation.

Expense at SEA decreased mainly due to sale of Nat Steel Holdings Pte. Ltd. during the year.

f) Other expenses

(₹ crore)

	FY 22	FY 21	Change (%)
Tata Steel (Standalone)	34,001	26,645	28
TSE	27,910	19,790	41
TSLP	1,562	1,185	32
South East Asia	2,195	2,102	4
Others	11,831	2,745	331
Eliminations & Adjustments	(3,773)	(3,020)	25
Total other expenses	**73,726**	**49,447**	**49**

Other expenditure represents the following expenditure:

(₹ crore)

	FY 22	FY 21	Change (%)
Consumption of stores and spares	15,959	10,868	47
Repairs to buildings	117	123	(5)
Repairs to machinery	9,572	7,399	29
Relining expenses	320	242	32
Fuel oil consumed	1,057	709	49
Purchase of power	6,971	4,999	39
Conversion charges	2,866	2,112	36
Freight and handling charges	12,139	9,354	30
Rent	2,672	2,249	19
Royalty	9,311	3,484	167
Rates and taxes	2,517	1,611	56
Insurance charges	481	510	(6)
Commission, discounts and rebates	326	304	7
Allowance for credit losses/ provision for advances	83	85	(2)
Other expenses	12,225	7,164	71
Less:-Expenditure (other than interest) transferred to capital & other accounts	(2,890)	(1,766)	64
Total Other expenses	**73,726**	**49,447**	**49**

Expense was higher at Tata Steel (Standalone) on account of higher royalty and rates and taxes, higher freight & handling, higher consumption of stores and spares, higher power cost, along with higher CSR & other general expenses. Partly offset by lower conversion charges mainly at FAMD in 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), higher cost of purchase power, higher repairs to machinery and higher freight and handling charges. Net increase in cost of emission rights as previous year included sale of emission rights, increase in demurrage and other general expenses, along with adverse exchange impact on translation.

Increased at TSLP mainly due to higher consumption of stores and spares due to higher prices, increase in fuel prices and higher power cost owing to higher purchase and higher repair & maintenance expenses.

Increased at SEA was mainly at Thailand primarily for higher consumption of stores & spares due to electrode prices, higher power and fuel cost due to increase in billet production and higher fuel prices, partly offset by lower expenses due to divestment of Singapore operations at NSH.

Increase in Others was mainly at Tata Steel Global Holdings on account of adverse exchange rate movements over previous year, along with increase at T S Mining Limited due to higher royalty charge and other provisions coupled with increase in activities post allotment of mines.

g) Finance costs

(₹ crore)

	FY 22	FY 21	Change (%)
Tata Steel (Standalone)	2,792	4,541	(39)
TSE	1,945	1,499	30
TSLP	110	235	(53)
South East Asia	34	52	(35)
Others	4,158	3,189	30
Eliminations & Adjustments	(3,577)	(1,909)	87
Finance costs	**5,462**	**7,607**	**(28)**

h) Net Finance costs

(₹ crore)

	FY 22	FY 21	Change (%)
Tata Steel (Standalone)	1,667	4,002	(58)
TSE	1,480	1,462	1
TSLP	83	212	(61)
South East Asia	30	49	(39)
Others	1,797	1,752	3
Eliminations & Adjustments	(40)	(378)	(89)
Net Finance costs	**5,017**	**7,099**	**(29)**

Finance cost reduced by 28%. Decrease at Tata Steel (Standalone) was mainly on account of lower interest on Domestic Term Loans owing to repayments/prepayments and lower interest on Non-Convertible Debentures due to repayments in the previous year, lower interest on short term borrowings, unsecured foreign loans and others, partly offset by increase in discounting charge on Commercial Papers.

Decrease at TSLP primarily due to prepayment of loans.

Decrease at SEA primarily due to divestment of NSH in Q2 FY 2022 and reduction in finance charges at TSTH.

Increase at TSE was mainly due to increased amortisation of loan issue expenses on account of prepayment of Senior Financing Arrangement (SFA).

Net finance charge was lower in line with lower finance cost due to repayments/prepayments of loan over the period.

i) Exceptional items

(₹ crore)

	FY 22	FY 21	Change (%)
Tata Steel (Standalone)	(235)	741	-
TSE	(248)	(1,342)	-
TSLP	(27)	0	-
South East Asia	(18)	(28)	-
Others	21	(557)	-
Eliminations & Adjustments	373	143	-
Total exceptional items	**(134)**	**(1,043)**	**-**

Exceptional items during the financial year 2021-22 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), Tata Steel Downstream Products Limited (**'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 Tata Steel Long Products Limited (**'TSLP'**).
- Redundancy provisions at Tata Steel Europe (**'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 Tata Steel Thailand (**'TSTH'**).
- Net Provision for Employee Separation Scheme (**'ESS'**) amounting to ₹331 crore primarily under Second Innings Scheme ₹123 crore along with charge for ESS under Sunehere Bhavishya Ki Yojana (**'SBKY'**) scheme amounting to ₹208 crore at Tata Steel Limited (Standalone).
- Impairment of Inter Corporate Deposits (**'ICDs'**) given to an Associate 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 NatSteel Holdings Pte. Ltd. (**'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 (**'TML'**).

The exceptional items in FY 2020-21 primarily represents:

- Impairment charges (net of reversal) ₹1,954 crore in respect of property, plant and equipment (including capital work-in-progress), right-of-use assets and other assets primarily at TSE, mining operations carried out in Canada, South-East Asian Operations, offset by reversal at Tata Steel Special Economic Zone Limited.
- Loss on liquidation of subsidiaries amounting to ₹10 crore at TSE.
- Net Provision for Employee Separation Scheme (**'ESS'**) amounting to ₹444 crore primarily under Special Scheme at Jharia ₹467 crore, offset by credit for ESS under Sunehere Bhavishya Ki Yojana (**'SBKY'**) scheme amounting to ₹23 crore at Tata Steel (Standalone).
- Fair valuation loss on investment in debentures of a joint venture of the Company amounting to ₹50 crore at Tata Steel Limited (Standalone).

Partly offset by,

- Restructuring and write back of provisions which primarily includes write-back of provisions at TSE ₹88 crore.

- Reversal of fair value loss ₹1,230 crore on reclassification of South East Asia businesses, earlier recognised as held for sale.
- Reversal of impairment of investments provided earlier in one of the associates of the Group ₹70 crore.
- Profit on sale of subsidiaries includes profit of ₹26 crore on realisation of deferred consideration at TSE.

j) Property, Plant and Equipment (PPE) including intangibles and right of use assets

(₹ crore)

	FY 22	FY 21	Change (%)
Tata Steel (Standalone)	108,832	108,052	1
TSE	26,246	25,920	1
TSLP	4,132	4,360	(5)
South East Asia	969	1,485	(35)
Others	11,823	11,829	(0)
Eliminations & Adjustments	(980)	(1,208)	19
Total PPE inlcuding intangibles & right of use assets	**151,022**	**150,438**	**0**

PPE and intangibles were almost at par. Increased marginally at Tata Steel Standalone due to increase in capital work-in-progress mainly at Kalinganagar Phase-II and normal additions, which was offset by depreciation and amortisation charge during the year. TSE was marginally higher mainly on account of fresh additions during the year partly offset by adverse exchange impact on translation along with depreciation and amortisation charge during the year.

Decrease at SEA was mainly due to sale of Nat Steel Holdings Pte. Ltd. during the year.

Decrease at TSLP and Others was mainly on account of depreciation and amortisation charge, partly offset by regular additions during the year.

k) Inventories

(₹ crore)

	FY 22	FY 21	Change (%)
Finished and semi-finished goods including stock in Trade	16,131	11,992	35
Work-in-progress	6,602	4,563	45
Raw materials	20,441	11,527	77
Stores and spares	5,650	5,194	9
Total Inventories	**48,824**	**33,276**	**47**

(₹ crore)

	FY 22	FY 21	Change (%)
Tata Steel (Standalone)	19,943	12,858	55
TSE	22,622	13,780	64
TSLP	1,350	813	66
South East Asia	1,385	1,787	(22)
Others	3,921	4,259	(8)
Eliminations & Adjustments	(397)	(221)	(80)
Inventories	**48,824**	**33,276**	**47**

Increase was primarily at TSE attributable to increase in quantities along with rates of raw materials and increase in rates of Finished goods, partly offset by favourable exchange movement on translation. Increase at Tata Steel Standalone mainly on account of higher rates of Finished and Semi-finished goods along with increase in coking coal and coke prices over the previous year.

Inventory at TSLP increased mainly due to increase in raw materials inventory attributable to higher coal prices along with higher quantities and rates of iron ore along with increase in inventory of finished and semi-finished goods due to higher rates.

Decrease in SEA was primarily on account of divestment of NSH operation during the year.

Decrease in others was primarily on account of lower inventory at TS Global Procurement, partly offset by increase in raw material inventory at TS mining Limited.

l) Trade receivables

(₹ crore)

	FY 22	FY 21	Change (%)
Tata Steel (Standalone)	3,280	2,879	14
TSE	8,611	5,390	60
TSLP	60	75	(20)
South East Asia	1,103	842	31
Others	11,716	12,944	(9)
Eliminations & Adjustments	(12,524)	(12,590)	1
Net trade receivables	**12,246**	**9,540**	**28**

Increase was primarily at TSE mainly due to higher revenues attributable to increase in steel prices over the period. Increase at Tata Steel (Standalone) was primarily due to increase in group company receivables for sale of iron ore and coal (majorly eliminated on consolidation). Increased at SEA mainly at Thailand due to reduction in factoring of trade receivables due to healthy cash position. Decrease in Others was primarily at Tata Steel Global Procurement (**'TSGP'**) majorly eliminated on consolidation.

m) Gross debt and Net debt

(₹ crore)

	FY 22	FY 21	Change (%)
Gross debt	75,561	88,501	(15)
Less: Cash and Bank balances (incl. Non-current balances)	15,988	5,893	171
Less: Current investments	8,524	7,219	18
Net debt	**51,049**	**75,389**	**(32)**

Net debt was lower by ₹24,340 crore over previous year.

Gross Debt at ₹75,561 crore was lower by ₹12,940 crore as compared to the previous year. Decrease in Gross Debt was mainly due to repayment/pre-payment of borrowings including lease liabilities. These decreases were partly offset by addition to leases (mainly at TSE) along with higher amortisation of loan issue expenses, primarily due to pre-payments of loans along with adverse exchange rate movements.

The decrease in Net Debt was in line with decrease in gross debt along with increase in cash and cash equivalents including current investments mainly at TSLP and TSE, partly offset by decrease at Tata Steel (standalone).

n) Cash Flows

(₹ crore)

	FY 22	FY 21	Change (%)
Net Cash from/(used in) operating activities	44,381	44,327	0
Net Cash from/(used in) investing activities	(10,881)	(9,323)	(17)
Net Cash from/(used in) financing activities	(23,401)	(37,090)	37
Net increase / (decrease) in cash and cash equivalents	**10,099**	**(2,086)**	**584**

Net cash flow from/(used in) operating activities

During the year under review, the net cash from operating activities was ₹44,381 crore as compared to ₹44,327 crore during the previous year. The cash inflow from operating profit before working capital changes and direct taxes during the current year was ₹65,900 crore as against ₹28,540 crore during the previous year reflecting higher operating profits during the current year. Cash outflow from working capital changes during the current period was ₹9,618 crore primarily due to increase in inventory by ₹16,917 crore, increase in current/non-current financial and other assets by ₹6,220 crore, partly offset by increase in Non-current/Current financial and other liabilities/ provisions by ₹13,519 crore primarily in trade payables. The payments of income taxes during the year under review were ₹11,902 crore as compared to ₹704 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 ₹10,881 crore as against an outflow of ₹9,323 crore during the previous year. The outflow during the year broadly represents capex of ₹10,522 crore and purchase (net of sale) of current investments amounting to ₹1,104 crore. Advance against Equity of ₹1,210 crore at TSLP, Inflow from sale of stake from subsidiaries / undertakings ₹1,208 crore (mainly divestment of NSH operations), Inflow on account of sale of capital assets ₹569 crore along with interest and dividend receipt ₹299 crore.

Net cash flow from/(used in) financing activities

During the year under review, net cash outflow from financing activities amounted to ₹23,401 crore as against outflow of ₹37,090 crore during the previous year. The net outflow primarily represents repayment of borrowings including finance lease (net of proceeds) ₹15,232 crore, repayment of Hybrid Perpetual Securities ₹775 crore, interest payment ₹4,687 crore and payment of dividend ₹3,020 crore. These were offset by proceeds from partly paid equity shares ₹326 crore.

o) Changes in Key Financial Ratios

The change in the key financial ratios as compared to previous year is stated below:

	FY 22	FY 21	Change (%)
Inventory Turnover (days)	62	78	(21)
Debtors Turnover (days)	16	21	(22)
Current Ratio (Times)	1.07	0.94	14
Interest Coverage Ratio [1] (Times)	12.82	3.39	278
Debt Equity [2] (Times)	0.78	1.15	(32)
Net Debt Equity [2] (Times)	0.52	0.98	(47)
EBITDA Margin [3] (%)	26.16	19.74	33
Net Profit Margin [4] (%)	17.11	5.23	227
Return on average Net worth [4] (%)	42.91	10.66	303

1) **Interest Coverage Ratio:** Increased primarily on account of increase in operating profits along with lower finance cost due to prepayment of loans.

2) **Debt Equity Ratio and Net Debt Equity Ratio:** Decreased primarily on account of prepayment and repayment of borrowings during the year. Net debt further decreased due to higher current investments & cash and bank balances.

3) **EBITDA Margin:** Increased primarily on account of increase in operating profits across geographies due to higher prices partly offset by increase in raw material costs.

4) **Net Profit Margin and Return on average net worth:** Increased primarily on account of increase in net profits mainly attributable to higher operating profits, lower net finance charge and lower exceptional charges as compared to that of the previous year.

VI. Effect of COVID-19 Pandemic on the Company

During FY 2020-21, the outbreak of novel Corona Virus has impacted the economy and businesses not only in India, but across the globe. The rapid spread of the infection amongst the Indian population forced Government of India to announce the imposition of nation-wide lockdowns from March, 2020, later followed by partial lockdowns by the states, during FY 2021-22, depending on the infection spread. The nation-wide lockdown brought business and economy to a complete halt barring exemption notified by the Government and subject to following the hygiene standards and social distancing norms as notified by health ministry.

Based on strict interventions of the governments of various countries and scientific research, vaccines were developed for commercial usage during later part of FY 2020-21. While Indian government launched a nationwide rapid vaccination drive for its citizens (to reduce the mortality rate) during FY 2021-22, the second wave of the pandemic hit the nation during the first quarter of FY 2021-22. India was amongst the worst hit nations in the world with high fatalities. During the second wave, the operations of the Company continued at normal levels following the Covid protocols without much of disruptions as was experienced in the first wave of the pandemic. The Engineering and Projects division of the Company overcame the challenges posed by the pandemic by ensuring immunization and following appropriate protocols at all project sites. The impact of supply chain disruptions and steep increase in input prices were mitigated to a large extent by close cooperation with key vendor partners.

The Company continued to support the society and served communities across many locations through its three-pronged communication strategy - awareness, engagement and reinforcement, via real-time and focussed communication in different languages through traditional and new media, to achieve maximum reach and impact across all stakeholders. Few of the Company's initiatives are:

- Introduced platforms for leadership engagement and short audio capsules such as audiograms of doctors' interviews were developed in-house for circulation. To address the scale of queries and concerns on COVID-19, a 24x7 employee helpline assistance called People Care was set up.
- Large Scale Testing: The Company shouldered the responsibility of facilitating COVID-19 testing for its workforce, so as to isolate individuals who were infected. The Tata Main Hospital (TMH) Jamshedpur was the first private hospital in Jharkhand to be certified by Indian Council of Medical Research (ICMR) for RT-PCR diagnostic test for COVID-19. The Company's medical services has conducted ~3.3 lakh COVID-19 tests (RT-PCR, TruNat, Antigen) during past two years.
- Augmenting Healthcare Consumables: 3,78,000 testing kits, ~50,000 home isolation kits, 10 ventilators and oxygen concentrators were provided by the Company.
- Dedicated COVID Care Facilities: The Company coordinated with state governments and the local administration to establish COVID Care facilities across its operating locations. The 1,000-bed TMH at Jamshedpur in Jharkhand has 450 oxygen beds and 78 ventilator beds dedicated solely to COVID care. In addition, 100 oxygen beds have been provided to two of its subsidiary's hospitals and a 150-bed COVID Care Centre, set up for asymptomatic patients, or those with mild symptoms. In Odisha, the Tata Medica Super Specialty Hospital in Kalinganagar dedicated 120 beds with oxygen support and ventilators to COVID Care, including a 15-bed ICU facility. In a coordinated effort with the Odisha Government and district administration, at Jajpur, 200-bed COVID Care Centre was developed. Similar, facilities were developed at erswhile Tata Steel BSL's plant in Dhenkanal, raw material and other locations across Jharia, West Bokaro and Noamundi in Jharkhand, as well as Joda and Gopalpur in Odisha.
- Liquid Medical Oxygen and Oxygen Plants: All steel plants in the country, throughout both waves of the pandemic, collaborated with the Central and State Governments to augment the supply of Liquid Medical Oxygen (**'LMO'**). All three manufacturing locations of the Company in Jharkhand and Kalinganagar and Dhenkanal in Odisha, were sources of LMO. During first half of FY 2021-22, more than 60,000 tons of liquid oxygen had been supplied for medical purposes. The Company has already commissioned 19 state-of-the-art Pressure Swing Adsorption (**'PSA'**) oxygen plants at various locations to maintain the oxygen supply.
- Vaccinations: The Company purchased adequate doses from the Government and administered these to its employees and their families. This also included health workers and frontline workers across Company-owned hospitals. More than 3 lakh COVID-19 vaccines have been administered by TMH till date.

VII. Strategy

During the year under review, Tata Steel continued to focus on operational and marketing excellence to achieve its aspiration of becoming the most respected and valuable steel company globally. Supported by a buoyant commodity market, Tata Steel recorded its best-ever performance in FY 2021-22.

During the first quarter of FY 2021-22, when India was hit by the second wave of pandemic, the Company dealt with COVID-19 with agility and determination, keeping its employees and the community at the core of its response. Medical infrastructure in Jharkhand and Odisha was ramped up, creating more isolation beds. More than 80,000 tonnes of liquid medical oxygen was supplied to multiple states to support the community. In the year gone by, the Company achieved significant strategic milestones. The balance sheet was significantly deleveraged with net debt-to-EBITDA at 0.8 times at the end of FY 2021-22. Further, the Company received investment-grade credit rating. The Company continues its focus on strengthening the balance sheet and executing the growth plans in India. Simplification of portfolio continues with completion of the amalgamation of Tata Steel BSL Limited into and with Tata Steel, divestment of its stake in NatSteel Holdings and segregation of TSE into TSN and TSUK. In Q4 FY 2021-22, the Russia-Ukraine war strained raw material prices globally, especially coking coal prices. In the year ahead, the Company will stay focused on execution of its strategic priorities including growth projects, achieve excellence at all touch points and enhance agility.

The Company remains committed to execute the following Long Term Plans by 2030:

Leadership in India:

Company's focus on domestic markets aligns with the increasing prominence of India in the global economy and steel industry. During the year under review, Tata Steel through its subsidiary Tata Steel Long Products Limited, acquired Neelachal Ispat Nigam Ltd to increase its market share in long products business. The Company aspires to increase its production capacity to reach 40 MnTPA by FY 2030. The Company also aims to be the most respected and preferred steel supplier to discerning customers in Indian markets. Company's leadership aspirations establishes the need to be ahead of the curve on digital disruptions, changing consumer behaviour, and building a culture of customer obsession throughout the organisation. Key attributes of leadership includes delivering innovative products & services, serving existing and emerging customer needs and providing the best customer experience.

Consolidate position as global cost leader:

The ongoing Russia-Ukraine conflict along with the China-Australia trade war has resulted in extreme swings in the raw material and steel prices in the International market. To make the Company's performance more resilient, the Company is focussing on both operational and structural cost improvement initiatives. Several initiatives like Aspire, Shikhar 25 have led Tata Steel to operate at global / Indian benchmark levels on multiple KPIs. Cost leadership can be achieved through execution of structural cost reduction initiatives such as investments in augmenting the raw material portfolio to meet increasing demand, strengthening logistics networks and fixed cost reduction among others.

Attain leadership position in adjacent businesses: It is important to explore and lead in adjacent businesses that leverage the Company's capabilities and market opportunities. The Company's approach is to differentiate from its competitors, through deep understanding of customer needs, technology and knowledge. Adjacent businesses where the Company aspires to attain leadership position are:

1) **Services & Solutions ('S&S')**: Leveraging the Company's deep knowledge and expertise in steel applications to create solutions for construction and household applications such as doors, windows, and housing solutions.

2) **New Materials Business ('NMB')**: Taking advantage of growth in non-steel materials driven by megatrends (such as light-weighting, cleaner environment), NMB will create technology-driven businesses in identified materials. The business is focusing on composites, graphene, and advanced ceramics for medical materials.

3) **Commercial Mining (through its wholly owned subsidiary Tata Steel Mining Ltd.):** The Company aspires to leverage the opportunities arising from the Government's "Atmanirbhar Bharat" Programme and regulatory changes to meet captive raw material requirements beyond 2030 by creating a sustainable mining business.

Leadership in sustainability: Sustainability is a key issue for steel industry. Tata Steel aspires to achieve leadership in the following areas of sustainability: 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 taken aspirational targets in each of these areas. Use of technology and innovation in existing processes and business models will be critical to achieve the targets.

In pursuit of its strategic objectives, the Company remains committed towards working on four key strategic enablers. Building a workforce which is future ready along with enabling policies and infrastructure to support future of work and workplace will be critical to attain and retain the best talent in the industry. To create a safe and healthy environment for all employees, the Company is focusing on reducing unsafe incidents at the workplace through process and technology interventions. Connected platforms with analytics and system generated insights and alerts play a pivotal role in our safety journey. Digital has significant potential of creating and unlocking value in existing processes. Tata Steel has made significant progress on the digital journey and has three World Economic Forum Industry 4.0 lighthouse sites. Tata Steel aspires to be a digital leader in the steel industry globally. 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, it aspires to be among the top 5 in steel technology globally. This will enable the Company to meet the emerging needs of existing and new segments and meet challenges like reduction of carbon emissions and Green House gas emissions. Fostering a culture towards agility, innovation, digital, environment, diversity, and safety will be critical for the Company to achieve its strategic objectives and be future ready.

VIII. Human Resource Management and Industrial Relations

Human resources have always been one of the most valued stakeholders and employee centric culture has been a key differentiator for Tata Steel. The Company's goal of becoming the 'Best Workplace in Manufacturing' has led us on a path of new world of possibilities, requiring us to work on new set of challenges for future ready workforce.

Tata Steel has a culture of working together through joint consultation between Union and Management and has a very strong commitment towards community development. Its people practices have enabled the Company in creating an environment of collaboration and connect which has aided Tata Steel to achieve industrial harmony for over 93 years. Continuing its people centric philosophy, the Company has successfully completed the human resource integration of Tata Steel Meramandali during the year under review.

Despite the pandemic bringing new challenges before the Company, it continued to evolve its people practices in supporting its employees through the challenging times. The Company pursued vaccination of its workforce and their family members and achieved the vaccination coverage of over 99% of own and contract employees across all location and businesses. COVID-19 Family Protection Scheme was introduced to support the family of employees who succumbed to death due to COVID. COVID-19 brought digitalization into sharp focus with many projects being implemented to ensure employee safety & wellbeing and new way of working.

To remain competitive, improving employee productivity is of utmost importance to the organization and Tata Steel strive to achieve benchmark performance in this area by undertaking initiatives like revised "Sunehere Bhavishya Ki Yojana 2.0" and Internal Talent Bank for redundancy management. During FY 2021-22, the overall Employee Productivity for the Company increased from 745 tonnes to 854 tonnes of crude steel/ employee/year.

During the year under review, the Company implemented some major initiatives to promote inclusion and diversity. The Company deployed the batch of 14 transgender trainees as heavy machinery operators at West Bokaro Coal Mines and 12 transgender trainees at Kalinganagar Plant. 'Women@ Mines' coverage was extended to West Bokaro location and 16 female trainees were onboarded. Tata Steel has rolled out various sensitization initiatives for inclusion of LGBTQ+ workforce. Efforts have also been taken on creating digital infrastructure for diverse workforce as well as retaining and developing women leaders to create a pool of diverse talent in the organization. Our continuous efforts were recognized and we were declared IWEI GOLD Employer for LGBT Inclusion 2021 and amongst 100 Best Companies for Women 2021 by AVTAR & Working Mother.

Tata Steel continues to be focussed on employee well-being. "Take Care" – An employee well-being initiative was introduced to sensitize the workforce on mental well-being. "Moment that Matters" was introduced to celebrate key moments in employee's journey.

Tata Steel is committed to improving the quality of life of the communities it serves through long-term stakeholder value creation based on the ethos of the Tata Group - 'Leadership with Trust'. Respecting and upholding human rights of all stakeholders is integral to this commitment. Tata Steel have adopted the 'Tata Steel Business and Human Rights Policy' in FY 2021-22 which sets out its commitment towards respecting and upholding human rights of various stakeholders. This policy has six commitments on human rights, viz establishing governance, integration in strategy & risk management, sensitization, advocacy, grievance redressal and public disclosure. The Senior Management has an oversight on protection of human rights in Tata Steel and an Apex Business & Human Rights Committee has been established for deployment of this Policy within the company.

Multiple initiatives for skill building of employees were undertaken during the year. Step Up – An AI Based Talent Marketplace was rolled out to enable employees to get exposure in various cross functional projects of their preference. 8 new school of excellence were launched in the prioritized area and evening diploma program was introduced for the employees.

Tata Steel was once again certified as Great Place to Work© in the Great Place to Work study and was declared as one of the top 30 'India's Best Workplaces in the Manufacturing sector' by Great Place to Work© for the 5th time. Tata Steel was also recognized India's Best Employer's Among Nation builders by Great Place To Work©. This year, Tata Steel was also adjudged as amongst Top 5 Employer Brand by Randstad Employer Brand Research. Tata Steel was also recognized as Best Companies to Work for in India by Business Today's BT-Taggd survey and also held the top rank in Manufacturing Sector in the survey.

IX. Digital Transformation

With the onset of COVID-19, the rate of digital transformation has only accelerated with enablement of digital technologies. The lines between the physical, digital and biological have been substantially blurred by a fusion of technologies that are enabling the 4th Industrial Revolution.

Data is fueling the 4th Industrial Revolution (4IR) - The ability to generate, store, process and consume data has grown exponentially. Proliferation of smart sensors, digital apps, high speed & inexpensive connectivity, near-unconstrained computing capacity & human ingenuity are propelling humankind towards an era that will be integrated across time & space, eliminate information & knowledge asymmetry and underpinned by sustainable living. The Company made a commitment to Cloud, Data and Artificial Intelligence as the building blocks of the digital transformation journey as it moved ~85% of its servers to cloud over the last four years.

The second critical component of the transformation is talent - The Company undertook major step for retaining talent is bringing work to talent irrespective of work location in the form of work from home, virtual command centers for manufacturing and mining, simulation training in mills. Digital skills are essential for transformation and their need is here to stay, so the Company is continuously providing various online training initiatives and platforms for upskilling, reskilling including training on blockchain technology and judiciously purchasing talent with these skills.

One of the most critical component of the transformation is business centricity. Though technological advancement is a component of intelligent and agile behavior, business transformation shall always keep its primary focus on the strategic goals of the Company. Towards this, the leadership team shall encourage ideation & innovation. Further, concepts like Reverse Mentoring, which was recognized as an Industry best practice by the World Economic Forum, can help stimulate leadership thinking. Under this program a Senior Leader is mentored by a Millennial / Zoomer (Gen Z) on the possibilities of how digital technologies can be used in the business functions. Additionally, a robust program governance brings in the required amount of time & mind share of the leadership to build and sustain the momentum for change. Organizations would need to get their Technology, Talent and Governance strategies right to be able to ride the ensuing wave of Industry 4.0 and reap timely and handsome benefits. The key to success for any business is the ability to make timely decisions and for that to happen it is imperative that the decision makers across levels have access to the right information & insights at the right time. Digital technologies enhances the flow of real time information sharing for better decision making. Quality and quantity of data coupled with Data Science techniques provide decision makers with insights from the past which enables them to take realistic decisions. Hence, the differentiator for businesses today and way forward will be their ability to harness the latent strength of Data. Robust use of digital technology has the potential to significantly uplift operational efficiency, productivity, throughput & organizational agility to deliver seamless & hyper-personalized experience to all their stakeholders through their products and services.

As Tata Steel continue to leverage the power of Data and ride the 4th wave of Industrial Revolution, it is increasingly becoming apparent as to the steps businesses need to take going forward to stay relevant and be more conscious in their business processes and dealings. Whether it is environmental sustainability or people centricity, a sustainable and profitable business would need to assimilate further into the conscience of the community they operate in, all of which are possible through the application of Industry 4.0 technologies. These aspects of sustainability & community centricity coupled with harmonized human-machine interface and responsible usage of digital technologies together forms part of 5th Industrial Revolution. This is expected to bring greater economic prosperity and better standards of living.

X. Corporate Finance

The International Monetary Fund has estimated that the global economy is projected to grow at 4.9% in 2022. Beyond 2022 global growth is projected to moderate to about 3.3% over the medium term. Advanced economy output is forecasted to exceed pre-pandemic medium-term projections largely reflecting sizeable policy support in USA. By contrast, persistent output losses are anticipated for the emerging market and developing economies due to slower vaccine rollouts and generally less favorable policy support compared to advanced economies.

On the domestic front, GDP is expected to grow by 7.2% in FY 2022-23. Further in FY 2023-24, assuming a normal monsoon, and no major exogenous or policy shocks, the GDP growth is estimated at 6.3% with quarterly growth rates in the range of 5.9%-6.8%.

The GDP growth estimates are subject to certain upside and downside risks. Upside risks could emanate from stronger and sustained expansion in domestic demand. Domestic demand is expected to be led by the government's thrust on capital expenditure, healthier corporate balance sheets leading to private investments and re-start of contact intensive services. On the contrary, the heightened geopolitical tensions leading to high commodity prices including crude oil and the loss of momentum in global trade and demand pose sizeable downside risks to the baseline growth path. Renewed COVID-19 infections, pandemic-related global supply bottlenecks and advanced economies' monetary policy normalization also add to the downside risks.

Financial Markets:

Global financial markets experienced dramatic swings from buoyancy to a whirlpool of volatility amidst heightened uncertainties over Delta and Omicron variant in Q1 and Q3 of FY 2021-22. Imminent tapering of asset purchases and rate hikes by the US Federal Reserve and other leading central banks also kept continued rise in financial markets under check. During Q4 FY 2021-22, the sharp escalation of geopolitical tensions culminating in military intervention in Ukraine stunned global markets across asset classes. Global oil and commodity prices spiked to multiyear highs, equity markets in several economies experienced sharp declines, sovereign bond yields in large economies like US fell as investors looked for safety. The US dollar also strengthened on safe-haven demand while emerging market currencies weakened.

On the domestic front, financial markets remained volatile because of the outbreak of new variants of COVID-19, domestic inflation, bearishness about the large government borrowing programme and, existing geopolitical conflicts. Domestic equities witnessed sharp sell-offs in the second half of February 2022 over Ukraine-Russia tensions but recovered in the second half of March 2022. Overall, the BSE Sensex scaled above 60K in January 2022 compared to previous year, a growth of 20%. However, the geopolitical event led correction in the stock prices, coupled with higher corporate earnings, led to the price-to-earnings ratio (of BSE Sensex) falling to 25.1 by end-March 2022 from 27.6 in end-September 2021, moderating the valuation premium over its long-term average.

In the bond markets, interest rate tightening is visible with ten years of G-sec yields hardening in the second half of the year by 63 bps. Higher than expected state govt/UT borrowings, rise in US yields, increase in international crude oil and other commodity prices over escalating geopolitical tensions have pushed G-Sec yields higher. Tracking G-sec yields, Corporate bond yields also moved higher and risk premia compressed amidst moderation in new issuances due to lower demand as the capex cycle still remains at a nascent stage. Corporates resorted to increased overseas issuances and bank loans to take advantage of lower prices resulting in lesser bond issuances in domestic market.

Central Banks and Monetary Policy:

COVID-19 saw an unprecedented policy response mounted by governments and central banks. The IMF estimates that US$16.9 trillion or 16.4% of global GDP had been pledged as fiscal support in response to the pandemic, with US$14.5 trillion by advanced economies and US$2.4 trillion by emerging economies, including the low-income developing countries. However, post-vaccination recovery, the demand rush and supply gaps have pushed inflation higher with the Bloomberg commodity price index hitting 8 year high in early March. With the Russia-Ukraine war propelling outright supply losses, Crude Oil has hit 133$/barrel in March 2022 which has remained in the $110/barrel range. Food prices also hit an all-time high with a 20.7% year on year increase since February 2021.

In the US, headline inflation hit 40 years high at 7.9%. With its alarming increase, Fed raised the target range for the Federal Funds rate by 25 bps to 0.25%-0.5% in March 2022, the first-rate hike since December 2018. Similarly, in the Euro area also, CPI inflation scaled a historical high of 7.5% in March 2021. UK also struggled with high inflation at 6.4% - the highest in the last 25 years. Bank of England, raised rates by 15bps in December 2021, 25 bps in February 2022 and 25 bps again in March 2022, clearly suggesting that interest rates are headed higher.

Closer home, the upper tolerance limit for CPI inflation of 6% was breached in February 2022. Though, the MPC of the RBI noted that the domestic recovery needed to be nurtured assiduously through all policy channels and decided unanimously to keep the policy repo rate unchanged at 4%. However, in the latest action, it has incentivized banks to park funds with RBI by increasing Standing Deposit Facility rates. This is aimed at decreasing liquidity in the system and will also propel higher overnight rates. This indicates RBI's focus is moving towards controlling inflation rather than nurturing growth.

Financing:

COVID-19 pandemic in FY 2020-21 necessitated a sharp focus on cash flows. The cash flow focus in the Company's business processes has helped in optimizing its working capital through better inventory management, faster collection from debtors and extended credit period from suppliers.

China has been contracting its steel capacities to reduce carbon emissions. This has led to structural changes in the steel industry giving rise to higher regional production and consumption, thereby reducing export capacities and increasing international prices. In response to the pandemic, governments across the world rolled out large stimulus packages including by way of developing infrastructure projects. The combination of lower supplies and strong stimulus by the economies have taken steel prices higher across the world. Taking the advantage of the upcycle, Tata Steel continues the pace of deleveraging in FY 2021-22.

During the FY 2021-22, debt levels of the Company were significantly reduced as the Company repaid its debt of ₹15,232 crore on a consolidated basis. The Company had outstanding Gross Debt of ₹88,501 crore as at March 31, 2021 which has now reduced to ₹75,561 crore as at March 31, 2022. The deleveraging has significantly strengthened the balance sheet and cash flow planning of the Company.

The Company has restarted its capital expenditure program across various business units. The Cold Rolling Mill and Pellet Plant in Kalinganagar is expected to be operationalized shortly which will be margin accretive to the existing business.

Credit Ratings:

During the year under review, international rating agency S&P Global Ratings upgraded Tata Steel's Corporate Family Rating by four notches to 'BBB-' Outlook: Stable from 'B+' Outlook: Stable. With the upgrade, Tata Steel has become an investment-grade rated entity in the international markets. Further, Moody's also upgraded the rating by one notch to 'Ba1' Outlook: Stable from 'Ba2' Outlook: Stable due to its better-than-anticipated operational performance and reduction in gross debt during Fiscal 2022. Domestic rating agencies upgraded Tata Steel Ratings by one notch: India Ratings upgraded Tata Steel's long-term credit rating by one notch to 'AA+' Outlook: Stable from 'AA' Outlook: Stable. CARE Ratings upgraded Tata Steel's long-term credit rating by one notch to 'AA+' Outlook: Stable from 'AA' Outlook: Negative'. Brickwork Ratings also upgraded Tata Steel's long-term credit rating to 'AA+' Outlook: Stable from 'AA' Outlook: Stable.

XI. Risks and Mitigation Strategy

Tata Steel operates in an interconnected world with stringent regulatory and environmental requirements, increased geopolitical risks and fast-paced 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 aggregated risk exposures 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 Risk Management Committee. At the Senior Management level, an Apex Risk Committee (**'ARC'**) has been constituted to drive the ERM process across the Tata Steel Group.

Information regarding key risks facing Tata Steel and their mitigation strategies is given here:

Financial Risks

Inflation concerns have been mounting globally particularly in the US and Europe. The recent war in eastern Europe has also disrupted supply chains and led to heightened volatility in financial markets which has further exacerbated the inflation concerns. Central banks throughout the world have begun hiking rates in response.

As the Company is on a growth path and has large capital requirements, the cost of financing may be adversely affected by the rising rate environment.

The Company is also exposed to currency volatility given the import requirements, foreign currency debt and offshore operations.

Development in climate change regulation and disclosure standards reduces access to capital and increases cost of funding.

Mitigation strategies

The Company has been generating strong cashflows on the back of strong operating performance and focused working capital management. It has been aggressively deleveraging over the last few years which has improved its credit metrics significantly and reduced its vulnerability to financial market volatility and rising interest rates.

The Company endeavors to strike a balance between growth and deleveraging and to optimize its financial plan to meet this objective. It has a robust capital allocation strategy which prioritizes margin accretive projects with shorter payback periods. In line with this policy, the Company has also exited its operations in Singapore. Our 5 MnTPA TSK phase – II expansion has been financed largely by internal cashflows. Our subsidiary, TSLP was selected as preferred bidder for NINL, a 1 MnTPA long product's steel plant. The acquisition is being financed by Tata Steel through a combination of internal accruals and bridge loans which are expected to be paid down through internal cash generation over the next few quarters.

At the start of this financial year, we had set a target of achieving investment grade level financial metrics and we were able to achieve the same within 6 months of this financial year. In October 2021, S&P upgraded Tata Steel to investment grade level 'BBB-'.

The Company has a robust hedging policy which defines the risk management framework and the risk appetite of the Company. Based on this policy, a dedicated and experienced Treasury team manages the currency and interest rate exposure on operating and project flows and on offshore debt. The Company is also actively de-risking its currency exposure by prioritizing repayment of offshore debt. During FY 2021-22, US$ 2.1 Bn of offshore debt was reduced.

To keep ourselves ahead of the climate change risks, we intend to reduce our carbon footprint and have set our decarbonisation targets. We also continue to improve upon our disclosure of environmental, social and governance factors. We are also driving monitoring and compliance towards various emission parameters as per the guidelines of global financial institutions.

Regulatory Risks

The steel sector is subject to an extensive, complex and evolving regulatory framework that may have material impact on operations.

Any deviation in compliance and adherence has the potential to not only impact the Company's operating performance but also impact its reputation adversely.

Global disruptions, emerging trade patterns and evolving environmental & sustainability policies, etc. could influence business decisions and market footprint. The aim is to protect and enable business to generate value.

Mitigation strategies

The Company is constantly monitoring the regulatory landscape to proactively assess the impact of changing laws and policies and evolving government mindset on matters affecting Company's operations.

We are committed to complying with existing laws and regulations, promoting environmental stewardship and have a policy of zero tolerance to non-compliance. It is an integral part of our culture and operating philosophy.

The Company has a robust compliance management system to ensure awareness and compliance. The Company has invested in benchmark systems and processes that are accessible to all to steer compliance across the organization. The roles and responsibilities have been clearly defined for providing due focus and ensuring compliance.

Policy Advocacy is undertaken to advocate best available practices, simplify guidelines to reduce cost of doing business and improve ease of doing business in a manner that promotes the best interest of the industry and the country.

Technology is being utilised to track compliance, timelines with suitable escalations, action plans and reviews. Investments needed to comply with regulatory requirements are prioritized within the capital expenditure approval framework.

Macroeconomic and Market risks

Steel demand is affected by high inflation, especially for energy and commodities, trade barriers and protectionist policies. Re-imposition of mobility restrictions amidst spread of new variants may also affect demand and supply chains potentially impacting sales. Fast-paced technological changes and shifting customer preferences may necessitate adoption of newer grades of steel and alternate materials.

Mitigation strategies

The Company undertook numerous steps to deal with the challenges in the operating as well as the macro-environment arising out of the COVID-19 second wave and the ensuing localized restrictions imposed by the state governments. Scenario-based risk assessment was conducted to assess and plan for a range of outcomes. In periods of softness in domestic demand, Tata Steel opted for higher proportion of exports. This year, we focused on diversification of exports in terms of geographies and products (downstream). As the restrictions eased out and domestic demand improved, domestic deliveries were increased. A real-time digital dashboard was also put up during the COVID-19 second wave for monitoring and updates of the risks arising out of the resurgence of the pandemic and mitigations were pursued accordingly. We remain vigilant of the evolving market conditions and its impact on steel-intensive sectors. There was increase in cold rolled and coated market share across key OEMs and ancillaries. The Company also focused on enhancing channel capacity (reach) and capability. TISCON is the first Indian rebar to be awarded GreenPro certificate. In our endeavor to enhance footprint in India, we have built a diversified portfolio of product offerings for customers from a range of industries to leverage the growing opportunities in these segments. Dedicated marketing and sales teams service customers and build deep customer engagement by customizing 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 and dealers across the country. This helps in increasing the stickiness of sales and reduces the exposure to business cycles. It has also built distribution channels internationally to enable exports as and when desired. Steel is a cyclical industry and the only way to beat this cyclicality is by offering solutions. 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. Sustainable coated products such as GalvaRoS, & Colornova and customized solutions help meet unique requirements of our discerning customers. We are also diversifying our product offering beyond steel by introducing new materials such as Composites, Fiber Reinforced Products, etc.

Operational Risks

Disruption to Tata Steel's manufacturing processes caused due to various factors such as equipment failures, natural disasters, epidemics or pandemics or extreme weather events, etc. could adversely affect its operations and customer service levels.

Mitigation strategies

The Company is focused on adopting advanced maintenance practices to improve plant availability and reliability. There is a dedicated team that analyses benchmark practices for formulation and execution of advanced maintenance practices. The Maintenance Technology Roadmap is well in progress for transitioning to Predictive Maintenance based practices. This is helping in improved asset reliability across the steel value chain. Robust digital ecosystem to enable leveraging data science and IoT for real-time shutdown management continues to be operational for ensuring optimal coordination.

Recognition of Tata Steel's Jamshedpur Plant along with Kalinganagar Plant in India and the IJmuiden Plant in the Netherlands as 'Advanced 4th Industrial Revolution Lighthouse' by World Economic Forum is a testimony to the effectiveness of the organization's investments in state-of the-art equipment and processes. Digital initiatives have been undertaken to optimize inventory and improve process efficiencies to achieve benchmark availability at optimal cost. Focused drive towards indigenization of spares has helped in self-reliance and is also aligned to 'Make-in-India' concept. Accordingly, several vendor partners are being developed to supply benchmark quality spares with optimum lead time. We remain vigilant of the volatile pandemic situation and have taken several measures towards employee health and safety while ensuring continuity of business operations. We also have disaster plan and related SOP's to pro-actively respond to natural disasters, epidemics or extreme weather events.

Safety Risks

Inconsistent adherence to process & workforce safety requirements, safety laws and regulation may have adverse impact on business continuity and operation. The implications of the risks increase manifold with the growth and diversification of our business and operations at multiple locations that subjects the Company to various stringent safety laws and regulations.

COVID-19 contagion poses risk to workforce health and safety and may lead to business disruptions.

Mitigation strategies

With the motto of "Committed to Zero", we have remained steadfast to our belief of safeguarding people. To meet this target, the Company has continuously fortified the Safety Management and governance mechanism and built a safety focused culture across business operations. Risk reduction at the workplace and improvement in the risk perception of the workforce has been the focus area in last financial year. A robust risk management framework is in place and continuous efforts have been put to improve the risk visualization among workforce. Improving the behavior of the workforce through experiential learning and focus on dissemination of safety standards has been the key to improve risk perception. Reinforcing this culture through rewards & recognition as well as sensitising the workforce to the extent of reaching out to their families through programs such as 'Ghar se Ghar tak' have gone hand in hand. Various campaigns such as 'National Road Safety Month' and those related to mitigation of risks associated with top hazards were undertaken. The employees are provided awareness and engaged through online quizzes, mass mailers and SMS, message by senior executives, various competitions etc. Further, Tata Steel stresses upon the capability development of all stakeholders such as employees, vendor & business partners and trainees at regular intervals.

Tata Steel has institutionalized business continuity management through development of tactical center for response to any major onsite emergency and developed CoE (Centre of Excellence) in Process Safety Management to deploy standardized process safety management across the organization. Workplace Safety & Process Safety Management in Tata Steel have matured over the years through adoption of various robotic and technological solutions. Digital platforms have been continuously enhanced to address and mitigate key concerns.

Tata Steel launched POD system – a multi-layer protection to break the transmission circuit of COVID-19 virus at the workplace in August 2020. During the second and third waves also, the workforce has been modalized into 5,000 PODs and inter-POD movement is restricted to prevent contamination among majority of the workforce in case someone tests positive. POD breaches and deviations are well tracked in the IT system. POD members maintain social distance and frequently sanitize their equipment, making for a more secure tomorrow.

Tata Steel has been recognized for efficiently handling COVID-19 by the World Steel Association for its application on 'Ensuring Workforce Safety & Business Continuity by mitigating COVID-19 Risk'.

Community Risks

Our operations foster a shared societal context with communities proximate to our locations and are guided by an aspiration of significant and lasting betterment in the well-being of the region. This is fostered through continuous dialogue, understanding of vulnerabilities, recognition of aspirations and appreciation of cultural nuances leading to a relationship based on trust. An erosion of trust with communities will slow down societal impact and lead to consequent loss of reputation or business continuity for us.

Mitigation strategies

Tata Steel anchors one of the deepest and most diverse societal development efforts based on a combination of programmes and platforms reaching more than 2.8 million lives, including more than 1.8 million people reached through #CombatCovid19 programmes. The Company adopts a Board-led strategic approach to deepening trust and commits talent and resources through the Tata Steel Foundation towards enabling dialogue with and impact for the least served and most silent. The key impact programmes, each being large scale change models for core development challenges in India, span rural & urban education, household health & nutrition, tribal cultural heritage, livelihoods, agriculture, water resources, dignity for disabled, grassroot rural governance, grassroot sports, women & youth empowerment, public infrastructure etc. are closely aligned to the Sustainable Development Goals 2030 agenda. These have yielded significant long-term results including more than 2,400 habitations being declared child labor free zones, 40% decline in maternal and child mortality rates in remote tribal regions, more than 9 million cubic feet of water conserved annually through watershed led programmes, more than 25,000 learners of tribal languages et al while curating positive social capital and effective leadership amongst communities. 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.

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.

Our efforts have been recognized across national and global platforms including Government of India, Dun & Bradstreet, Confederation of Indian Industry and BRICS Business Council.

Commodity Risks

Volatility in raw material prices (mainly coal and iron ore) significantly impacts the input costs in steelmaking and therefore, profitability.

Dependence on global supply chains as well as geo-political events requires close tracking of potential risks. China's continued ban on Australian coal, Indonesia's ban on coal exports in January 2022 and ongoing Russia-Ukraine conflict have already resulted in a shift in global metallurgical coal trade flows.

Such political events in combination with other events such as changing weather patterns, COVID-19 related production issues, long wall moves or maintenance in various mines, increasing financialization of commodities markets etc. have led to demand-supply gap and elevated prices of these commodities.

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 factor involved and hence several steps are being taken to manage the price volatility. For iron ore buy from external market, we hedge the spread between the bought-out ore and confirmed steel orders. For metallurgical coal, we use predictive analytics tool to have advance information on price direction and optimize the timing of our spot buys through Reverse auctions.

Captive/domestic raw materials provide another avenue to guard against volatility as they have relatively stable cost/ price. Risk assessment for key vendors is also undertaken to assess the capability of vendors in meeting the supply requirements. We proactively engage on assessing the risk of single geography/ proprietary sourcing and mitigations have been put in place to diversify sourcing (with focus on indigenisation) and/ or finding alternate materials.

Supply Chain Risks

Tata Steel has one of the most complex integrated value chains extending from mining to customers (finished steel products and downstream processing). The continuous growth strategy through inorganic and organic routes has added to the complexities and expanse of the Supply Chain. Our raw materials are sourced from diverse geographies while some requirements are also concentrated in specific geographies, thus any weather disruptions or geopolitical instability puts a threat on the material availability. The political instability coupled with intermittent waves of pandemic is not only a threat to the raw material supplies but also has an adverse impact on ship and container freights and availability. Further, 40% of the steel capacity is concentrated in Eastern India, whereas the consumption points are largely in North, South and Western part of India. Thus, the common logistics infrastructure resources such as ports and Indian Railways are constrained in terms of capacity and our dependency on these poses a risk to supply chain disruptions especially during circumstances such as power crisis which has now become a regular event. The statutory norms are getting more stringent and there is an emerging need to address Environmental and Social Governance issues to be able to sustain business in the long run.

Mitigation strategies

Although the Tata Steel supply chain is complex, it provides opportunities for value maximisation through global optima, the need for which is more apparent and obvious with operations getting multi-site and multi-locational. Thus, to bring an integrated approach and achieve global optima, "One Supply Chain division" was formed. One Supply Chain works in synergy with various divisions with an overall focus on enhancement of supply chain performance for all sites. Digitalisation and Optimization are the key levers being used to enhance visualisation and bring about integration. This is helping Tata Steel to take proactive decisions, keeping system view in mind and achieving integrated margin management. Tata Steel continues to work towards diversification in sourcing and expansion of the vendor base to manage the supply chain disruptions. In order to mitigate the impact of market volatilities on our cost, Supply Chain has adopted hedging as a strategy in Shipping and Bunkers in addition to the long-term contracts already in place. In order to keep up with the production growth strategy, Tata Steel is developing its own port- Subarnarekha Port Private Limited to de-risk the import supply chain. To improve reliability of supplies Tata Steel has invested in private freight train schemes-GPWIS (General Purpose Wagon Investment Scheme) and SFTO (Special Freight Train Operator) and deployed its own rakes which is further being increased. Tata Steel is making all endeavors to keep itself ahead of statutory sustainability norms and moving towards a greener Supply Chain. Tata Steel is one of the few companies to measure end to end scope 3 emissions in all modes of transportation giving it an equal focus as scope 1 and scope 2 emissions. Tata Steel became the first steel producing signatory and 24th organization to join the Sea Cargo Charter to measure and reduce environmental impacts of global seaborne cargo. Tata Steel has deployed about 54 CNG/LNG based vehicles (road) for last mile delivery to reduce its CO_2 footprint. As a first mover to deploy electric vehicles in freight segment, Tata Steel has tied up with an Indian start-up and deployed four electric trailers for last mile delivery. Tata Steel has onboarded its partners for steel processing in the journey of Responsible Supply Chain Policy for identifying gap and deploying action plan to ensure minimum standards in fair business practices, health and safety, human rights and environmental performance.

Thus, Tata Steel is adopting a three-pronged strategy of Service Reliability, Infrastructure Resilience and Cost Optimisation for a future-ready Green Supply Chain.

Information Security Risks

The Company focuses on enhancing our digital footprint through our value chain, including customers, suppliers and other stakeholders of the Company. Transition to remote working models and accelerated adoption of digital technologies has increased vulnerability to cyber-attacks.

Non-compliance to IT legislations and regulations may lead to business disruption and imposition of penalties.

Mitigation strategies

Over the years, the Company has made several investments for digital transformation. SAP and other Corporate systems which were On-Premise have been migrated to Cloud. We have a distributed Hybrid Multi Cloud Environment with SAP and other Corporate Applications on IBM cloud, Analytics applications on GCP (Google cloud), Data Visualization Platform on AWS and Collaborations Platform on Azure. The Edge Computing systems such as MES (Mill Execution Systems) are by design kept On-Premise.

Our Network Topology is a multi-layered & ring-fenced network architecture. The Company is evaluating SDWAN (Software Defined Wide Area Network) to build capacity and resilience in network.

Adoption of next Generation SOC controls and technologies has resulted in proactive detection of unwarranted system breach and timely mitigation of the same, ensuring business continuity which is being planned for roll out in Tata Steel Group Companies. These controls are being continuously updated and reviewed to take care of new vulnerabilities such as Supply chain attacks and cyber threats arising out of current geopolitical situations (e.g., Russia-Ukraine conflict). The Company has engaged with best-in-class service providers for SOC services with maker and checker concept for implementation of security safeguards & controls and subsequent identification of security deployment gaps.

End-Of-Life (**'EOL'**) Systems are being replaced with new systems as part of refresh. Over the years, the Company is continuously building enough resiliency & capacity in Network. Significant efforts have been made to increase awareness amongst workforce with respect to cybersecurity. This ensured seamless migration of our work processes to remote working models across the Company locations during the pandemic. The Company has also implemented Advanced Threat Protection (ATP) for protecting from Phishing/Spam mails, Data Leak Prevention (DLP) over internet connections via cloud proxy and WFH (work from home) seamless and secure connectivity over zero-trust architecture.

The Company has enacted various policies and procedures to ensure data privacy. Proactive software asset management is being carried out to ensure compliance.

XII. 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 Internal Financial Controls (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 unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies.

The Company's internal financial control framework is commensurate 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 standardization & rationalization project was undertaken in FY 2020-21 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 also undertaken in FY 2021-22 whereby around 30% of the controls have been automated and will be tested in automated fashion going forward. 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 Audit function 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 internal audit function, 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. The Audit Committee at its meetings reviews the reports submitted by the Internal Auditor. Also, the Audit Committee at frequent intervals has independent sessions with the statutory auditor and the Management to discuss the adequacy and effectiveness of internal financial controls.

XIII. Statutory Compliance

The Company has in place adequate systems and processes to ensure that it is in compliance with all 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 and 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. On November 11, 2021, the Policy was amended to be aligned with applicable regulatory changes including:

(i) Formulation and recommendation of Annual Action Plan to the Board by the Corporate Social Responsibility and Sustainability (**'CSR&S'**) Committee.

(ii) Oversight of the Board of Directors of the Company on utilization/disbursement of CSR Funds towards sanctioned CSR activities of the Company, including noting of the utilization certificate to be placed by the CFO of the Company.

Our CSR activities focus on education, health, water, livelihood, rural and urban infrastructure and are in alignment with key focus areas of the Tata Group. We also undertake community-centric interventions in the areas of sports, disaster relief, environment and ethnicity.

2. Composition of Corporate Social Responsibility and 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)	3	3
2.	Mr. O. P. Bhatt	Independent Director	3	3
3.	Mr. T. V. Narendran	Chief Executive Officer & Managing Director	3	3
4.	Mr. Koushik Chatterjee	Executive Director & Chief Financial Officer	3	3

3. The web-link where Composition of CSR&S 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. Details 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:

The Company voluntarily carries out impact assessment of key CSR Projects in the normal course. There are no projects undertaken or completed for which the impact assessment report is applicable in FY 2021-22.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
		Not applicable	

6.	Average net profit of the Company as per section 135(5) of the Companies Act, 2013	: ₹13,328.66 crore
7.	(a) Two percent of average net profit of the Company as per section 135(5) of the Companies Act, 2013	: ₹266.57 crore
	(b) Surplus arising out of the CSR projects or programs or activities of the previous financial years	: Nil
	(c) Amount required to be set off for the financial year, if any	: Nil
	(d) Total CSR obligation for the financial year (7a+7b-7c)	: ₹266.57 crore

8. (a) 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
405.97	NIL	NA	NA	NIL	NA

(b) Details of CSR amount spent against ongoing projects for the financial year	₹167.21 crore Details are provided in **Annexure A**
(c) Details of CSR amount spent against other than ongoing projects for the financial year	₹226.40 crore Details are provided in **Annexure B**
(d) Amount spent in Administrative Overheads	₹12.36 crore
(e) Amount spent on Impact Assessment, if applicable	Nil
(f) Total amount spent for the Financial Year (8b+8c+8d+8e)	₹405.97 crore

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in ₹ crore)
(i)	Two percent of average net profit of the Company as per section 135(5) of the Companies Act, 2013	266.57
(ii)	Total amount spent for the Financial Year	405.97
(iii)	Excess amount spent for the financial year [(ii)-(i)]	139.40
(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)]	*139.40

* The Company does not propose to avail any set-off, against the excess amount spent in FY 2021-22 for succeeding financial years.

9. (a) Details of Unspent CSR amount for the preceding three financial years

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
NA	NA	Nil	NA	NA	Nil	NA	NA

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed / Ongoing
Provided in Annexure C								

10. Details of creation or acquisition of capital asset acquired through CSR spent in the financial year	
(a) Date of creation or acquisition of the capital asset(s)	None
(b) Amount of CSR spent for creation or acquisition of capital asset	NIL
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not applicable
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	Not applicable
11. 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

May 3, 2022

ANNEXURE A

Details of CSR amount spent against on-going projects for the financial year 2021-22

Sl.	Project Name	Item from the list of activities in Schedule VII to the Companies Act 2013 (Section 135)	Local Area (Yes/ No)	Location (State)	Project Duration (Years)	Sum of Amount Allocated for the Project (₹ in crore)	Sum of amount spent in the current financial year (₹ in crore)	Mode of Implementation Direct (Yes/No)	Implementing Agency Name	CSR Registration number
1	Maternal and Newborn Survival Initiative (MANSI)	Clause (i)	Yes	Jharkhand	4	0.95	0.54	No	TSF	CSR00001142
				Odisha			0.48	No	TSF	CSR00001142
	Sub Total						**1.02**			
2	Maternal and Newborn Survival Initiative (MANSI+)	Clause (i)	Yes	Jharkhand	4	5.64	3.13	No	TSF	CSR00001142
	Sub Total						**3.13**			
3	Regional Initiatives for Safe Sexual Health by Today's Adolescents (RISHTA)	Clause (i)	Yes	Jharkhand	4	1.96	0.85	No	TSF	CSR00001142
				Odisha			0.89	No	TSF	CSR00001142
	Sub Total						**1.74**			
4	Education Signature Programme	Clause (ii)	Yes	Odisha	4	12.98	13.07	No	TSF	CSR00001142
	Sub Total						**13.07**			
5	School Improvement Project (1000 Schools Project)	Clause (ii)	Yes	Jharkhand	4	16.94	3.16	No	TSF	CSR00001142
				Odisha			14.90	No	TSF	CSR00001142
	Sub Total						**18.06**			
6	Preserve & Promote Tribal Language and Literature	Clause (v)	Yes	Jharkhand	4	4.35	0.12	No	TCS	CSR00009031
							1.76		TSF	CSR00001142
				Odisha			0.73	No	TSF	CSR00001142
				Other State			0.24	No	TSF	CSR00001142
	Sub Total						**2.85**			
7	Preserve & Promote Tribal Art and Culture	Clause (v)	Yes	Jharkhand	4	2.27	0.04	No	TCS	CSR00009031
							0.69	No	TSF	CSR00001142
				Odisha			0.24	No	TSF	CSR00001142
							0.00	Yes		
	Sub Total						**0.97**			
8	Preserve & Promote Tribal Sports	Clause (v)	Yes	Jharkhand	4	0.23	0.03	No	TCS	CSR00009031
							0.09	No	TSF	CSR00001142
				Odisha			0.01	No	TSF	CSR00001142
	Sub Total						**0.13**			
9	Samvaad ' A Tribal Conclave	Clause (v)	Yes	Jharkhand	4	3.30	0.07	No	TCS	CSR00009031
							5.15	No	TSF	CSR00001142
				Odisha			0.02	No	TSF	CSR00001142
				Other State			0.01	No	TSF	CSR00001142
	Sub Total						**5.25**			
10	Signature Programme (Tribal Identity)	Clause (v)	Yes	Jharkhand	4	0.80	1.01	No	TSF	CSR00001142
	Sub Total						**1.01**			

Sl.	Project Name	Item from the list of activities in Schedule VII to the Companies Act 2013 (Section 135)	Local Area (Yes/ No)	Location (State)	Project Duration (Years)	Sum of Amount Allocated for the Project (₹ in crore)	Sum of amount spent in the current financial year (₹ in crore)	Mode of Implementation Direct (Yes/No)	Implementing Agency Name	CSR Registration number
11	Development Corridor Project	Clause (x)	Yes	Jharkhand	4	2.09	0.19	No	TSF	CSR00001142
				Odisha			0.06	No	TSF	CSR00001142
	Sub Total						**0.25**			
12	HIV / AIDS Awareness Program	Clause (i)	Yes	Jharkhand	4	0.52	0.54	No	TSF	CSR00001142
	Sub Total						**0.54**			
13	Fellowship/Scholarship programme for Students	Clause (ii)	Yes	Jharkhand	4	2.58	0.05	No	TCS	CSR00009031
							1.88	No	TSF	CSR00001142
				Odisha			0.45	No	TSF	CSR00001142
				Other State			0.02	No	TSF	CSR00001142
	Sub Total						**2.40**			
14	Support to SC/ST Students in Education	Clause (ii)	Yes	Jharkhand	4	1.20	0.70	No	TSF	CSR00001142
				Odisha			0.01	No	TSF	CSR00001142
	Sub Total						**0.71**			
15	Support to SC/ST Students in Higher Education	Clause (ii)	Yes	Jharkhand	4	1.94	1.70	No	TSF	CSR00001142
				Odisha			0.01	No	TSF	CSR00001142
	Sub Total						**1.71**			
16	Support to drop out students through Bridge courses	Clause (ii)	Yes	Jharkhand	4	3.48	2.96	No	TSF	CSR00001142
	Sub Total						**2.96**			
17	Pre-Matric Coaching	Clause (ii)	Yes	Jharkhand	4	0.57	0.37	No	TSF	CSR00001142
				Odisha			0.25	No	TSF	CSR00001142
	Sub Total						**0.62**			
18	Child Education support through Primary Learning Center	Clause (ii)	Yes	Jharkhand	4	0.07	0.00	No	TSF	CSR00001142
				Odisha			0.02	No	TSF	CSR00001142
				Other State			0.03	Yes		
	Sub Total						**0.05**			
19	Agriculture Activities (SRI and dryland farming)	Clause (ii)	Yes	Jharkhand	4	1.05	0.91	No	TSF	CSR00001142
				Odisha			0.46	No	TSF	CSR00001142
	Sub Total						**1.37**			
20	Promote cultivation of second crop	Clause (ii)	Yes	Jharkhand	4	0.22	0.24	No	TSF	CSR00001142
				Odisha			0.39	No	TSF	CSR00001142
	Sub Total						**0.63**			
21	Livelihood through Agriculture & allied activities	Clause (ii)	Yes	Jharkhand	4	3.99	0.05	No	TCS	CSR00009031
							1.87	No	TSF	CSR00001142
				Odisha			2.06	No	TSF	CSR00001142
							0.16	Yes		
	Sub Total						**4.14**			

Sl.	Project Name	Item from the list of activities in Schedule VII to the Companies Act 2013 (Section 135)	Local Area (Yes/ No)	Location (State)	Project Duration (Years)	Sum of Amount Allocated for the Project (₹ in crore)	Sum of amount spent in the current financial year (₹ in crore)	Mode of Implementation Direct (Yes/No)	Implementing Agency Name	CSR Registration number
22	Agriculture resource centre, training and information Centre	Clause (ii)	Yes	Jharkhand	4	0.61	0.26	No	TSF	CSR00001142
				Odisha			0.04	No	TSF	CSR00001142
	Sub Total						**0.30**			
23	Enterprise Development Programmes (Agriculture related)	Clause (ii)	Yes	Odisha	4	0.19	0.13	No	TSF	CSR00001142
	Sub Total						**0.13**			
24	Wadi Project (NABARD) - Initiative for Plantation of Vegatables & Fruits	Clause (ii)	Yes	Jharkhand	4	1.00	0.35	No	TSF	CSR00001142
				Odisha			0.24	No	TSF	CSR00001142
	Sub Total						**0.59**			
25	Watershed Project at Kuiani - An initiative for Water conservation	Clause (iv)	Yes	Jharkhand	4	0.32	0.08	No	TSF	CSR00001142
	Sub Total						**0.08**			
26	Watershed Project at Kukru - An initiative for Water conservation	Clause (iv)	Yes	Jharkhand	4	0.04	0.14	No	TSF	CSR00001142
	Sub Total						**0.14**			
27	Agriculture Awareness Program - Jharkhand Tribal Development Society	Clause (ii)	Yes	Jharkhand	4	0.54	0.21	No	TSF	CSR00001142
	Sub Total						**0.21**			
28	Running of Industrial Training Institute at Jagannathpur	Clause (ii)	Yes	Jharkhand	4	1.26	0.82	No	TSF	CSR00001142
	Sub Total						**0.82**			
29	Running of Tata Steel Technical Institute at Burmamines	Clause (ii)	Yes	Jharkhand	4	0.80	2.02	No	TSF	CSR00001142
	Sub Total						**2.02**			
30	Sponsorship to Trainees for Skill Development	Clause (ii)	Yes	Jharkhand	4	0.13	0.06	No	TCS	CSR00009031
							0.07	No	TSF	CSR00001142
	Sub Total						**0.13**			
31	Running of Industrial Training Institute at Tamar	Clause (ii)	Yes	Jharkhand	4	2.05	1.36	No	TSF	CSR00001142
	Sub Total						**1.36**			
32	Model Career Centre	Clause (ii)	Yes	Jharkhand	4	0.55	0.39	No	TSF	CSR00001142
	Sub Total						**0.39**			
33	Entrepreneurship Development	Clause (ii)	Yes	Jharkhand	4	0.42	1.05	No	TSF	CSR00001142
	Sub Total						**1.05**			
34	SABAL Centre for Disability linked Training programmes	Clause (ii)	Yes	Jharkhand	4	2.56	0.58	No	TSF	CSR00001142
				Odisha			0.50	No	TSF	CSR00001142
	Sub Total						**1.08**			

Sl.	Project Name	Item from the list of activities in Schedule VII to the Companies Act 2013 (Section 135)	Local Area (Yes/No)	Location (State)	Project Duration (Years)	Sum of Amount Allocated for the Project (₹ in crore)	Sum of amount spent in the current financial year (₹ in crore)	Mode of Implementation Direct (Yes/No)	Implementing Agency Name	CSR Registration number
35	Women Empowerment Programmes	Clause (ii)	Yes	Jharkhand	4	2.55	0.78	No	TSF	CSR00001142
				Odisha			2.07	No	TSF	CSR00001142
							0.01	Yes		
	Sub Total						**2.86**			
36	Support for Business Development of Self Help Groups	Clause (ii)	Yes	Jharkhand	4	2.01	0.84	No	TSF	CSR00001142
				Odisha			1.08	No	TSF	CSR00001142
				Other State			0.14	No	TSF	CSR00001142
	Sub Total						**2.06**			
37	Running Sports Centers	Clause (vii)	Yes	Jharkhand	4	16.78	4.63	No	TSF	CSR00001142
							1.89	No	HAF	CSR00027272
							7.40	Yes		
				Odisha			0.30	No	TSF	CSR00001142
							2.35	No	HAF	CSR00027272
				Other State			0.02	No	TSF	CSR00001142
	Sub Total						**16.59**			
38	Promoting Sports in Rural Areas	Clause (vii)	Yes	Jharkhand	4	0.38	0.35	No	TSF	CSR00001142
				Odisha			0.06	No	TSF	CSR00001142
	Sub Total						**0.41**			
39	Maintenance and Operation of Zoo	Clause (iv)	Yes	Jharkhand	4	4.42	4.00	No	TSZS	CSR00007552
	Sub Total						**4.00**			
40	Solar Powered Drinking Water project	Clause (i)	Yes	Jharkhand	4	1.20	0.17	No	TSF	CSR00001142
				Odisha			2.06	No	TSF	CSR00001142
	Sub Total						**2.23**			
41	Installation of Piped Drinking Water supply system	Clause (i)	Yes	Jharkhand	4	1.72	0.70	No	TSF	CSR00001142
				Odisha			0.14	No	TSF	CSR00001142
	Sub Total						**0.84**			
42	Installation and repair of deep borewell	Clause (i)	Yes	Jharkhand	4	1.13	0.60	No	TSF	CSR00001142
				Odisha			0.21	No	TSF	CSR00001142
							0.51	Yes		
				Other State			0.09	No	TSF	CSR00001142
	Sub Total						**1.41**			
43	Installation and repair of hand tube wells	Clause (i)	Yes	Jharkhand	4	1.01	0.18	No	TSF	CSR00001142
				Odisha			0.23	No	TSF	CSR00001142
	Sub Total						**0.41**			
44	Integrated Farming System	Clause (ii)	Yes	Jharkhand	4	1.17	0.23	No	TSF	CSR00001142
	Sub Total						**0.23**			

Sl.	Project Name	Item from the list of activities in Schedule VII to the Companies Act 2013 (Section 135)	Local Area (Yes/ No)	Location (State)	Project Duration (Years)	Sum of Amount Allocated for the Project (₹ in crore)	Sum of amount spent in the current financial year (₹ in crore)	Mode of Implementation Direct (Yes/No)	Implementing Agency Name	CSR Registration number
45	Promote horticulture in wastelands and dry land crops	Clause (ii)	Yes	Jharkhand	4	0.24	0.03	No	TSF	CSR00001142
				Odisha			0.09	No	TSF	CSR00001142
	Sub Total						**0.12**			
46	Prevention of Disabilities & School Health Program	Clause (i)	Yes	Jharkhand	4	0.12	0.15	No	TSF	CSR00001142
	Sub Total						**0.15**			
47	Watershed Projects	Clause (iv)	Yes	Jharkhand	4	1.48	0.65	No	TSF	CSR00001142
	Sub Total						**0.65**			
48	Prevention of Communicable Diseases (Public Health)	Clause (i)	Yes	Jharkhand	4	0.06	0.02	No	TSF	CSR00001142
				Odisha			0.04	No	TSF	CSR00001142
	Sub Total						**0.06**			
49	JN Tata Technical Education Centre at Gopalpur	Clause (ii)	Yes	Odisha	4	0.51	0.47	No	TSF	CSR00001142
	Sub Total						**0.47**			
50	Livelihood through Agriculture allied Tassar	Clause (ii)	Yes	Odisha	4	0.14	0.14	No	TSF	CSR00001142
	Sub Total						**0.14**			
51	Behaviour Change Communication & Health Promotion	Clause (i)	Yes	Odisha	4	0.14	0.01	No	TSF	CSR00001142
	Sub Total						**0.01**			
52	Green School Project	Clause (ii)	Yes	Jharkhand	4	0.94	0.75	No	TSF	CSR00001142
				Odisha			0.00	No	TSF	CSR00001142
	Sub Total						**0.75**			
53	Government School Transformation Program	Clause (ii)	Yes	Odisha	4	30.70	55.05	No	TSF	CSR00001142
	Sub Total						**55.05**			
54	Moral Development & Skill enhancement Program	Clause (ii)	Yes	Odisha	4	0.51	0.79	No	TSF	CSR00001142
	Sub Total						**0.79**			
55	30 Model School Project	Clause (ii)	Yes	Odisha	4	8.40	7.07	No	TSF	CSR00001142
	Sub Total						**7.07**			
	Grand Total:						**167.21**			

ANNEXURE B

Details of CSR amount spent against 'other than on-going projects' for the financial year 2021-22

Sl.	Project Name	Item from the list of activities in Schedule VII to the Companies Act 2013 (Section 135)	Local Area (Yes/No)	Location (State)	Sum of amount spent in the current financial year (₹ in crore)	Mode of Implementation-Direct (Yes/No)	Implementing Agency Name	CSR Registration number
1	Supply of Drinking Water through tanker	Clause (i)	Yes	Jharkhand	0.51	No	TSF	CSR00001142
				Odisha	0.29	No	TSF	CSR00001142
	Sub Total				**0.80**			
2	Maintenance of Drinking Water Systems	Clause (i)	Yes	Jharkhand	1.31	No	TSF	CSR00001142
				Odisha	0.16	No	TSF	CSR00001142
					0.26	Yes		
	Sub Total				**1.73**			
3	Tree Plantation in peripheral Villages	Clause (iv)	Yes	Jharkhand	0.01	No	TSF	CSR00001142
				Odisha	0.35	No	TSF	CSR00001142
					0.00	Yes		
	Sub Total				**0.36**			
4	Renewable Energy (Solar Lights)	Clause (iv)	Yes	Odisha	0.42	No	TSF	CSR00001142
					0.43	Yes		
	Sub Total				**0.85**			
5	Protection of flora and fauna	Clause (iv)	Yes	Jharkhand	0.06	No	TSF	CSR00001142
	Sub Total				**0.06**			
6	Socio economic development Program for Particularly Vulnerable Tribal Group villagers	Clause (v)	Yes	Jharkhand	0.19	No	TCS	CSR00009031
					0.02		TSF	CSR00001142
	Sub Total				**0.21**			
7	Infrastructure Support to Preserve & Promote Tribal Identity	Clause (v)	Yes	Jharkhand	0.86	No	TSF	CSR00001142
					0.00	No	TCS	CSR00009031
	Sub Total				**0.86**			
8	Support to SC/ST Organisations for amenities	Clause (v)	Yes	Jharkhand	0.34	No	TSF	CSR00001142
				Odisha	0.04	No	TSF	CSR00001142
	Sub Total				**0.38**			
9	Support to selected Schools	Clause (ii)	Yes	Jharkhand	1.09	No	TSF	CSR00001142
				Odisha	0.89	No	TSF	CSR00001142
					0.52	Yes		
	Sub Total				**2.50**			
10	Sports Infrastructure	Clause (vii)	Yes	Odisha	0.44	No	TSF	CSR00001142
					0.03	Yes		
	Sub Total				**0.47**			
11	Organising Sports tournaments and coaching camps	Clause (vii)	Yes	Jharkhand	0.15	No	TSF	CSR00001142
				Odisha	0.10	No	TSF	CSR00001142
					0.13	Yes		
	Sub Total				**0.38**			

Sl.	Project Name	Item from the list of activities in Schedule VII to the Companies Act 2013 (Section 135)	Local Area (Yes/ No)	Location (State)	Sum of amount spent in the current financial year (₹ in crore)	Mode of Implementation-Direct (Yes/No)	Implementing Agency Name	CSR Registration number
12	Organising Outdoor and leadership camps	Clause (vii)	Yes	Jharkhand	0.15	No	TSF	CSR00001142
				Odisha	0.08	No	TSF	CSR00001142
	Sub Total				**0.23**			
13	Water Harvesting structures to conserve Rain water	Clause (ii)	Yes	Jharkhand	1.41	No	TSF	CSR00001142
				Odisha	2.60	No	TSF	CSR00001142
					0.10	Yes		
	Sub Total				**4.11**			
14	Capacity Building of Farmers Institutions	Clause (ii)	Yes	Jharkhand	0.02	No	TSF	CSR00001142
				Odisha	0.19	No	TSF	CSR00001142
	Sub Total				**0.21**			
15	Kitchen Gardens Programme	Clause (ii)	Yes	Jharkhand	0.08	No	TSF	CSR00001142
				Odisha	0.22	No	TSF	CSR00001142
					0.06	Yes		
	Sub Total				**0.36**			
16	Sponsorship to Trainees for various vocational courses	Clause (ii)	Yes	Jharkhand	1.31	No	TSF	CSR00001142
	Sub Total				**1.31**			
17	Skill Development Programmes (short term Vocational courses)	Clause (ii)	Yes	Jharkhand	1.62	No	TSF	CSR00001142
				Odisha	0.48	No	TSF	CSR00001142
	Sub Total				**2.10**			
18	Support for Schools/Institutions (Educational infrastructure)	Clause (ii)	Yes	Jharkhand	1.82	No	TSF	CSR00001142
				Odisha	1.73	No	TSF	CSR00001142
					0.04	Yes		
				Other State	0.25	No	TSF	CSR00001142
	Sub Total				**3.84**			
19	Construction of Mid-Day Meal Kitchen for School Children	Clause (ii)	Yes	Jharkhand	0.25	No	TSF	CSR00001142
	Sub Total				**0.25**			
20	Spoken English & Soft Skill Development	Clause (ii)	Yes	Jharkhand	0.28	No	TSF	CSR00001142
				Odisha	0.14	No	TSF	CSR00001142
	Sub Total				**0.42**			
21	Support for Educational Programs	Clause (ii)	Yes	Jharkhand	0.74	No	TSF	CSR00001142
				Odisha	0.06	No	TSF	CSR00001142
	Sub Total				**0.80**			
22	Static Clinics and E- Health Centres	Clause (i)	Yes	Jharkhand	0.03	No	TCS	CSR00009031
					1.59	No	TSF	CSR00001142
				Odisha	0.23	No	TSF	CSR00001142
	Sub Total				**1.85**			

Sl.	Project Name	Item from the list of activities in Schedule VII to the Companies Act 2013 (Section 135)	Local Area (Yes/No)	Location (State)	Sum of amount spent in the current financial year (₹ in crore)	Mode of Implementation-Direct (Yes/No)	Implementing Agency Name	CSR Registration number
23	Mother & Child Health Awareness Program	Clause (i)	Yes	Jharkhand	0.65	No	TSF	CSR00001142
	Sub Total				**0.65**			
24	Support for emergency medical issues and health awareness programs	Clause (i)	Yes	Jharkhand	1.18	No	TSF	CSR00001142
				Odisha	0.64	No	TSF	CSR00001142
					0.13	Yes		
	Sub Total				**1.95**			
25	Provide Support for Health Treatment	Clause (i)	Yes	Jharkhand	1.04	No	TSF	CSR00001142
				Odisha	0.93	No	TSF	CSR00001142
	Sub Total				**1.97**			
26	Mobile Medical Units and Ambulances	Clause (i)	Yes	Jharkhand	0.04	No	TCS	CSR00009031
					2.63	No	TSF	CSR00001142
				Odisha	1.31	No	TSF	CSR00001142
					0.43	Yes		
	Sub Total				**4.41**			
27	Health Camps	Clause (i)	Yes	Jharkhand	0.02	No	TSF	CSR00001142
				Odisha	0.15	No	TSF	CSR00001142
	Sub Total				**0.17**			
28	Support for Cataract Operations	Clause (i)	Yes	Jharkhand	0.30	No	TSF	CSR00001142
	Sub Total				**0.30**			
29	Sanitation (Domestic Toilets)	Clause (i)	Yes	Odisha	0.39	No	TSF	CSR00001142
	Sub Total				**0.39**			
30	Infrastructural support for Rural Development	Clause (x)	Yes	Jharkhand	3.09	No	TSF	CSR00001142
				Odisha	2.00	No	TSF	CSR00001142
					0.02	Yes		
				Other State	0.03	Yes		
	Sub Total				**5.14**			
31	Construction & Maintenance of Roads and Drains	Clause (x)	Yes	Jharkhand	0.45	No	TSF	CSR00001142
				Odisha	0.18	No	TSF	CSR00001142
					3.11	Yes		
				Other State	0.19	Yes		
	Sub Total				**3.93**			
32	Horticulture Development and Maintenance of Road outside Peripheral Area	Clause (iv)	Yes	Jharkhand	3.03	Yes		
	Sub Total				**3.03**			
33	Health Infrastructure	Clause (i)	Yes	Jharkhand	0.00	No	TSF	CSR00001142
				Odisha	0.15	No	TSF	CSR00001142
	Sub Total				**0.15**			
34	Support to Sportsmen	Clause (vii)	Yes	Jharkhand	0.05	No	TSF	CSR00001142
				Odisha	0.01	No	TSF	CSR00001142
	Sub Total				**0.06**			

Sl.	Project Name	Item from the list of activities in Schedule VII to the Companies Act 2013 (Section 135)	Local Area (Yes/ No)	Location (State)	Sum of amount spent in the current financial year (₹ in crore)	Mode of Implementation- Direct (Yes/No)	Implementing Agency Name	CSR Registration number
35	Capacity building/coaching programmes	Clause (ii)	Yes	Jharkhand	0.09	No	TSF	CSR00001142
	Sub Total				**0.09**			
36	Support to SC/ST Youths for Educational Coaching	Clause (ii)	Yes	Jharkhand	0.16	No	TSF	CSR00001142
				Odisha	0.00	No	TSF	CSR00001142
	Sub Total				**0.16**			
37	Support to economically weaker section youth for Educational coaching	Clause (ii)	Yes	Odisha	0.01	No	TSF	CSR00001142
	Sub Total				**0.01**			
38	Livelihood Infrastructure	Clause (ii)	Yes	Odisha	0.15	No	TSF	CSR00001142
					0.62	Yes		
	Sub Total				**0.77**			
39	Health Insurance	Clause (i)	Yes	Jharkhand	25.00	Yes		
	Sub Total				**25.00**			
40	Support for YAAS cyclone	Clause (xii)	Yes	Jharkhand	0.07	No	TSF	CSR00001142
				Odisha	0.37	No	TSF	CSR00001142
				Other State	0.09	No	TSF	CSR00001142
	Sub Total				**0.53**			
41	Support to Hospital at Gopalpur	Clause (i)	Yes	Odisha	1.14	No	TSF	CSR00001142
	Sub Total				**1.14**			
42	COVID-19 Initiatives	Clause (i)	Yes	Jharkhand	59.08	No	TSF	CSR00001142
					34.36	Yes		
				Odisha	46.91	No	TSF	CSR00001142
					5.91	Yes		
				Other State	5.17	No	TSF	CSR00001142
					1.04	Yes		
	Sub Total				**152.47**			
	Grand Total				**226.40**			

Notes:

TSF- Tata Steel Foundation, a Company incorporated under Section 8 of the Companies Act, 2013

TCS- Tribal Cultural Society, a registered society under Societies Registration Act, 1860

HAF - Hockey Ace Foundation

TSZS - Tata Steel zoological Society, a registered society under Societies Registration Act, 1860

ANNEXURE C

Details of CSR amount spent in the FY 2021-22 for Ongoing Projects of the preceding financial years

Sl.	Project ID	Name of the Project	Financial year in which the project was commenced	Project Duration (No. of Years)	Total Amount Allocated for the Project (₹ in Crore)	Amount spent on the project in the reporting Financial Year (₹ in Crore)	Cumulative amount spent at the end of reporting Financial year	Status of the project - completed/ Ongoing
1	OG2021001	Maternal and Newborn Survival Initiative (MANSI)	2021	4	1.80	1.02	3.00	Completed
2	OG2021002	Regional Initiatives for Safe Sexual Health by Today's Adolescents (RISHTA)	2021	4	3.62	1.74	3.48	Ongoing
3	OG2021003	Education Signature Programme	2021	4	26.42	13.07	24.67	Ongoing
4	OG2021004	School Improvement Project (1000 Schools Project)	2021	4	32.76	18.06	31.73	Ongoing
5	OG2021005	Preserve & Promote Tribal Language and Literature	2021	4	6.63	2.85	4.41	Ongoing
6	OG2021006	Preserve & Promote Tribal Art and Culture	2021	4	3.55	0.97	1.94	Ongoing
7	OG2021007	Preserve & Promote Tribal Sports	2021	4	0.46	0.13	0.13	Ongoing
8	OG2021008	Samvaad ' A Tribal Conclave	2021	4	4.84	5.25	7.58	Ongoing
9	OG2021009	Signature Programme (Tribal Identity)	2021	4	0.80	1.01	1.20	Ongoing
10	OG2021010	Development Corridor Project	2021	4	2.74	0.25	0.64	Ongoing
11	OG2021011	HIV / AIDS Awareness Program	2021	4	1.11	0.54	1.14	Ongoing
12	OG2021012	Fellowship/Scholarship programme for Students	2021	4	5.31	2.40	4.15	Ongoing
13	OG2021013	Support to SC/ST Students in Education	2021	4	3.88	0.71	1.12	Ongoing
14	OG2021014	Support to SC/ST Students in Higher Education	2021	4	3.48	1.71	2.79	Ongoing
15	OG2021015	Support to drop out students through Bridge courses	2021	4	6.12	2.96	4.91	Ongoing
16	OG2021016	Camp School	2021	4	0.21	0.00	0.21	Ongoing
17	OG2021017	Pre-Matric Coaching	2021	4	0.66	0.62	0.79	Ongoing
18	OG2021018	Child Education support through Primary Learning Center	2021	4	0.13	0.05	0.07	Ongoing
19	OG2021019	Agriculture Activities (SRI and dryland farming)	2021	4	2.11	1.37	2.23	Ongoing
20	OG2021020	Promote cultivation of second crop	2021	4	0.82	0.63	0.95	Ongoing
21	OG2021021	Livelihood thro' Agriculture & allied activities	2021	4	7.42	4.14	7.74	Ongoing
22	OG2021022	Agriculture resource centre, training and Information Centre	2021	4	0.72	0.30	0.48	Ongoing
23	OG2021023	Enterprise Development Programmes (Agriculture related)	2021	4	0.26	0.13	0.25	Ongoing
24	OG2021024	Wadi Project (NABARD) - Initiative for Plantation of Vegetables & Fruits	2021	4	1.60	0.59	0.88	Ongoing
25	OG2021025	Watershed Project at Kuiani - An initiative for Water conservation	2021	4	0.52	0.08	0.13	Ongoing
26	OG2021026	Watershed Project at Kukru - An initiative for Water conservation	2021	4	0.18	0.14	0.29	Ongoing

Sl.	Project ID	Name of the Project	Financial year in which the project was commenced	Project Duration (No. of Years)	Total Amount Allocated for the Project (₹ in Crore)	Amount spent on the project in the reporting Financial Year (₹ in Crore)	Cumulative amount spent at the end of reporting Financial year	Status of the project - completed/ Ongoing
27	OG2021027	Agriculture Awareness Program - Jharkhand Tribal Development Society (JTDS)	2021	4	0.65	0.21	0.38	Ongoing
28	OG2021028	Running of Industrial Training Institute at Jagannathpur	2021	4	2.90	0.82	1.89	Ongoing
29	OG2021029	Running of Tata Steel Technical Institute at Burmamines	2021	4	2.87	2.02	3.13	Ongoing
30	OG2021030	Sponsorship to Trainees for Skill Development	2021	4	1.73	0.13	1.32	Ongoing
31	OG2021031	Running of Industrial Training Institute at Tamar	2021	4	3.57	1.36	2.58	Ongoing
32	OG2021032	Model Career Centre	2021	4	0.97	0.39	0.74	Ongoing
33	OG2021033	Entrepreneurship Development	2021	4	0.42	1.05	1.99	Ongoing
34	OG2021034	SABAL Centre for Disability linked Training Programmes	2021	4	2.91	1.08	1.33	Ongoing
35	OG2021035	Women Empowerment Programmes	2021	4	3.23	2.86	3.46	Ongoing
36	OG2021036	Support for Business Development of Self Help Groups (SHGs)	2021	4	3.25	2.06	3.38	Ongoing
37	OG2021037	Running Sports Centers	2021	4	25.91	16.59	31.46	Ongoing
38	OG2021038	Promoting Sports in Rural Areas	2021	4	0.64	0.41	0.74	Ongoing
39	OG2021039	Maintenance and Operation of Zoo	2021	4	6.92	4.00	6.78	Ongoing
40	OG2021040	Solar Powered Drinking Water project	2021	4	2.29	2.23	4.48	Ongoing
41	OG2021041	Installation of Piped Drinking Water supply system	2021	4	5.51	0.84	3.85	Ongoing
42	OG2021042	Installation and repair of deep borewell	2021	4	1.87	1.41	2.26	Ongoing
43	OG2021043	Installation and repair of hand tube wells	2021	4	1.91	0.41	1.64	Ongoing
44	OG2021044	30 Model School Projects	2021	4	9.53	7.07	14.68	Ongoing
	Total					**105.66**		

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) of Regulation 46(2) of 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, 2022, the Board comprised of eleven members, two of whom are EDs, three are NEDs and six 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 FY 2021-22, 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 FY 2021-22

1. Dr. Peter Blauwhoff resigned as Independent Director of the Company effective July 13, 2021. He decided to step down, since the Company had indicated that after the separation of Tata Steel Netherlands and Tata Steel UK, for which the consultation process had started with Central Works Council, it prefered direct Executive representation from the Company in the Supervisory Board of Tata Steel Netherlands. Further, he confirmed that there were no other material reasons other than those mentioned above, for his resignation as Independent Director from the Company.
2. As per the terms & conditions of appointment and the retirement policy applicable to the Company's Board of Directors, Mr. Aman Mehta, retired as an Independent Director of the Company on August 31, 2021.
3. Ms. Farida Khambata was appointed as an Independent Director of the Company for a term commencing August 12, 2021 through December 10, 2024 (i.e. up to Ms. Khambata attaining the age of 75 years).
4. Mr. David W. Crane was appointed as an Independent Director of the Company for a term of 5 (Five) years commencing October 11, 2021 through October 10, 2026.
5. Mr. Deepak Kapoor was re-appointed as an Independent Director of the Company for a second term of 5 (Five) years effective April 1, 2022 through March 31, 2027.
6. Mr. Noel Naval Tata was appointed as an Additional Director (Non-Executive, Non-Independent) of the Company effective March 28, 2022. Further, the Board designated Mr. Noel Naval Tata as the Vice-Chairman of the Board.
7. On March 28, 2022, Mr. V. K. Sharma resigned as a Non-Executive (Non-Independent) Director of the Company. The Board appointed Mr. V. K. Sharma as a an Additional Director (Non-Executive, Independent) of the Company effective March 28, 2022 through March 27, 2027.

Table A: Composition of the Board and Directorships held as on March 31, 2022:

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	
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	2	1	3	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) e) Kansai Nerolac Paints Limited (Non-Executive, Independent)
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					
Ms. Mallika Srinivasan DIN: 00037022	3	3	-	-	a) The United Nilgiri Tea Estates Company Limited (Non-Executive, Non-Independent, Chairperson)
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) Nayara Energy Limited (Debt Listed) (Non-Executive, Independent)
Ms. Farida Khambata DIN: 06954123	-	2	1	1	a) Kotak Mahindra Bank Limited (Non-Executive, Independent) b) Tata Investment Corporation Limited (Non-Executive, Independent)
Mr. David W. Crane DIN: 09354737	-	-	-	-	-
Mr. V. K. Sharma DIN: 02449088	1	4	2	4	a) Mahindra and Mahindra Limited (Non-Executive, Non-Independent) b) Reliance Power Limited (Non-Executive, Independent) c) NURECA Limited (Non-Executive, Independent)
Executive Directors					
Mr. T. V. Narendran DIN: 03083605	2	-	-	-	a) Tata Steel Long Products Limited (Non-Executive, Non-Independent, Chairman) b) TRF 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. 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) d) TRF Limited (Non-Executive, Non-Independent)

Notes:

(1) Directorships in Indian Public Companies (listed and unlisted) excluding Tata Steel Limited and Section 8 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 summarizes the keyskills, 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	✓	✓	✓	✓	✓	✓	✓
Mallika Srinivasan	✓	✓	✓	-	✓	✓	✓
O. P. Bhatt	✓	✓	✓	-	✓	✓	✓
Deepak Kapoor	✓	✓	✓	-	✓	✓	✓
Farida Khambata	✓	✓	✓	✓	✓	✓	✓
David W. Crane	✓	✓	✓	-	✓	✓	✓
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 familiarization programme for our Directors is customized 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 webite at https://www.tatasteel.com/media/12333/familiarization-programme-for-independent-directors-for-website.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 FY 2021-22 are provided in Table C below.

Table C: Shares held and cash compensation paid to Directors for the year ended March 31, 2022

(₹ lakh)

Name	Fixed Salary			Commission[1]	Sitting Fees	Total Compensation	Fully paid-up Ordinary Shares held (Nos.)
	Basic	Perquisite/ Allowance	Total Fixed Salary				
Non-Executive, Non-Independent Directors							
Mr. N. Chandrasekaran[2]	–	–	–	–	4.40	4.40	2,00,000
Mr. Noel Naval Tata[3]	–	–	–	–	–	–	14,370
Mr. Saurabh Agrawal[4]	–	–	–	–	6.80	6.80	–
Independent Directors							
Ms. Mallika Srinivasan	–	–	–	170	5.20	175.20	–
Mr. O. P. Bhatt[5]	–	–	–	230	8.80	238.80	–
Mr. Deepak Kapoor[6]	–	–	–	135	6.60	141.60	–
Ms. Farida Khambata	–	–	–	100	3.20	103.20	65,000
Mr. David W. Crane	–	–	–	90	2.80	92.80	–
Mr. V. K. Sharma	–	–	–	115	3.40	118.40	–
Dr. Peter Blauwhoff[7]	–	–	–	30	2.00	32.00	–
Mr. Aman Mehta[8]	–	–	–	60	3.20	63.20	–
Executive Directors							
Mr. T. V. Narendran	165.00	285.11	450.11	1,500	–	1,950.11	2,171
Mr. Koushik Chatterjee	148.50	268.68	417.18	1,100	–	1,517.18	1,636

Notes:

(1) Commission relates to the financial year ended March 31, 2022, which was approved by the Board on May 3, 2022 and will be paid during FY 2022-23.

(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) of the Company effective March 28, 2022. No meetings were held during FY 2021-22, after his appointment.

(4) In line with the internal guidelines of the Company, no commission is paid to 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. Agrawal.

(5) 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.

(6) 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 16,700 from TSMC.

(7) Dr. Peter Blauwhoff stepped down as an Independent Director of the Company effective July 13, 2021. Dr. Peter Blauwhoff served as an Independent Director of TSE and as an Independent Chairman and Member of Supervisory Board of Tata Steel Nederland BV ('**TSN BV**'). Towards this, he addionally received fee of £19,886 from TSE and Board fee of €23,254 from TSN BV.

(8) Mr. Aman Mehta retired as an Independent Director of the Company on August 31, 2021.

(9) 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 the other party six months' notice or the Company paying six months' remuneration in lieu thereof.

(10) The Company does not have any stock options plan. Accordingly, none of our Directors hold Stock options as on March 31, 2022.

(11) The Company has not issued any convertible instruments. Accordingly, none of our Directors holds any convertible instruments as on March 31, 2022.

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.

6 (Six) meetings of the Board were held during the financial year ended March 31, 2022. These were held on May 5, 2021, August 12, 2021, November 11, 2021, December 15, 2021, February 4, 2022 and March 28, 2022. 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, 2022 are given below:

Name of the Director	Category	No. of Meetings held during tenure	No. of Meetings Attended
Mr. N. Chandrasekaran (Chairman)	NED	6	6
Mr. Noel Naval Tata (Vice-Chairman)[1]	NED	-	-
Mr. Saurabh Agrawal	NED	6	6
Ms. Mallika Srinivasan	ID	6	6
Mr. O. P. Bhatt	ID	6	6
Mr. Deepak Kapoor[2]	ID	6	6
Ms. Farida Khambata[3]	ID	4	4
Mr. David W. Crane[4]	ID	4	4
Mr. V. K. Sharma[5]	ID	6	6
Dr. Peter Blauwhoff[6]	ID	1	1
Mr. Aman Mehta[7]	ID	2	2
Mr. T. V. Narendran	ED	6	6
Mr. Koushik Chatterjee	ED	6	6

Notes:

(1) Mr. Noel Naval Tata was appointed as an Additional Director (Non-Executive, Non-Independent) of the Company effective March 28, 2022. Further, the Board designated Mr. Noel Naval Tata as the Vice-Chairman of the Board of the Company.

(2) Mr. Deepak Kapoor has been re-appointed as an Independent Director of the Company for a second term of 5 (Five) years effective April 1, 2022 through March 31, 2027.

(3) Ms. Farida Khambata has been appointed as an Independent Director of the Company for a term commencing August 12, 2021 through December 10, 2024 (i.e. up to Ms. Khambata attaining the age of 75 years).

(4) Mr. David W. Crane has been appointed as an Independent Director of the Company for a term of 5 (Five) years commencing October 11, 2021 through October 10, 2026.

(5) Mr. V. K. Sharma served as a Non-Executive Director on the Board of the Company until March 28, 2022. He conveyed his intention to step down as representative of LIC and resigned as the Non-Executive Director of the Company on March 28, 2022. The Board appointed Mr. V. K. Sharma as an Additional Director (Non-Executive, Independent) of the Company effective March 28, 2022 through March 27, 2027.

(6) Dr. Peter Blauwhoff stepped down as an Independent Director of the Company effective July 13, 2021.

(7) Mr. Aman Mehta retired as an Independent Director of the Company on August 31, 2021.

All the Directors except Mr. V. K. Sharma were present at the Annual General Meeting of the Company held on Wednesday, June 30, 2021.

Due to the exceptional circumstances caused by the COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, all meetings in FY 2021-22 were held through Video Conferencing (**'VC'**).

Meeting of the Independent Directors

Pursuant to Schedule IV of the Act, the Independent Directors met on March 25, 2022 without the presence of Non-Independent Directors and Members of the Management. The meeting of the Independent Directors was chaired by Ms. Mallika Srinivasan, Independent Director and Chairperson of the Nomination and Remuneration Committee.

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 views of Executive and Non-Executive Directors and discussed 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 revised on March 2, 2017, February 8, 2019 and November 11, 2021.

The Company Secretary & 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.

6 (Six) meetings of the Audit Committee were held during the financial year ended March 31, 2022. These meetings were held on April 1, 2021, April 14, 2021, May 5, 2021, August 12, 2021, November 10, 2021 and February 3, 2022. The requisite quorum was present for all the meetings. All the 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, 2022 are given below:

Names of Members	Category	No. of meetings held during tenure	No. of meetings attended
Mr. O.P. Bhatt (Chairperson)	ID	6	6
Mr. Deepak Kapoor	ID	6	5
Ms. Farida Khambata[(1)]	ID	2	2
Mr. David W. Crane[(2)]	ID	2	2
Dr. Peter Blauwhoff[(3)]	ID	3	2
Mr. Aman Mehta[(4)]	ID	4	4
Mr. Saurabh Agrawal	NED	6	6

Notes:

(1) Ms. Farida Khambata has been appointed as an Independent Director of the Company for a term commencing August 12, 2021 through December 10, 2024 (i.e. up to Ms. Khambata attaining the age of 75 years). She was appointed as a member of the Audit Committee effective August 12, 2021.

(2) Mr. David W. Crane has been appointed as an Independent Director of the Company for a term of 5 (Five) years commencing October 11, 2021 through October 10, 2026. He was appointed as a member of the Audit Committee effective October 11, 2021.

(3) Dr. Peter Blauwhoff stepped down as an Independent Director of the Company effective July 13, 2021.

(4) Mr. Aman Mehta retired as an Independent Director of the Company on August 31, 2021.

Mr. O. P. Bhatt, Chairperson of the Audit Committee was present at the Annual General Meeting of the Company held on Wednesday, June 30, 2021.

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 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 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 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.

5 (Five) meetings of the NRC were held during the year ended March 31, 2022. These meetings were held on May 4, 2021, August 12, 2021, October 7, 2021, December 15, 2021 and March 28, 2022. The requisite quorum was present for all the meetings.

Table F: The composition of the NRC and the attendance details of the Members for the financial year ended March 31, 2022 are given below:

Names of Members	Category	No. of meetings held during tenure	No. of meetings attended
Ms. Mallika Srinivasan (Chairperson)	ID	5	5
Mr. O. P. Bhatt	ID	5	5
Mr. N. Chandrasekaran	NED	5	5

Ms. Mallika Srinivasan, Chairperson of the NRC was present at the Annual General Meeting of the Company held on Wednesday, June 30, 2021.

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

3 (Three) meetings of the CSR&S Committee were held during the year ended March 31, 2022. These meetings were held on May 6, 2021, August 11, 2021 and November 11, 2021. 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, 2022 are given below:

Names of Members	Category	No. of meetings held during tenure	No. of meetings attended
Mr. Deepak Kapoor (Chairperson)	ID	3	3
Mr. O. P. Bhatt	ID	3	3
Mr. T. V. Narendran	ED	3	3
Mr. Koushik Chatterjee	ED	3	3

Mr. Deepak Kapoor, Chairperson of CSR&S Committee was present at the Annual General Meeting of the Company held on Wednesday, June 30, 2021.

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 for RMC on May 20, 2015, which was revised on August 12, 2021.

4 (Four) meetings of RMC were held during the year ended March 31, 2022. These meetings were held on May 7, 2021, August 11, 2021, November 10, 2021 and February 24, 2022. 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, 2022 are given below:

Names of Members	Category	No. of meetings held during tenure	No. of meetings attended
Ms. Farida Khambata (Chairperson)(1)	ID	2	2
Mr. Aman Mehta (Chairperson)(2)	ID	2	2
Dr. Peter Blauwhoff(3)	ID	1	1
Mr. Saurabh Agrawal	NED	4	3
Mr. T. V. Narendran	ED	4	4
Mr. Koushik Chatterjee	ED	4	4
Dr. Henrik Adam	MoM	4	4
Mr. Sandip Biswas(4)	MoM	4	3
Ms. Samita Shah	MoM	4	4

MoM – Member of Management

Notes:

(1) Ms. Farida Khambata has been appointed as an Independent Director of the Company for a term commencing August 12, 2021 through December 10, 2024 (i.e. up to Ms. Khambata attaining the age of 75 years). She was appointed as a member of the RMC effective August 12, 2021 and as Chairperson of RMC effective September 1, 2021.

(2) Mr. Aman Mehta retired as an Independent Director of the Company on August 31, 2021.

(3) Dr. Peter Blauwhoff stepped down as an Independent Director of the Company effective July 13, 2021.

(4) Mr. Sandip Biswas has ceased to be the Member of Committee from March 31, 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 from time to time.

The SRC also reviews:

a) Measures taken for effective exercise of voting rights by shareholders;

b) Service standards adopted by the Company in respect of services rendered by our Registrars & Transfer Agent;

c) Measures rendered and initiatives taken for reducing 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 revised on February 8, 2019.

2 (Two) meetings of the SRC were held during the year ended March 31, 2022. These meetings were held on May 15, 2021 and January 20, 2022. The requisite quorum was present for all the meetings.

Table I: The composition of the SRC and the attendance details of the Members for the financial year ended March 31, 2022 are given below:

Names of Members	Category	No. of meetings held during tenure	No. of meetings attended
Mr. V. K. Sharma (Chairperson)	ID	2	2
Mr. Deepak Kapoor	ID	2	2
Mr. T. V. Narendran	ED	2	2
Mr. Koushik Chatterjee	ED	2	2

Due to a personal exigency, Mr. V. K. Sharma, Chairperson of SRC was not present at the Annual General Meeting of the Company held on Wednesday, June 30, 2021. In his absence, he had nominated Mr. Koushik Chatterjee, Member of the SRC to respond to the queries on the activities of the SRC.

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, 2022 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 year ended March 31, 2022:

Opening as on April 1, 2021	1
Received during the year	405
Resolved during the year	405
Closing as on March 31, 2022	1

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.

2 (Two) meetings of the Committee were held during the financial year ended March 31, 2022. These meetings were held on May 6, 2021 and November 9, 2021. 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, 2022 are given below:

Names of Members	Category	No. of meetings held during tenure	No. of meetings attended
Dr. Peter Blauwhoff (Chairperson)(1)	ID	1	1
Ms. Mallika Srinivasan	ID	2	2
Mr. David W. Crane(2)	ID	1	1
Mr. V. K. Sharma	ID	2	2
Mr. T. V. Narendran	ED	2	2
Dr. Henrik Adam	MoM	2	2

MoM - Member of Management

Notes:

(1) Dr. Peter Blauwhoff stepped down as an Independent Director of the Company effective July 13, 2021.

(2) Mr. David W. Crane has been appointed as an Independent Director of the Company for a term of 5 (Five) years commencing October 11, 2021 through October 10, 2026. He was appointed as a member of the SH&E Committee effective October 11, 2021.

General Information for Shareholders

General Body Meetings

Table L: Location and time, where last three Annual General Meetings were held:

<table>
<tr><th>Financial Year Ended</th><th>Date</th><th>Time</th><th>Venue</th><th>Special Resolution Passed</th></tr>
<tr><td>Mach 31, 2021</td><td>June 30, 2021</td><td rowspan="3">3:00 p.m. (IST)</td><td rowspan="2">The Meetings were held through two-way video-conferencing</td><td rowspan="2">-</td></tr>
<tr><td>March 31, 2020</td><td>August 20, 2020</td></tr>
<tr><td>March 31, 2019</td><td>July 19, 2019</td><td>Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai-400 020.</td><td>(i) Re–appointment of Ms. Mallika Srinivasan (DIN: 00037022) as an Independent Director of the Company.
(ii) Re–appointment of Mr. O. P. Bhatt (DIN: 00548091) as an Independent Director of the Company.</td></tr>
</table>

No Extraordinary General Meeting of the Members was held during FY 2021-22.

Postal Ballot:

During FY 2021-22, the Company sought the approval of the shareholders by way of postal ballot, through notice dated February 4, 2022, on the following Special Resolution(s):

SN	Description of the Special Resolution(s)
1.	Appointment of Ms. Farida Khambata (DIN: 06954123) as an Independent Director of the Company.
2.	Appointment of Mr. David W. Crane (DIN: 09354737) as an Independent Director of the Company.
3.	Re-appointment of Mr. Deepak Kapoor (DIN: 00162957) as an Independent Director of the Company.

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 Scrutinizer to scrutinize the postal ballot process in a fair and transparent manner.

The voting period for remote e-voting commenced on Thursday, February 24, 2022 at 9.00 a.m. (IST) and ended on Friday, March 25, 2022 at 5.00 p.m. (IST). The consolidated report on the result of the postal ballot through remote e-voting for approving aforementioned resolutions was provided by the Scrutinizer on Friday, March 25, 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)
Appointment of Ms. Farida Khambata (DIN: 06954123) as an Independent Director of the Company.	9,447	89,73,62,453	99.64	607	32,68,390	0.36	NIL	NIL
Appointment of Mr. David W. Crane (DIN: 09354737) as an Independent Director of the Company.	9,366	89,34,44,716	99.21	654	71,23,973	0.79	NIL	NIL
Re-appointment of Mr. Deepak Kapoor (DIN: 00162957) as an Independent Director of the Company.	9,565	89,74,81,331	99.69	468	27,46,445	0.31	NIL	NIL

The Special Resolution(s) were passed with requisite majority.

Procedure for Postal Ballot:

The Postal Ballot was carried out 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 and Circular No. 20/2021 dated December 8, 2021, issued by the Ministry of Corporate Affairs.

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 June 28, 2022 (**'AGM'**), requires passing of a Special Resolution through Postal Ballot.

Table M: Annual General Meeting 2022:

Day & Date	Tuesday, June 28, 2022
Time	3:00 p.m. IST
Venue	In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (**'MCA'**) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, January 13, 2021 and December 14, 2021 (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 17, 2022 to Tuesday, June 28, 2022 (both days inclusive)
Dividend Payment Date	On and from Saturday, July 2, 2022 (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 www.tatasteel.com

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 www.tatasteel.com

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 it's 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 dematerialized 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 dematerialized 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.

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.

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.

Further, during the year under review, the Company issued several reminder-cum-forfeiture notice for payment of first and final call amount on the partly paid-up Ordinary Shares. The Company affirms that there has been no deviation or variation in utilisation of proceeds of the call money.

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.

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 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.

Annual Certificate on Security Transfer

In terms of Regulation 40(9) and 61(4) of the SEBI Listing Regulations, certificates, on annual basis, have been issued by a Company Secretary in Practice 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. The Audit confirms that the total paid-up capital is in agreement with the aggregate of the total number of shares in physical form and in dematerialised form (held with Depositories).

The Audit Report is disseminated to the Stock Exchanges on 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 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. 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. 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/

During FY 2021-22, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors apart from paying Director's remuneration. Further, the Directors have not entered into any contracts with the Company or its subsidiaries, which will be in material conflict with the interest of the Company.

The Board has received disclosures from KMPs 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/corporate/our-organisation/policies/ During the year, the Company did not have any unlisted material subsidiary.

The Company is in compliance with the provisions governing material subsidiaries.

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 FY 2021-22, 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)	47.01
For taxation matters	1.30
For other services	2.39
Out-of-pocket expenses	0.18
Total	**50.88**

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 Fully paid-up and Partly paid-up Ordinary Shares under the Depository System are **INE081A01012** and **IN9081A01010** respectively.

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 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

The outstanding partly Paid-up Shares (PPS) of the Company post conversion are 2,23,288.

The Company has 120,77,75,071 Ordinary Shares (including Fully Paid-up and Partly Paid-up Ordinary Shares) representing 98.72% of the Company's share capital which is dematerialised as on March 31, 2022.

Further, outstanding GDR Shares 96,95,642 (March 31, 2021: 1,00,14,395) of face value ₹10/- per share represent the shares underlying GDRs which were issued during 1994 and 2010. Each GDR represents one underlying Fully Paid-up Ordinary 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.

Commodity price risk

Commodities are essential inputs to the manufacturing of steel. These commodities have global supply chains and their prices get significantly impacted by various factors such as geo-political landscape, supply-demand imbalance, weather patterns, policy interventions by governments in key sourcing/consuming countries (especially China), increasing financialization of commodities markets etc. This is an inherent market risk for the Company. However, steel prices follow the trend of commodity prices over a period and provide 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-sixth 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 optimize sourcing. The team proactively engages on assessing the risk of single geography and proprietary sourcing. Risk assessment for key vendors is undertaken to assess the capability of vendors in meeting the supply requirements. Mitigations have been put in place to diversify sourcing with focus on indigenization and/or identification of alternate materials. The company manages the price risk through reverse auction and predictive analysis. The dynamic value-in-use (VIU) mapping with imported coal pricing is undertaken for advance planning and value maximization.

FY 2021-2022 has been a year of significant volatility in commodity prices particularly post the Russia-Ukraine war. The lockdown in China added to the complexity of sourcing the inputs in a timely and cost-efficient manner. The Company conducted periodic assessment of the supply chain and undertook various measures to proactively identify and assess sourcing related risks. Risks were revisited considering 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:

1. Total exposure of the listed entity to commodities (including commodities based on materiality): ₹22,734 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	Exchnage	OTC	Exchange	
Coal	17,275	1,24,30,000	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.

Reporting of Internal Auditor: The Internal Auditor functionally reports to the Audit Committee.

Table O: Distribution of Shareholding of Ordinary Shares

Fully Paid-up Ordinary Shares

Shareholding	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,	
	2022	2021	2022	2021	2022	2021	2022	2021
1	1,31,573	43,630	7.96	5.08	1,31,573	43,630	0.01	0.00
2-10	5,23,177	1,72,682	31.64	20.10	30,38,897	10,91,721	0.25	0.09
11-50	5,03,902	2,52,417	30.48	29.38	1,35,66,185	73,54,729	1.11	0.61
51-100	1,77,762	1,20,813	10.75	14.06	1,38,17,248	95,31,753	1.13	0.80
101-200	1,40,752	1,13,831	8.51	13.25	2,06,84,876	1,67,07,083	1.69	1.40
201-500	1,04,574	90,207	6.32	10.50	3,28,60,392	2,82,06,257	2.69	2.36
501-1,000	37,299	33,138	2.26	3.86	2,66,70,666	2,36,26,445	2.18	1.97
1,001-5,000	28,987	27,450	1.75	3.19	5,75,22,231	5,46,77,770	4.71	4.57
5,001-10,000	2,851	2,800	0.17	0.33	1,97,44,784	1,94,52,109	1.62	1.63
10,001-1,00,000	2,019	1,903	0.12	0.22	5,38,04,304	4,74,53,197	4.41	3.97
1,00,001 and above	584	370	0.04	0.04	97,94,62,524	98,84,43,026	80.20	82.61
Total	**16,53,480**	**8,59,241**	**100.00**	**100.00**	**122,13,03,680**	**119,65,87,720**	**100.00**	**100.00**

Partly Paid-up Ordinary Shares

Shareholding	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,	
	2022	2021	2022	2021	2022	2021	2022	2021
1	1,028	3,934	12.01	5.47	1,028	3,934	0.46	0.05
2-10	4,132	29,029	48.25	40.37	22,394	1,65,389	9.89	2.19
11-50	2,701	28,689	31.54	39.90	62,057	6,83,805	27.42	9.07
51-100	387	5,550	4.52	7.72	29,791	4,18,741	13.16	5.55
101-200	176	2,629	2.06	3.66	25,294	3,88,600	11.17	5.15
201-500	98	1,472	1.14	2.05	30,194	4,68,967	13.34	6.22
501-1,000	28	368	0.33	0.51	21,166	2,69,904	9.35	3.58
1,001-5,000	11	200	0.13	0.28	20,174	3,66,169	8.91	4.86
5,001-10,000	2	18	0.02	0.03	14,268	1,31,073	6.30	1.74
10,001-1,00,000	0	13	0.00	0.02	0	2,32,709	0.00	3.09
1,00,001 and above	0	4	0.00	0.01	0	44,09,988	0.00	58.49
Total	**8,563**	**71,906**	**100.00**	**100.00**	***2,26,366**	**75,39,279**	**100.00**	**100.00**

* This includes 3,078 Partly paid-up Ordinary Shares for which corporate action could not be completed on conversion.

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 FY 2014-2015 lying in the unclaimed dividend account of the Company as on September 15, 2022 will be due for transfer to IEPF on the due date i.e. September 16, 2022. 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 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, 2021. The communication was also published in national English and local Marathi newspapers.

The details of unclaimed dividends and shares transferred to IEPF within statutory timelines during FY 2021-22 are as follows:

Financial Year	Amount of Unclaimed Dividend Transferred (₹)	Number of Shares Transferred
2013-14	8,12,64,345	4,82,581

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 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 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 2014-2015 to 2020-21	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 FY 2021-22 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
2014-15	8	-	August 12, 2015	September 16, 2022
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

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. The Nomination Form can be downloaded from the Company's website 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 (formerly TSR Darashaw Consultants Private Limited).

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, upon normalisation of postal services and other activities that have been disrupted due to outbreak of COVID-19 pandemic.

Listing on Stock Exchanges

As on March 31, 2022, the Company has issued Fully paid-up Ordinary Shares and Partly 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

Stock Exchanges	ISIN	Stock Code
BSE Limited ('**BSE**') Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra, India	INE081A01012 (Fully Paid-up Ordinary Shares)	500470 (Fully Paid-up Ordinary Shares)
	IN9081A01010 (Partly Paid-up Ordinary Shares)	890144* (Partly Paid-up Ordinary Shares)
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	INE081A01012 (Fully Paid-up Ordinary Shares)	TATASTEEL (Fully Paid-up Ordinary Shares)
	IN9081A01010 (Partly Paid-up Ordinary Shares)	TATASTLPP* (Partly Paid-up Ordinary Shares)

*Securities in scrip code 890144 and symbol TATASTLPP stand suspended from trading effective February 17, 2021.

Table S: International Listings of securities issued by the Company are as under:

Global Depository Receipts ('GDRs') as on March 31, 2022:

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, 2022, are listed on the Wholesale Debt Market segment of the Stock Exchanges as under:

Coupon Rate (%)	ISIN	Principal Amount	Maturity		Credit Ratings	Name of the Stock Exchange on which the NCDs are listed
			Amount	Date		
2.00	INE081A08181	1,500.00	*2,775.00	Apr 23, 2022	AA+ by CARE#& and AA+ by Brickwork^	NSE
8.15	INE081A08215	1,000.00	1,000.00	Oct 01, 2026	AA+ by CARE # & 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

Notes:

* 2.00% p.a. interest bearing 15,000 debentures of face value ₹10,00,000 each are redeemable at a premium of 85.03% on the face value on April 23, 2022.

^ Brickworks vide release dated August 23, 2021, have upgraded ratings of Unsecured Non-Convertible debentures of Tata Steel Limited from 'AA' to 'AA+'.

\# Care Ratings vide release date July 07, 2021, have upgraded ratings of Unsecured Non- Convertible debentures of Tata Steel Limited from 'AA' to 'AA+'.

\## India Ratings vide release date December 15, 2021, have upgraded ratings of Unsecured Non-Convertible debentures of Tata Steel Limited from 'AA' to 'AA+'.

$ 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.

Perpetual Hybrid Securities in the form of Non-Convertible Debentures

The Board of Directors at their meeting held on November 13, 2020 approved the proposal to exercise Call Option to redeem the unsecured, rated, listed Non-Convertible Debentures (NCDs)/Perpetual Hybrid Securities (PHS) in the form of NCDs of the Company, as per their terms of issue. Accordingly, the 11.50% PHS (ISIN: INE081A08173) aggregating to ₹775 crore were redeemed on May 11, 2021.

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 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 FY 2021-22 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 2021	1,033.95	851.35	2,36,39,643	1,034.00	851.55	50,45,24,514
May 2021	1,233.90	1,064.05	2,62,08,187	1,233.90	1,063.85	53,21,44,098
June 2021	1,184.05	1,091.30	1,57,05,700	1,184.00	1,092.30	29,42,43,503
July 2021	1,459.00	1,135.95	1,30,10,760	1,458.60	1,136.00	23,80,73,508
August 2021	1,519.15	1,358.60	1,43,39,165	1,519.40	1,358.65	31,99,58,209
September 2021	1,463.15	1,253.35	1,19,65,616	1,463.45	1,253.10	20,94,52,062
October 2021	1,411.10	1,279.70	91,20,252	1,411.05	1,279.90	16,41,30,176
November 2021	1,365.55	1,071.60	1,02,51,689	1,364.90	1,071.20	18,95,69,868
December 2021	1,180.05	1,072.95	82,83,827	1,180.00	1,072.95	13,19,98,109
January 2022	1,229.70	1,084.60	78,18,886	1,229.75	1,084.65	13,67,03,534
February 2022	1,254.75	1,074.95	95,48,936	1,254.45	1,074.00	18,89,17,648
March 2022	1,350.20	1,233.65	1,20,44,190	1,350.55	1,233.75	20,79,33,386
Yearly	**1,519.15**	**851.35**	**16,19,36,851**	**1,519.40**	**851.55**	**311,76,48,615**

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 2021	1,033.95	48,782.36	1,034.00	14,631.10
May 2021	1,125.65	51,937.44	1,125.65	15,582.80
June 2021	1,166.85	52,482.71	1,166.60	15,721.50
July 2021	1,433.75	52,586.84	1,434.30	15,763.05
August 2021	1,450.05	57,552.39	1,450.25	17,132.20
September 2021	1,288.55	59,126.36	1,288.90	17,618.15
October 2021	1,316.65	59,306.93	1,315.95	17,671.65
November 2021	1,071.60	57,064.87	1,071.20	16,983.20
December 2021	1,111.50	58,253.82	1,111.45	17,354.05
January 2022	1,085.45	58,014.17	1,085.55	17,339.85
February 2022	1,220.90	56,247.28	1,220.75	16,793.90
March 2022	1,307.05	58,568.51	1,307.20	17,464.75

Secretarial Audit

The Board of Directors has appointed Parikh and Associates (Firm Registration No. P1988MH009800), Practising Company Secretaries, to conduct secretarial audit of its records and documents for FY 2021-22. 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 address 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 address 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 Tubes Division
P.O. Burma Mines
Jamshedpur, Jharkhand – 831007

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

Ferro Alloys Plant, Bamnipal
P.O. Bamnipal, Dist. Keonjhar
Odisha - 758082

Ferro Alloys Plant, Gopalpur
P.O. Chamakhandi, Chatrapur Tahsil
Dist. Ganjam, Odisha - 761020

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, Tarapur Industrial Estate
Post Office
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
Madhya Pradesh - 452006

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
West Singhbhum, Noamundi
Jharkhand - 833217

Joda East Iron Mine
Joda Central Organisation
Joda, Dist. Keonjhar, Odisha - 758034

Katamati
Village: Deojhar , Subdivision: Champua,
PO: Deojhar, Dist: Keonjhar,
Odisha – 758038

Khondbond Iron & Manganese Mine
Khondbond, Joda, Via
Bichakundi, Champua
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

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 – 400013.
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,400083
Tel.: +91 22 6656 8484
Fax: +91 22 6656 8494
Timings: Monday to Friday,
10 a.m. (IST) to 3.30 p.m. (IST)
E-mail: csg-unit@tcplindia.co.in
Website: https://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 – 560019
Contact person: Mr. Shivanand M
Tel: 080 2650 9004
Fax: +91-80 2558 0019
Email: 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 – 700001
Tel: +91-33-4008 1986
Email: 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 – 110058
Tel: +91-11-49411030
Email: tcpldel@tcplindia.co.in

Jamshedpur
TSR Consultants Private Limited
Bungalow No. 1, 'E' Road,
Northern Town Bistupur,
Jamshedpur – 831001
Tel: +91-657-2426 937
Email: 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 - 380006
Tel: +91-79-2646 5179
Email: 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
Familiarization Programme for Independent Directors	https://www.tatasteel.com/media/7040/familiarization-programme-for-independent-directors.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 Subsidiary	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	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, 2022, 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, 2022.

sd/-
T. V. NARENDRAN
Chief Executive Officer & Managing Director
DIN: 03083605

Mumbai
May 3, 2022

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, 2022, 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 on March 31, 2022.

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
FCS: 327 CP: 1228
UDIN: F000327D000258387
PR No.: 1129/2021

Mumbai, 03.05.2022

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, 2022 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.

Sl No.	Name of 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.	Mallika Srinivasan	00037022	May 21, 2012
6.	O. P. Bhatt	00548091	June 10, 2013
7.	Farida Khambata	06954123	August 12, 2021
8.	David W. Crane	09354737	October 11, 2021
9.	Deepak Kapoor	00162957	April 01, 2017
10.	T. V. Narendran	03083605	August 14, 2014***
11.	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 of 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: 327 CP: 1228
UDIN: F000327D000258398
PR No.: 1129/2021

Mumbai, 03.05.2022

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 FY 2021-22 and % increase in remuneration of each Director/KMP of the Company for FY 2021-22 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]	-	-
Mr. Saurabh Agrawal [4]	NA	NA
Independent Directors		
Ms. Mallika Srinivasan	20.99	21.30
Mr. O. P. Bhatt	11.90	29.04
Dr. Peter Blauwhoff	*	*
Mr. Aman Mehta	*	*
Mr. Deepak Kapoor	15.69	17.22
Ms. Farida Khambata	**	**
Mr. David W. Crane	**	**
Mr. V. K. Sharma	14.07	14.40
Executive Directors/ KMP		
Mr. T. V. Narendran [5]	25.14	237.13
Mr. Koushik Chatterjee [5]	20.33	184.49
Mr. Parvatheesam Kanchinadham	19.95	37.52

*Dr. Peter Blauwhoff ceased to be a Member of the Board effective July 13, 2021. Mr. Aman Mehta retired as a Member of the Board effective August 31, 2021. 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.

**Ms. Farida Khambata was appointed as an Independent Director effective August 12, 2021. Mr. David W. Crane was appointed as an Independent Director effective October 11, 2021. Since the remuneration of these Directors is only 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.

Notes:

(1) The ratio of remuneration to median remuneration is based on remuneration paid during the period April 1, 2021 to March 31, 2022.

(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 FY 2021-22 post his appointment and accordingly, remuneration is not payable to Mr. Noel Naval Tata for FY 2021-22.

(4) In line with the internal guidelines of the Company, no commission is paid to 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. Agrawal.

(5) Includes the Commission / bonus approved by the Board of Directors for the Chief Executive Officer & Managing Director and the Executive Director & Chief Financial Officer on May 3, 2022 for FY 2021-22 (which will be paid to them on conclusion of the Annual General Meeting scheduled to be held on June 28, 2022).

B. The percentage increase/(decrease) in the median remuneration of employees in the FY 2021-22: (15.88%)

This computation includes remuneration of employees of Tata Steel BSL Limited (**'TSBSL'**) post the amalgamation of TSBSL into and with Tata Steel Limited pursuant to the composite Scheme of Amalgamation sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench, vide its Order dated October 29, 2021.

C. The number of permanent employees on the rolls of Company as on March 31, 2022: 35,927

The increase in employees was primarily due to amalgamation of Tata Steel BSL Limited into and with Tata Steel Limited.

D. Comparison of average percentile increase in salary of employees other than the managerial personnel and the percentile increase in the managerial remuneration:

During the FY 2021-22, the average percentage increase / (decrease) in salary of the Company's employees, excluding the Key Managerial Personnel (**'KMP'**) was 10.78%. The total remuneration of KMPs for FY 2021-22 was ₹3,775.81 lakh as against ₹3,076.49 lakh during the previous year, an increase of 22.73%.

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 3, 2022

Part B: Statement of Disclosure Pursuant to Section 197 of the Companies Act, 2013

[Read with Rules 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

A. Names of top 10 employees in terms of remuneration drawn during the FY 2021-22

Sl. No.	Name	Designation	Gross Remuneration (₹)	Qualification	Experience (Years)	Date of commencement of employment	Age (Years)	Last employment
1	T. V. Narendran	Chief Executive Officer & Managing Director	16,58,78,404	B.E., PGDM	33	Jul 01, 1988	56	-
2	Koushik Chatterjee	Executive Director & Chief Financial Officer	13,14,52,132	B.Com. (Hons), F.C.A	26	Nov 13, 1995	53	Tata Sons Pvt. Ltd.
3	Sanjiv Paul	Vice President (Safety, Health & Sustainability)	4,30,16,773	B. Sc. (Engg)	35	Jul 01, 1986	59	-
4	Rajiv Mukerji	Vice President (Group Strategic Procurement)	4,08,23,614	B.A. (Hons)	35	Sep 11, 1986	60	-
5	Avneesh Gupta	Vice President (TQM and Engineering & Projects)	3,68,28,024	B.Tech., PGDBM	35	Jul 01, 1986	58	-
6	Rajiv Kumar	Vice President (Operations - TSK)	3,67,64,500	B. Sc. (Engg)	31	Oct 01, 1990	54	-
7	D.B. Sundara Ramam	Vice President (Raw Material)	3,61,19,576	B. Sc. (Engg)	31	Jul 28, 1990	52	-
8	Rajeev Singhal	Vice President (Marketing & Sales - Flat Products)	3,59,19,721	B.Tech., PGDBM	36	Jul 01, 1985	58	-
9	Chanakya Chaudhary	Vice President (Corporate Services)	3,55,83,498	B. E.	33	Dec 16, 1988	57	-
10	Uttam Singh	Vice President (Iron Making)	3,54,89,037	B.Tech.	29	Jul 13, 1992	53	-

B. Names of other employees who are in receipt of aggregate remuneration of not less than rupees one crore and two lakh during the FY 2021-22 or not less than rupees eight lakh and fifty-thousand per month (if employed for part of the FY 2021-22):

Sl. No.	Name	Designation	Gross Remuneration (₹)	Qualification	Experience (Years)	Date of commencement of employment	Age (Years)	Last employment
1	Peeyush Gupta	Vice President (Supply Chain)	3,42,70,771	B.E., MBA	29	Jan 01, 1993	53	-
2	Debashish Bhattacharjee	Vice President (Technology & New Materials Business)	3,42,50,419	B. E., M.Tech, Ph.D	28	Apr 01, 1996	56	University of Cambridge
3	Kanchinadham Parvatheesam	Company Secretary & Chief Legal Officer (Corporate & Compliance)	3,08,43,504	B. Com. (Hons), A.C.S, LLM, MBA	22	Jan 12, 2015	46	Infosys Ltd.
4	Samita Shah	Vice President (Corporate Finance, Treasury & Risk Mgmt.)	3,01,59,975	B.A. (Hons), PGDM	29	Oct 18, 2012	51	Axis Bank
5	Sudhansu Pathak*	Vice President (Steel Manufacturing)	3,01,38,589	B.E., PGDBM	37	Jul 02, 1984	60	-
6	Jayanta Banerjee	Chief Information Officer	2,90,37,630	B.Sc. (Hons), MCA	28	Jan 15, 2018	55	Tata Consultancy Services Ltd.
7	Dibyendu Bose*	Vice President (Supply Chain)	2,71,88,415	B. Tech., PGDM	33	Jul 01, 1988	60	Tisco Collieries
8	Probal Ghosh	Vice President (Shared Services)	2,62,18,938	B. E.	31	Jul 02, 1990	54	-
9	Rajesh Ranjan Jha*	Vice President (Engineering & Projects)	2,58,16,872	B.E., PGDBM	31	Jul 02, 1990	52	Tata Projects Ltd.
10	Atrayee Sanyal	Vice President (Human Resource Management)	2,51,49,853	B.A. PGDBM	27	Jun 01, 1998	51	Hindustan Lever Ltd.

Sl. No.	Name	Designation	Gross Remuneration (₹)	Qualification	Experience (Years)	Date of commencement of employment	Age (Years)	Last employment
11	Sanjib Nanda	Vice President (Financial Operations & Corporate Reporting)	2,50,29,079	B. Com., F.C.A	30	Aug 05, 1991	57	A F Ferguson & Co
12	Gopal Prasad Choudhary	Chief (Security & Brand Protection)	2,49,31,128	B.A. (Hons), LLB	33	Jan 01, 2013	58	Wipro Ltd.
13	Subodh Pandey	Vice President (Operations - TSM)	2,35,19,789	B. Tech.	29	Jul 13, 1992	52	-
14	Amitava Baksi	Chief Procurement Officer	2,17,12,453	B. Sc. (Engg)	35	Jun 30, 1986	58	-
15	Dibyendu Dutta	Chief (Portfolio Management & FFI)	2,11,68,293	B. Com., FCA, ICWA	28	Apr 16, 2009	55	Indian Hotels Co. Ltd.
16	Chaitanya Bhanu	Vice President (Steel Manufacturing)	2,00,23,358	M. Tech., B.Tech	29	Jul 15, 1992	51	-
17	Manish Sharma	Chief (Corporate Audit and Assurance) India & South East Asia	1,97,97,552	B. Tech., PGDM	30	Aug 25, 1991	57	-
18	Sarajit Jha	Chief (BTDS, CP & IT Shikhar)	1,96,69,844	B. Sc. (Hons), PGDM	21	Jun 14, 2000	46	-
19	Prabhat Kumar	Principal Executive Officer	1,89,37,863	B. Sc. (Engg)	31	Oct 01, 1990	54	-
20	Meena Lall	Chief Legal Officer (Industrial & Litigation)	1,84,52,902	B. Sc., LLB	32	Jan 10, 1990	57	Practising Lawyer
21	Vinay Vasant Mahashabde	Chief (R&D and Product Technology)	1,84,42,122	B. Tech.	35	Jul 01, 1986	56	-
22	Amit Kumar Chatterjee	Chief (Analytics Officer)	1,83,10,089	B. E.	34	Jul 27, 1987	59	-
23	A.K. Bhatnagar	General Manager (O M & Q)	1,73,33,358	B. Tech.	29	Jul 01, 1992	52	-
24	Manish Kumar Singh	Chief (Automation & IT Shikhar)	1,73,01,537	B. Sc. (Engg)	25	May 02, 1996	55	Rashtriya Ispat Nigam Ltd.
25	Chalamalasetti Ramesh Babu	Chief (Design & Engineering-Process)	1,72,22,243	B. E.	37	Dec 24, 2012	57	AEGIS Ltd.
26	Sanjay Rajoria	General Manager (Jharia)	1,70,81,145	B. E.	33	Jul 01, 1988	57	-
27	Ajit Dhanraj Kothari	Chief (Sustain.and Decarbon. Projects,E&P)	1,68,08,941	B. Tech.	30	Jul 01, 1991	53	-
28	Mandar Mahavir Shah	Head Consultant & HOD (Cardiology & Cathlab)	1,63,92,901	Medical (DNB, Cardiology)	04	Nov 01, 2017	45	Sai Sneh Hospital & Diagnostic Centre Pvt. Ltd
29	Satish Kumar Tiwary	Chief (Mechanical Maintenance)	1,61,77,498	B. E.	32	Jul 01, 1989	56	-
30	Manish Mishra	Chief (Corporate Affairs - Designate)	1,61,32,388	B. Tech., First Class Mine Manager Certificate	31	Feb 01, 2006	53	-
31	Rajesh Kumar	Executive-In-Charge (IBMD)	1,61,05,508	B. Tech., PGDBM	34	Jul 01, 1987	55	-
32	Anurag Saxena	Chief (Electrical Maintenance)	1,59,90,922	B. E., MBA	34	Dec 17, 1999	55	National Fertilizers Ltd.
33	Ritu Raj Sinha	Chief (Corporate Administration)	1,57,21,287	B. Sc. (Engg), XLRI (Mgmt)	30	Oct 01, 1990	54	-
34	Sharat Chandra Kumar	GM (Design & Engineering)	1,56,58,467	B. Sc. (Engg)	36	Jul 01, 1985	59	-
35	Ajit Kar	Chief (Electrical Maintenance - TSK)	1,54,14,358	B. Tech.	29	Jul 13, 1992	53	-
36	Zubin Palia	Chief (Group HR & IR)	1,50,56,271	B. Com., M.S. (Mgmt)	23	Jan 21, 1999	46	-
37	Vijay Kumar Nirala	Chief (Mechanical Maintenance - TSK)	1,46,72,083	B.E. (Mechanical), Diploma in Management	23	Jan 01, 1999	52	-
38	Sharad Kumar Sharma	General Manager (TGS)	1,46,66,662	B. Tech.	33	Jul 01, 1988	55	-

Sl. No.	Name	Designation	Gross Remuneration (₹)	Qualification	Experience (Years)	Date of commencement of employment	Age (Years)	Last employment
39	Pratik Chatterjee	Chief (Financial Planning & Corporate Reporting)	1,44,09,755	Chartered Accountant	24	Dec 01, 2017	47	-
40	Sharad Kumar	Chief (Power Systems & Energy)	1,43,66,406	B.E., PGDBM	35	Jul 01, 1986	58	-
41	Sumit Shubhadarshan	Chief (F&A Engineering & Projects)	1,43,64,995	B.Sc., ICWA, CA, Management (XLRI Prog.)	27	Dec 12, 1994	52	-
42	Sandeep Bhattacharya	Chief (Financial Operations & Business Fin.)	1,43,59,837	PGDBM	10	Aug 01, 2011	50	-
43	Debashish Choudhury	Chief (Corporate Strategy & Planning)	1,43,36,301	PGDM	24	Jul 01, 1997	48	-
44	Sanjay S Sahni	Executive-in-Charge (Tubes)	1,43,11,154	B.E., Diploma (Material Mgmt)	27	Jul 13, 1994	49	Natesteel Iranian Pvt. Jt. Stock Co.
45	Akshay Khullar	General Manager (Projects - TSK)	1,40,94,266	Engineering (B. Tech.)	29	Jul 13, 1992	52	-
46	Sridhar Pradhan	Chief (Medical Indoor Services)	1,40,61,436	Medical (M S, Surgery)	04	Oct 01, 2017	64	-
47	K. Shankar Marar	Chief (Planning & Budgeting)	1,38,54,805	PGDBM	17	Apr 01, 2005	52	-
48	Chaewoong Lim	Coach Director (Tata Archery Academy)	1,37,56,608	-	02	Dec 06, 2019	59	-
49	Nirbhay Singh Salar	Chief (Project Planning)	1,37,48,992	B.E., M.Tech	31	Jul 01, 2013	55	CGPL (Tata Power)
50	T.V. Srinivas Shenoy	Chief (Commercial Officer-LP)	1,37,36,471	B.E., MBA	29	Jul 01, 1992	52	-
51	Rajesh Chintak	Chief (HRBP E&P and Shared Services - TSJ)	1,37,29,015	B. Sc. (Engg)	32	Jul 01, 1989	54	-
52	V.K. Shah	Chief (Manufacturing, Long Product)	1,36,60,213	PGDM	31	Jul 02, 1990	54	-
53	Dipankar Dasgupta	Chief (Integrated Planning & Services)	1,36,55,663	Management (XLRI Prog)	31	Oct 22, 1990	54	-
54	Karamveer Singh	General Manager (Operations - TSK)	1,35,18,061	B.Sc. (Engg)	31	Oct 01, 1990	56	-
55	Anil Kumar Singh	Chief (Design & Engg Civil Struct & Logistics)	1,34,33,008	B. Sc. (Engg)	33	Feb 23, 1989	58	-
56	Raghav Sud	Chief (Financial Strategy & Governance)	1,32,69,286	PGDM	16	Jul 18, 2005	40	-
57	Anurag Pandey	Executive-In-Charge (Global Wires-India)	1,31,73,420	B.E., Management (XLRI Prog)	28	Jul 01, 1993	50	-
58	Anil Kumar Pujari	Chief (Manufacturing - Flat Product)	1,29,57,525	Engineering (B. E., Mechanical)	23	Nov 05, 1998	55	Jindal Iron & Steel Co. Ltd
59	Praveen Sood*	Chief (Corporate & International Taxation)	1,28,83,213	Commerce (B.Com, CA)	34	Nov 15, 1988	60	-
60	Sudhir Mishra	Chief (Consultant and HOD)	1,28,38,207	Medical (MBBS)	27	Jun 01, 1995	60	MGIMS, Kasturba Health Society
61	Rajan Chaudhry	Advisor Medical Services	1,27,76,158	Medical (DNB, Surgery)	44	Jul 07, 2016	66	Indian Air Force
62	Ramachandran Venkat Ramna*	Chief (Technology Officer, Process)	1,26,80,417	B. Tech. (Engg)	36	Jun 30, 1986	60	-
63	Ved Prakash Thakur	Chief (Shared Services - TSM)	1,26,41,215	Engineering (B. Sc. (Engg)., Mechanical)	25	Jul 01, 1996	50	-
64	Sanjay Kumar Kedia	Chief (Spares & Services)	1,24,91,380	Engineering (B. E., Mechanical)	30	Sep 20, 1991	59	Century Cement & Maihar Cement
65	P K Mishra	Chief (IT Services)	1,24,67,522	B.E. (Mechanical)	34	Oct 12, 1987	55	-
66	N. Rajesh	COMS (Automotive & Special Products)	1,24,23,780	B. Tech. (Engg)	33	Jul 01, 1988	56	-
67	Parveen Kumar Dhall	Chief (Processing & Logistics - OMQ)	1,23,86,272	Engineering (B. E., Mechanical)	36	Jun 01, 1985	59	-
68	Sahabji Kuchroo	Chief (Raw Materials Strategy)	1,23,41,795	Engineering (B. E., Mining)	33	Sep 29, 1988	58	-
69	Imdad Ali	Chief (HRBP Steel - TSK)	1,22,73,181	PGDM	35	Jun 02, 1986	59	-

Sl. No.	Name	Designation	Gross Remuneration (₹)	Qualification	Experience (Years)	Date of commencement of employment	Age (Years)	Last employment
70	Vinita Singh	Chief (Consultant and HOD)	1,22,59,195	Medical (M D, Gynaecology)	15	Feb 01, 2007	57	Mercy Hospital
71	Pravin Kumar Wilson Purty	Chief (Marketing-Branded Prod.& Retail-FP)	1,21,65,193	PDGM, Engineering (B. Tech., Mechanical)	23	Jul 01, 1997	50	-
72	Sarvesh Kumar	Chief (Corporate Communication)	1,21,32,110	MBA (Marketing and Finance)	20	Jul 03, 2001	55	-
73	Debashis Jena	Chief (Resident Executive, Bhubneshwar)	1,21,15,782	PGDM	25	Jul 01, 1996	48	-
74	Kapil Modi	Executive Plant Head (Khopoli)	1,20,71,910	Engineering (B. Sc. (Engg), Electronics)	25	Jul 01, 1996	48	-
75	Hriday Nair	Chief (Corporate Finance and Investor Relations)	1,20,18,550	Finance (ICWA, Costing)	24	Jun 02, 1997	52	-
76	Suman Sinha	Chief (Marketing-IPP - Flat Products)	1,19,48,364	PGDBM	31	Jul 02, 1990	54	-
77	Krishna Ramchandran	Chief (Sales Planning & Administration - LP)	1,19,31,798	B. Com. (Hons)	31	Mar 26, 1991	56	-
78	Siddharth Mishra	Chief (Marketing & Sales)	1,18,45,777	Management (XLRI Prog)	27	Jun 20, 1994	52	-
79	Kulvin Suri*	Chief (Corporate Communication) India & South East Asia	1,18,17,642	B.com.	36	Jan 02, 1984	61	-
80	Safdar Imam	Senior Executive Pilot	1,18,11,403	Arts (M. A.)	13	Nov 14, 2008	58	-
81	Niraj Ranjan Kumar	Chief (Construction Mechanical - TSK)	1,17,83,589	Engineering (B. E., Mechanical)	24	Jul 01, 1997	47	-
82	Anurag Agnihotri	Chief (One IT E&P)	1,17,74,485	B.E.	35	Jun 30, 1986	56	-
83	Sandeep Dhir	Chief (HRBP - TSM)	1,17,67,188	Management (XLRI Prog)	29	Jul 13, 1992	53	-
84	Jagjit Singh	Chief (Logistics)	1,17,33,113	Management (XLRI Prog)	26	Jul 01, 1995	50	-
85	Ashok Kumar Chattoraj	Chief (Consultant and HOD Surgery)	1,17,20,660	Medical (M S, Surgery)	27	Dec 22, 1994	59	-
86	Pratosh Gupta	Chief (M&A)	1,16,68,185	Management (XLRI Prog)	26	Jul 01, 1995	48	-
87	Ravi Radhakrishnan	Chief (Aviation Services)	1,16,54,849	B. A., PGDM	32	Jan 01, 2015	53	Reliance Infrastructure Ltd.
88	Kundan Kumar	Consultant & In-charge, Gastroenterology	1,16,50,582	Medical (DM, Geriartic Medicine)	06	May 20, 2015	39	-
89	Sanjib Kumar Ghose	Member of PMO, NINL	1,15,82,003	Chartered Accountant	26	Feb 16, 1996	50	Usha Ispat Ltd
90	Anurag Dixit	General Manager (West Bokaro)	1,15,55,772	Engineering (Mine Mgr-1st, Mining, DGMS)	29	Jul 01, 1992	51	-
91	Yogesh Bedi	Chief (Urban Mining & Steel Recycling Business)	1,15,51,087	PGDBM	32	Dec 04, 1989	57	Metullurgical & Engg Consultants
92	Ajay Kumar Jha	Chief (CRM)	1,15,05,038	Engineering (B. E., Mechanical)	20	Aug 10, 2001	53	Meta strips
93	Amit Kumar Singh	Chief (Iron Making - TSM)	1,13,76,479	PGDM	22	Sep 01, 1999	49	Malvika Steel Ltd.

Sl. No.	Name	Designation	Gross Remuneration (₹)	Qualification	Experience (Years)	Date of commencement of employment	Age (Years)	Last employment
94	Kawaldeep Sahini	Head (Procurement - TSM)	1,13,73,742	Engineering (B. Tech., Industrial & Production Engg.)	06	Sep 28, 2015	58	-
95	Sirsendu Mukherjee	Chief (Operations - FAMD)	1,13,39,078	Engineering (B. E., Electrical)	23	Jul 01, 1998	47	-
96	Ajay Kumar Mishra	Chief (Sales Planning & Admin., FP)	1,13,26,615	Management	29	Jull 13, 1992	52	-
97	Sudhakar Ramamoorthy Marur	Chief (Technology Officer)	1,11,80,940	PhD	22	Apr 29, 2019	59	Tata AutoComp Systems Ltd.
98	Arvind Kumar Gupta	Chief (Indirect Taxation Centre of Excellence)	1,11,42,215	Finance (ICWA, Costing)	26	Jan 01, 1996	51	-
99	Vineet Saraf	COMS (IPPE)-Flat Products	1,10,47,659	Chartered Accountant	24	May 15, 1997	49	-
100	N.P. Venkatesan	Chief (Marketing & Sales - Wire Rods & SBQ)	1,10,38,413	Management (XLRI Prog)	25	Jul 01, 1996	47	-
101	Rama Raman Satapathy*	General Manager (Corporate Services - TSK)	1,09,66,221	Engineering	29	Dec 01, 1993	55	-
102	Padmapal	Chief (Blast Furnaces)	1,09,38,096	Engineering (B. E., Metallurgical)	22	Sep 01, 1999	50	Malvika Steel
103	Palash Chatterjee	Chief (Corporate Audit Finance and Commercial)	1,08,53,729	Chartered Accountant	25	Jul 01, 1996	49	-
104	Sushanta Ganguli	CSM (Industrial Production & Projects and Auto - East FP)	1,08,46,581	MBA	21	Sep 05, 2000	58	-
105	Kuldeep Kumar Arora	Chief (Projects Coke, Environment & Energy - TSJ)	1,08,34,186	Engineering (B. E., Mechanical)	17	May 03, 2004	55	-
106	Sushil Kumar Purohit	Senior Executive Pilot	1,08,09,533	LLB	16	Apr 03, 2006	60	-
107	Sateesh Singh	Chief Resident Executive (New Delhi)	1,07,92,804	Arts (B A, History)	33	Jul 11, 1988	59	-
108	Soumendu Kumar Majhi	Chief Engineering & Projects (West Bokaro)	1,07,11,115	Management (Post Graduate Certificate, Business Management)	35	Jul 01, 1986	59	-
109	Aditya Nath Thakur	Chief (Logistics Operation - TSJ)	1,06,75,353	B. Sc. (Engg, Civil)	25	Jul 01, 1996	50	-
110	Ashwani Kumar Lal	CSM-Automotive & Special Products-North	1,06,02,814	Management (M B A, Marketing)	31	Jul 02, 1990	52	-
111	Rahul Lal	Chief (Steel Exports, Flat Products)	1,05,44,357	Management (MP-Int. Business, International Business Management)	20	Jul 02, 2001	46	Tata International Limited
112	Sunil Tiwari	Chief (Electrical Maintenance - Mills & Utilities)	1,05,38,429	Engineering (B. Tech., Electrical)	22	Jul 21, 1999	53	Lloyds Steel Industries Ltd
113	Mohit Das	Chief (Corporate Services - TSM)	1,05,36,718	Engineering (B. E., Electrical)	30	Apr 13, 1992	53	-
114	Radhika Singh	Head (HRM Portfolio Transformation)	1,05,25,394	Management (PGDBA, Human Resources Management)	20	Jan 20, 2015	43	GE India Pvt Ltd
115	Parthasarathy Satish Kumar	Chief (Operations, Wire Division)	1,05,12,154	Management (General Management Programe)	28	Jun 18, 1993	54	Usha Martin Ind Ltd
116	Surajit Sinha	Chief (Agglomerates)	1,05,08,487	PGDBM	28	Jul 8, 1993	53	-
117	Piyush Srivastava	Chief (Natural Resources Division)	1,04,89,346	PGDBM	33	Jul 15, 1988	56	-
118	Pankaj Kumar	Chief (TQM & CQA)	1,04,74,364	Engineering (PhD)	35	Jul 01, 1986	59	-

Sl. No.	Name	Designation	Gross Remuneration (₹)	Qualification	Experience (Years)	Date of commencement of employment	Age (Years)	Last employment
119	Rajeev Kumar Malhotra	Chief (Lime Plant)	1,04,61,338	MBA, Marketing	35	Jul 01, 1986	57	-
120	Chandeshwar Lal Karn	Chief (Logistics Operations - TSK)	1,04,45,867	Engineering (B. E., Mechanical)	18	Nov 01, 2003	59	M.N. Dastur & Co. Ltd.
121	Alokananda Ray	Head Consultant	1,04,33,813	Medical (MD)	29	Nov 18, 1992	55	-
122	Sudipta Ghosh	Chief (Central Electrical Maintenance - TSK)	1,04,32,790	Management, PGDM	31	Dec 16, 2013	53	Essar Steel India Limited.
123	C Srivatsan	Executive-in-Charge (Bearings)	1,04,18,324	Management (Diploma, Material Management)	31	Aug 01, 1990	55	Guest Keen Williams Ltd
124	Praveen Shrivastava	COMS (Branded Products & Retail, FP)	1,03,74,141	MBA, Marketing	22	Apr 17, 2000	48	-
125	Somesh Biswas	Chief (Corporate Sustainability)	1,03,66,306	PGDM	30	Apr 06, 1992	52	-
126	Pravesh Narang	Chief (Business Excellence & New Projects)	1,03,27,802	Engineering (B. Tech., Metallurgical)	24	Jul 01, 1997	47	-
127	Sudhir Kumar Mehta	Leader of PMO, NINL	1,03,05,113	Management (XLRI Prog)	23	Jul 01, 1998	46	-
128	Subhash Kumar Sinha	Chief (Engineering Blast Furnaces)	1,03,01,871	PGDM	25	Jul 01, 1996	50	-
129	Mani Kumar Jha	Chief (Vigilance)	1,02,82,588	Chartered Accountant	32	Jan 01, 1990	58	S B Billimoria & Co
130	Rajesh Patel	Chief (Quarry - AB & E), West Bokaro	1,02,18,240	Engineering (B. E., Mining)	30	Jul 04, 1991	52	-
131	Rajesh Kumar	Chief (Engineering Steel Making)	1,02,13,277	Engineering (Diploma Engg, Electronics & Communication)	35	Jul 23, 1986	58	-
132	Atanu Ranjan Pal	Chief (Technology Officer, Process)	1,02,02,898	Engineering (PhD, Metallurgy)	31	Apr 22, 1991	54	-
133	V. Ravichandran*	COMS (Industrial Products, Projects & Export)	47,57,477	Diploma Engineering	23	Jun 22, 1998	60	-
134	Prakhar Mishra*	Chief (Coke Plants)	87,37,085	B.Tech.	37	Jul 01, 1984	61	-
135	K. Pasupathy*	Chief (Commercial - Indigenous)	53,09,439	Engineering	38	Sep 05, 1983	60	
136	Siddharth Shah*	Chief (HRBP RM & Chief Diversity Officer)	10,24,630	Management (XLRI Prog)	25	Jul 01, 1996	50	-
137	Madhulika Sharma*	Chief (Corporate Sustainability)	8,74,173	Management (XLRI Prog)	21	Dec 01, 1992	52	-

Note

a. Nature of employment for all employees is contractual.

b. None of the employees mentioned above is a relative of any Director of the Company or Manager of the Company

c. Gross Remuneration comprise of salary, allowances, monetary value of perquisites, commission to the Directors and the Company's contribution to Provident and Superannuation Funds but excludes contribution to Gratuity Fund on the basis of actuarial valuation as separate figures are not available.

d. * Indicates employed for part of the FY 2021-22

On behalf of the Board of Directors

sd/-
N. CHANDRASEKARAN
Chairman
DIN: 00121863

Mumbai
May 3, 2022

ANNEXURE 5

Form No. AOC-1

Statement containing salient features of the financial statements of the Subsidiaries/Joint Ventures/Associate Companies

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	75.78	1.52	(92.80)	19,172.48	19,263.76	-	-	59.64	12.82	46.82	-	100.00
2	The Indian Steel & Wire Products Ltd	Dec 20, 2003	INR	1.00	5.99	136.06	212.06	70.01	0.00	354.15	26.11	6.26	19.85	-	95.01
3	Tata Steel Utilities and Infrastructure Services Limited	Aug 25, 2003	INR	1.00	60.05	934.24	1,740.75	746.46	811.51	1,144.16	100.47	14.00	86.47	47.89	100.00
4	Haldia Water Management Limited	Dec 06, 2008	INR	1.00	27.77	(78.46)	0.29	50.98	-	-	(0.01)	-	(0.01)	-	60.00
5	Kalimati Global Shared Services Limited	Jan 08, 2018	INR	1.00	4.00	2.74	10.63	3.89	-	25.08	3.01	0.76	2.25	4.60	100.00
6	Tata Steel Special Economic Zone Limited	Oct 11, 2006	INR	1.00	408.42	(18.48)	484.55	94.61	-	8.53	15.18	0.17	15.01	-	100.00
7	The Tata Pigments Limited	May 18, 1985	INR	1.00	0.75	36.13	76.80	39.92	4.00	151.04	7.25	1.87	5.38	30.75	100.00
8	Adityapur Toll Bridge Company Limited	Jun 12, 2002	INR	1.00	46.78	8.36	55.48	0.34	-	6.37	2.28	0.02	2.26	-	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	75.78	1,303.22	(283.61)	1,020.21	0.60	-	-	190.53	0.50	190.03	-	100.00
11	Rujuvalika Investments Limited	Apr 30, 2015	INR	1.00	1.33	157.01	165.84	7.50	165.41	-	4.04	0.30	3.74	25.83	100.00
12	Tata Steel Mining Limited (Formerly known as T S Alloys Limited)	Mar 14, 2007	INR	1.00	485.07	(413.56)	3,279.94	3,208.43	16.26	4,605.35	(1,131.40)	(248.37)	(883.03)	-	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	1,493.69	2,349.18	823.91	60.31	2,745.53	338.71	101.26	237.45	12.63	60.03
15	Tata Steel Long Products Limited	Aug 28, 2012	INR	1.00	45.10	3,155.37	19,812.27	16,611.80	8,093.30	6,801.63	858.38	228.51	629.87	56.38	74.91
16	TSIL Energy Limited*	Nov 20, 2012	INR	1.00	-	-	-	-	-	-	0.02	0.02	-	-	100.00
17	T Steel Holdings Pte. Ltd.	Jul 05, 2006	GBP	99.51	82,496.03	(60,310.51)	54,2019.10	32,023.58	22,184.49	-	(0.20)	-	(0.20)	-	100.00
18	T S Global Holdings Pte Ltd.	Jul 04, 2008	GBP	99.51	81,702.12	(63,786.02)	73,717.52	55,801.42	59,781.48	-	(1,921.67)	(32.69)	(1,888.98)	-	100.00
19	Orchid Netherlands (No.1) B.V.	Mar 20, 2009	EUR	84.11	0.15	(0.09)	7.22	7.16	-	-	(0.34)	-	(0.34)	-	100.00
20	NatSteel Holdings Pte. Ltd.	May 23, 2008	SGD	55.96	-	-	-	-	-	2,576.89	190.70	37.89	152.81	-	-
21	NatSteel Recycling Pte Ltd.	Feb 15, 2005	SGD	55.96	-	-	-	-	-	1,129.58	2.14	0.48	1.66	-	-
22	NatSteel Trade International Pte. Ltd.	Feb 15, 2005	USD	75.78	-	-	-	-	-	-	(0.02)	-	(0.02)	-	-
23	Easteel Services (M) Sdn. Bhd.	Feb 15, 2005	MYR	18.05	-	-	-	-	-	171.76	(5.09)	(1.23)	(3.86)	-	-
24	The Siam Industrial Wire Company Ltd.	Feb 15, 2005	THB	2.28	104.88	1,440.28	1,713.72	168.56	68.40	1,972.26	242.44	31.51	210.93	-	100.00
25	Eastern Steel Fabricators Philippines, Inc.	Feb 15, 2005	SGD	55.96	24.30	(34.61)	3.36	13.67	-	-	-	-	-	-	67.00
26	TSN Wires Co., Ltd.	Apr 05, 2012	THB	2.28	159.61	(128.07)	216.07	184.53	-	324.84	9.64	-	9.64	-	60.00
27	Tata Steel Europe Limited	Apr 02, 2007	GBP	99.51	1,01,719.00	(49,748.80)	52,799.02	828.82	51,969.43	-	405.08	-	405.08	-	100.00
28	Apollo Metals Limited	Apr 02, 2007	USD	75.78	0.00	239.31	267.71	28.40	-	254.32	40.64	2.27	38.37	-	100.00
29	British Steel Corporation Limited	Apr 02, 2007	GBP	99.51	0.00	392.96	392.96	-	-	-	-	-	-	-	100.00
30	British Steel Directors (Nominees) Limited	Apr 02, 2007	GBP	99.51	0.00	-	0.00	-	-	-	-	-	-	-	100.00
31	British Steel Nederland International B.V.	Apr 02, 2007	EUR	84.11	0.16	391.98	718.66	326.52	290.70	-	144.77	(3.88)	148.65	-	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 (%)
32	C V Benine**	Apr 02, 2007	EUR	84.11	18.23	(0.02)	86.17	67.96	-	-	-	-	-	-	76.92
33	Catnic GmbH	Apr 02, 2007	EUR	84.11	0.22	70.25	137.67	67.20	-	218.70	6.21	1.46	4.75	-	100.00
34	Catnic Limited	Apr 02, 2007	GBP	99.51	2.24	(2.85)	0.19	0.80	0.19	-	-	-	-	-	100.00
35	Tata Steel Mexico SA de CV	Apr 02, 2007	USD	75.78	0.03	1.36	1.49	0.10	-	-	0.28	0.09	0.19	-	100.00
36	Cogent Power Inc	Apr 02, 2007	USD	75.78	-	-	-	-	-	-	(0.35)	-	(0.35)	-	-
37	Cogent Power Limited	Apr 02, 2007	GBP	99.51	424.56	(159.28)	567.99	302.71	187.45	-	13.97	-	13.97	-	100.00
38	Corbeil Les Rives SCI**	Apr 02, 2007	EUR	84.11	5.40	4.94	10.37	0.03	-	-	-	-	-	-	67.30
39	Corby (Northants) & District Water Company Limited	Apr 02, 2007	GBP	99.51	2.59	3.48	8.97	2.90	-	1.83	(0.00)	-	(0.00)	-	100.00
40	Corus CNBV Investments	Apr 02, 2007	GBP	99.51	0.00	-	0.00	-	-	-	-	-	-	-	100.00
41	Corus Engineering Steels (UK) Limited	Apr 02, 2007	GBP	99.51	0.00	-	0.00	-	-	-	-	-	-	-	100.00
42	Corus Engineering Steels Limited	Apr 02, 2007	GBP	99.51	0.00	-	0.00	-	-	-	-	-	-	-	100.00
43	Corus Group Limited	Apr 02, 2007	GBP	99.51	63,870.75	(52,820.28)	13,292.43	2,241.96	13,292.41	-	815.22	-	815.22	-	100.00
44	Corus Holdings Limited	Apr 02, 2007	GBP	99.51	2.49	5.25	1.31	(6.43)	-	-	-	-	-	-	100.00
45	Corus International (Overseas Holdings) Limited	Apr 02, 2007	GBP	99.51	1,405.08	3,774.59	5,189.17	9.50	290.56	-	125.71	10.09	115.62	-	100.00
46	Corus International Limited	Apr 02, 2007	GBP	99.51	4,879.43	(1,833.67)	2,986.76	(59.00)	2,968.17	-	2.49	-	2.49	-	100.00
47	Corus International Romania SRL.**	Apr 02, 2007	RON	17.04	0.01	4.99	5.20	0.20	-	-	2.54	0.03	2.51	-	100.00
48	Corus Investments Limited	Apr 02, 2007	GBP	99.51	218.91	6.77	225.68	-	-	-	-	-	-	-	100.00
49	Corus Ireland Limited	Apr 02, 2007	EUR	84.11	0.00	7.80	7.97	0.17	-	-	6.63	0.31	6.32	-	100.00
50	Corus Liaison Services (India) Limited	Apr 02, 2007	GBP	99.51	0.00	(25.57)	-	25.57	-	-	(1.78)	-	(1.78)	-	100.00
51	Corus Management Limited	Apr 02, 2007	GBP	99.51	0.00	402.38	1,350.66	948.28	443.75	-	-	-	-	-	100.00
52	Corus Property	Apr 02, 2007	GBP	99.51	0.00	-	0.01	0.01	-	-	-	-	-	-	100.00
53	Corus UK Healthcare Trustee Limited	Mar 31, 2009	GBP	99.51	0.00	-	0.00	-	-	-	-	-	-	-	100.00
54	Crucible Insurance Company Limited	Apr 02, 2007	GBP	99.51	4.98	281.55	338.08	51.55	-	-	2.02	-	2.02	-	100.00
55	Degels GmbH	Apr 02, 2007	EUR	84.11	0.67	23.04	48.26	24.55	-	-	(0.43)	(2.20)	1.77	-	100.00
56	Demka B.V.	Apr 02, 2007	EUR	84.11	51.75	21.88	73.63	-	-	-	(0.03)	(0.01)	(0.02)	-	100.00
57	00026466 Limited (Formerly known as Firsteel Group Limited)	Apr 02, 2007	GBP	99.51	62.69	(61.74)	0.95	-	-	-	-	-	-	-	100.00
58	Fischer Profil GmbH	Apr 02, 2007	EUR	84.11	86.01	(19.64)	532.35	465.98	-	1,242.85	18.29	4.24	14.05	-	100.00
59	Gamble Simms Metals Limited	Apr 02, 2007	EUR	84.11	5.34	(5.34)	-	-	-	-	-	-	-	-	100.00
60	H E Samson Limited	Apr 02, 2007	GBP	99.51	0.00	-	0.00	-	-	-	-	-	-	-	100.00
61	Hadfields Holdings Limited	Apr 02, 2007	GBP	99.51	1.00	(13.44)	-	12.44	-	-	-	-	-	-	62.50
62	Halmstad Steel Service Centre AB	Mar 31, 2015	SEK	8.12	0.04	161.08	458.14	297.02	-	828.14	90.37	21.40	68.97	-	100.00
63	Hille & Muller GmbH	Apr 02, 2007	EUR	84.11	43.05	163.01	577.57	371.51	-	872.61	22.41	0.30	22.11	-	100.00
64	Hille & Muller USA Inc.	Apr 02, 2007	USD	75.78	0.03	108.80	125.76	16.93	89.22	24.54	5.14	(0.29)	5.43	-	100.00
65	Hoogovens USA Inc.	Apr 02, 2007	USD	75.78	461.09	131.93	694.09	101.07	487.61	-	(0.28)	(0.11)	(0.17)	-	100.00
66	Huizenbezit "Breesaap" B.V.	Apr 02, 2007	EUR	84.11	0.38	(9.09)	0.26	8.97	-	-	0.11	0.03	0.08	-	100.00
67	Inter Metal Distribution SAS	Apr 02, 2007	EUR	84.11	0.64	50.96	163.89	112.29	-	725.81	13.82	3.57	10.25	8.41	100.00
68	Layde Steel S.L.	Apr 02, 2007	EUR	84.11	42.05	117.55	796.74	637.14	-	1,606.32	49.93	5.86	44.07	-	100.00
69	London Works Steel Company Limited	Apr 02, 2007	GBP	99.51	0.00	(102.55)	55.72	158.27	-	-	-	-	-	-	100.00
70	Montana Bausysteme AG	Apr 02, 2007	CHF	82.40	32.96	98.13	283.65	152.56	-	606.31	61.60	17.42	44.18	23.48	100.00
71	Naantali Steel Service Centre OY	Mar 31, 2015	EUR	84.11	0.02	77.34	311.77	234.41	-	563.51	53.11	3.17	49.94	-	100.00
72	Norsk Stal Tynnplater AS	Mar 31, 2015	NOK	8.66	22.96	16.85	142.40	102.59	-	375.29	1.89	(3.45)	5.34	-	100.00
73	Norsk Stal Tynnplater AB	Mar 31, 2015	NOK	8.66	0.42	25.05	64.88	39.41	-	317.01	3.45	-	3.45	-	100.00
74	Orb Electrical Steels Limited	Apr 02, 2007	GBP	99.51	0.00	(0.00)	-	-0.00	-	-	-	-	-	-	100.00

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75	Oremco Inc.	Apr 02, 2007	USD	75.78	-	-	-	-	-	-	-	-	-	-	100.00
76	Rafferty-Brown Steel Co Inc Of Conn.	Apr 02, 2007	USD	75.78	24.00	(0.00)	24.00	(0.00)	-	-	(2.38)	(0.17)	(2.21)	-	100.00
77	S A B Profiel B.V.	Apr 02, 2007	EUR	84.11	1.14	386.97	810.35	422.24	138.03	1,071.89	90.92	17.13	73.79	-	100.00
78	S A B Profil GmbH	Apr 02, 2007	EUR	84.11	0.25	139.75	279.95	139.95	-	450.94	(2.48)	-	(2.48)	-	100.00
79	Service Center Gelsenkirchen GmbH	Apr 02, 2007	EUR	84.11	154.84	44.55	739.31	539.92	0.51	1,503.16	2.99	1.52	1.47	-	100.00
80	Service Centre Maastricht B.V.	Apr 02, 2007	EUR	84.11	0.45	303.77	1,169.03	864.81	-	3,095.05	205.83	55.08	150.75	-	100.00
81	Societe Europeenne De Galvanisation (Segal) Sa	Apr 02, 2007	EUR	84.11	105.14	169.70	456.69	181.85	-	626.41	18.97	6.66	12.31	-	100.00
82	Staalverwerking en Handel B.V.	Apr 02, 2007	EUR	84.11	378.49	107.77	1,321.25	834.99	1,313.91	-	(4.25)	(1.07)	(3.18)	-	100.00
83	Surahammar Bruks AB	Apr 02, 2007	SEK	8.12	17.54	43.51	370.19	309.14	-	487.18	0.52	0.56	(0.04)	-	100.00
84	Swinden Housing Association Limited	Apr 02, 2007	GBP	99.51	0.00	13.64	14.25	0.61	-	-	0.27	-	0.27	-	100.00
85	Tata Steel Belgium Packaging Steels N.V.	Apr 02, 2007	EUR	84.11	129.81	38.82	201.84	33.21	0.66	118.56	9.54	2.32	7.22	0.00	100.00
86	Tata Steel Belgium Services N.V.	Apr 02, 2007	EUR	84.11	141.69	85.23	750.21	523.29	30.23	-	0.91	0.37	0.54	-	100.00
87	Tata Steel France Batiment et Systemes SAS	Apr 02, 2007	EUR	84.11	158.49	(16.82)	313.66	171.99	0.03	639.73	(36.17)	-	(36.17)	-	100.00
88	Tata Steel France Holdings SAS	Apr 02, 2007	EUR	84.11	42.05	758.32	1,526.48	726.11	1,011.66	-	(585.13)	(10.32)	(574.81)	-	100.00
89	Tata Steel Germany GmbH	Apr 02, 2007	EUR	84.11	1,364.75	(628.97)	1,556.72	820.94	835.23	-	322.72	43.99	278.73	-	100.00
90	Tata Steel IJmuiden BV	Apr 02, 2007	EUR	84.11	946.22	24,991.31	44,859.05	18,921.52	498.54	49,982.50	7,041.10	1,740.48	5,300.62	-	100.00
91	Tata Steel International (Americas) Holdings Inc	Apr 02, 2007	USD	75.78	4,447.43	(4,982.90)	(535.47)	(0.00)	334.37	-	(1.48)	(72.41)	70.93	-	100.00
92	Tata Steel International (Americas) Inc	Apr 02, 2007	USD	75.78	67.46	1,041.80	1,474.45	365.19	-	694.68	131.16	1.34	129.82	-	100.00
93	Tata Steel International (Czech Republic) S.R.O	Apr 02, 2007	CZK	3.45	0.41	18.34	21.37	2.62	-	-	18.05	3.52	14.53	11.72	100.00
94	Tata Steel International (France) SAS	Apr 02, 2007	EUR	84.11	1.68	57.25	66.94	8.01	-	-	7.69	2.06	5.63	-	100.00
95	Tata Steel International (Germany) GmbH	Apr 02, 2007	EUR	84.11	7.32	2.84	92.05	81.89	-	-	(2.00)	(0.59)	(1.41)	-	100.00
96	Tata Steel International (South America) Representações LTDA	Apr 02, 2007	USD	75.78	1.63	0.70	2.66	0.33	-	-	0.30	0.01	0.29	-	100.00
97	Tata Steel International (Italia) SRL	Apr 02, 2007	EUR	84.11	63.50	(31.60)	40.66	8.76	-	-	19.97	5.54	14.43	7.57	100.00
98	Tata Steel International (Middle East) FZE	Apr 02, 2007	AED	20.67	93.00	24.41	139.15	21.74	-	45.57	16.30	-	16.30	-	100.00
99	Tata Steel International Limited	Jun 10, 2008	NGN	0.18	-	-	-	-	-	-	-	-	-	-	100.00
100	Tata Steel International (Poland) sp Zoo	Apr 02, 2007	PLZ	18.13	15.97	12.66	29.79	1.16	-	-	12.87	1.04	11.83	-	100.00
101	Tata Steel International (Sweden) AB	Apr 02, 2007	SEK	8.12	0.08	53.44	62.24	8.72	-	-	52.61	10.85	41.76	48.72	100.00
102	Tata Steel International (India) Limited	Apr 02, 2007	INR	1.00	6.39	24.39	31.50	0.72	-	-	0.31	0.46	(0.15)	1.73	100.00
103	Tata Steel International Iberica SA	Apr 02, 2007	EUR	84.11	1.26	41.20	54.60	12.14	-	-	52.59	13.21	39.38	28.89	100.00
104	Tata Steel Istanbul Metal Sanayi ve Ticaret AS	Apr 02, 2007	USD	75.78	187.39	(137.75)	301.51	251.87	-	734.40	2.41	0.80	1.61	-	100.00
105	Tata Steel Maubeuge SAS	Apr 02, 2007	EUR	84.11	63.08	425.50	1,874.96	1,386.38	12.88	4,730.41	310.68	46.80	263.88	-	100.00
106	Tata Steel Nederland BV	Apr 02, 2007	EUR	84.11	3,260.09	10,126.11	20,380.52	6,994.32	14,109.51	-	(39.53)	(16.35)	(23.18)	-	100.00
107	Tata Steel Nederland Consulting & Technical Services BV	Apr 02, 2007	EUR	84.11	75.70	(50.61)	31.86	6.77	-	-	(0.23)	(0.06)	(0.17)	-	100.00
108	Tata Steel Nederland Services BV	Apr 02, 2007	EUR	84.11	3.58	(84.75)	360.79	441.96	-	-	(152.53)	(38.29)	(114.24)	-	100.00
109	Tata Steel Nederland Technology BV	Apr 02, 2007	EUR	84.11	(2.82)	660.63	868.16	210.35	14.02	-	17.79	(5.65)	23.44	-	100.00
110	Tata Steel Nederland Tubes BV	Apr 02, 2007	EUR	84.11	1,059.76	(868.93)	859.77	668.94	-	2,337.83	39.64	8.83	30.81	-	100.00
111	Tata Steel Netherlands Holdings B.V.	Apr 02, 2007	EUR	84.11	44,913.87	(8,547.42)	50,244.87	13,878.42	49,161.15	-	(1,287.38)	(1,680.08)	392.70	-	100.00
112	Tata Steel Norway Byggsystemer A/S	Apr 02, 2007	NOK	8.66	1.06	106.11	210.47	103.30	-	333.48	48.23	10.85	37.38	-	100.00
113	Tata Steel UK Consulting Limited	Apr02, 2007	GBP	99.51	17.26	(23.69)	-	6.43	-	-	-	-	-	-	100.00
114	Tata Steel UK Holdings Limited	Apr 02, 2007	GBP	99.51	1,13,803.64	(65,632.69)	48,180.67	9.72	48,180.68	-	(39.23)	-	(39.23)	-	100.00

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115	Tata Steel UK Limited	Apr 02, 2007	GBP	99.51	22,306.14	(172.82)	40,179.27	18,045.95	2,580.72	31,085.22	670.46	(1,250.31)	1,920.77	-	100.00
116	Tata Steel USA Inc.	Apr 02, 2007	USD	75.78	1.06	60.26	71.03	9.71	5.59	-	-	0.48	(0.48)	-	100.00
117	The Newport And South Wales Tube Company Limited	Apr 02, 2007	GBP	99.51	0.01	0.34	5.63	5.28	0.00	-	-	-	-	-	100.00
118	Thomas Processing Company	Apr 02, 2007	USD	75.78	-	160.03	180.64	20.61	-	32.48	(4.70)	-	(4.70)	-	100.00
119	Thomas Steel Strip Corp.	Apr 02, 2007	USD	75.78	60.62	(172.45)	402.38	514.21	28.78	932.03	50.00	14.54	35.46	-	100.00
120	TS South Africa Sales Office Proprietary Limited	Aug 31, 2015	ZAR	5.22	0.00	4.04	4.37	0.33	-	-	1.79	0.66	1.13	6.27	100.00
121	Tulip UK Holdings (No.2) Limited	Apr 02, 2007	GBP	99.51	1,13,743.90	(60,463.96)	53,280.01	0.07	53,280.02	-	-	-	-	-	100.00
122	Tulip UK Holdings (No.3) Limited	Apr 02, 2007	GBP	99.51	1,13,747.26	(60,348.90)	53,398.36	0.00	53,398.36	-	-	-	-	-	100.00
123	UK Steel Enterprise Limited	Apr 02, 2007	GBP	99.51	99.51	118.20	184.89	(32.82)	40.53	32.55	34.69	-	34.69	-	100.00
124	Unitol SAS	Apr 02, 2007	EUR	84.11	50.46	56.23	776.18	669.49	2.05	1,796.81	149.33	21.13	128.20	-	100.00
125	Fischer Profil Produktions -und-Vertriebs - GmbH	Apr 01, 2021	EUR	84.11	0.21	(0.00)	1.71	1.50	-	-	(0.00)	-	(0.00)	-	100.00
126	Al Rimal Mining LLC	Feb 25, 2008	OMR	196.83	19.68	(13.49)	24.14	17.95	-	-	(0.89)	-	(0.89)	-	70.00
127	TSMUK Limited	Sep 23, 2010	USD	75.78	4,539.30	(427.77)	8,168.11	4,056.58	-	-	(0.25)	-	(0.25)	-	100.00
128	T S Canada Capital Ltd	Dec 31, 2012	USD	75.78	0.00	33.24	35.48	2.24	-	-	(0.09)	-	(0.09)	-	100.00
129	Tata Steel Minerals Canada Limited	Dec 31, 2010	USD	75.78	6,654.42	(6,753.57)	6,849.95	6,949.10	-	754.15	(831.33)	-	(831.33)	-	82.00
130	Tata Steel (Thailand) Public Company Limited	Apr 04, 2006	THB	2.28	1,920.20	1,154.20	3,123.00	48.60	-	94.52	7.05	1.52	5.53	-	67.90
131	Tata Steel Manufacturing (Thailand) Public Company Limited (formerly N.T.S Steel Group Public Limited Company)	Apr 04, 2006	THB	2.28	1,544.66	988.34	3,296.67	763.67	-	7,438.63	585.83	(2.86)	588.69	-	99.90
132	T S Global Procurement Company Pte. Ltd.	Apr 23, 2010	USD	75.78	755.04	806.14	16,075.89	14,514.71	-	61,318.73	361.72	19.84	341.88	-	100.00
133	Tata Steel International (Shanghai) Ltd.	Jan 25, 2008	CNY	11.97	5.84	(0.28)	5.94	0.38	-	7.55	(0.69)	0.01	(0.70)	-	100.00
134	Tata Steel International (Asia) Limited	Jan 25, 2008	HKD	9.69	-	-	-	-	-	-	(2.98)	-	(2.98)	-	-
135	TS Asia (Hong Kong) Ltd.	Sep 27, 2006	USD	75.78	8.64	(3.27)	5.84	0.47	-	7.05	1.34	(0.25)	1.59	-	100.00
136	Tata Steel Downstream Products Limited	Jul 14, 2009	INR	1.00	242.33	2,966.82	4,306.70	1,097.55	2,248.60	6,805.38	193.84	49.96	143.88	-	100.00
137	Tata Steel Advanced Materials Limited (formerly Tata Steel Odisha Limited)	Jun 22, 2012	INR	1.00	5.56	(2.63)	3.01	0.08	0.01	-	(0.02)	-	(0.02)	-	100.00
138	Ceramat Private Limited	Feb 28, 2022	INR	1.00	0.01	(0.12)	1.15	1.26	-	-	(0.15)	(0.03)	(0.12)	-	90.00
139	Tayo Rolls Limited~	Dec 01, 2008	INR	1.00	-	-	-	-	-	-	-	-	-	-	54.91
140	The Tinplate Company of India Limited	Apr 01, 2011	INR	1.00	104.80	1,066.17	1,980.76	809.79	213.45	4,272.20	471.18	118.27	352.91	20.93	74.96
141	Tata Steel Foundation	Aug 16, 2016	INR	1.00	1.00	4.85	45.87	40.02	-	318.82	0.45	-	0.45	-	100.00
142	Jamshedpur Football and Sporting Private Limited	Jul 07, 2017	INR	1.00	40.80	(8.91)	41.09	9.20	-	54.57	7.71	-	7.71	-	100.00
143	Bhubaneshwar Power Private Limited	Aug 06, 2008	INR	1.00	253.25	109.06	836.22	473.91	-	515.95	51.85	13.25	38.60	-	100.00
144	Bamnipal Steel Limited@	Jan 19, 2018	INR	1.00	-	-	-	-	-	-	-	-	-	-	-
145	Tata Steel BSL Limited@	May 18, 2018	INR	1.00	-	-	-	-	-	-	-	-	-	-	-
146	Angul Energy Limited	May 18, 2018	INR	1.00	10.00	874.45	1,057.57	173.12	0.92	185.11	53.10	-	53.10	-	99.99
147	Tata Steel Support Services Limited (formerly Bhushan Steel (Orissa) Ltd.)	May 18, 2018	INR	1.00	0.05	0.98	26.29	25.26	-	61.72	4.03	0.88	3.15	-	100.00
148	Bhushan Steel (South) Limited	May 18, 2018	INR	1.00	1.30	(1.11)	0.24	0.05	0.00	-	(0.02)	-	(0.02)	-	100.00
149	Tata Steel Technical Services Limited (formerly Bhushan Steel (Madhya Bharat) Ltd.)	May 18, 2018	INR	1.00	0.05	2.28	53.91	51.58	-	146.06	6.84	1.44	5.40	-	100.00
150	Bhushan Steel (Australia) PTY Ltd.	May 18, 2018	AUD	56.77	295.58	(291.17)	15.52	11.11	-	-	(2.11)	-	(2.11)	-	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 (%)
151	Bowen Energy PTY Ltd.	May 18, 2018	AUD	56.77	115.02	(115.02)	0.00	-	-	-	26.55	-	26.55	-	100.00
152	Bowen Coal PTY Ltd.	May 18, 2018	AUD	56.77	0.00	-	0.00	-	-	-	-	-	-	-	100.00
153	Bowen Consolidated PTY Ltd.	May 18, 2018	AUD	56.77	0.00	-	0.00	-	-	-	-	-	-	-	100.00
154	Medica TS Hospital Private Limited#	Jan 07, 2022	INR	1.00	1.51	45.61	52.83	5.71	-	6.45	0.21	(0.03)	0.24	-	51.00
155	Creative Port Development Private Limited	Sep 18, 2018	INR	1.00	222.36	(1.20)	221.44	0.28	150.69	-	(3.51)	0.28	(3.79)	-	51.00
156	Subarnarekha Port Private Limited	Sep 18, 2018	INR	1.00	9.70	177.36	218.63	31.57	-	-	(0.11)	(0.33)	0.22	-	50.63

Notes:

& Closing exchange rate as on March, 31 2022 has been considered for calculation

&& Includes share application money

* Subsidiary under liquidation

** Reporting period for subsidiary companies at Sl. 32, 38 and 47 is December 2021

@ Merged

\# Enity converted from JV to subsidiary

~ Not considered for consolidation as the subsidiary is undergoing Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016.

I Name of the subsidiaries which have been liquidated/sold/merged during the year:

1 Tata Steel International (Asia) Limited
2 Bamnipal Steel Limited
3 Tata Steel BSL Limited
4 Cogent Power Inc
5 Easteel Services (M) Sdn. Bhd.
6 NatSteel Holdings Pte. Ltd.
7 NatSteel Recycling Pte Ltd.
8 NatSteel Trade International Pte. Ltd.

II Name of the subsidiaries liquidated/struck-off with no assets, liabilities and transactions during the period:

1 Bell & Harwood Limited
2 Bore Samson Group Limited
3 Bore Steel Limited
4 British Guide Rails Limited
5 British Steel Engineering Steels (Exports) Limited
6 C Walker & Sons Limited
7 Color Steels Limited
8 Cordor (C& B) Limited
9 Corus Cold Drawn tubes Limited
10 Corus Engineering Steel Pension Scheme Trustee limited
11 Corus Engineering Steels Overseas Holdings Limited
12 Corus Large Diameter Pipes Limited
13 Corus Service Centre Limited
14 Nationwide SteelStock Limited
15 Ore Carriers Limited
16 Round Oak Steelworks Limited
17 Runblast Limited
18 Seamless Tubes Limited
19 Steel Stockholdings Limited
20 Steelstock Limited
21 The Stanton Housing Company Limited
22 UKSE Fund Managers Limited
23 Walker Manufacturing and Investments Limited
24 Walkersteelstock Limited
25 Whitehead (Narrow Strip) Limited
26 Bistupur Steel Limited
27 Dimna Steel Limited
28 Jamadoba Steel Limited
29 Jugsalai Steel Limited
30 Noamundi Steel Limited
31 Sakchi Steel Limited
32 Straight Mile Steel Limited

III Name of the subsidiaries under liquidation with no assets, liabilities and transactions during the period:

1 Blastmega Limited
2 Corus Engineering Steels Holdings Limited
3 Europressings Limited
4 Grant Lyon Eagre Limited
5 Hammermega Limited
6 Lister Tubes Limited
7 Plated Strip (International) Limited
8 Runmega Limited
9 Stewarts & Lloyds Of Ireland Limited
10 Stewarts And Lloyds (Overseas) Limited
11 Tata Steel Sweden Byggsystem AB
12 U.E.S. Bright Bar Limited
13 Walkersteelstock Ireland Limited
14 British Steel Service Centres Limited
15 DSRM Group Limited
16 02727547 Limited (Formerly known as Firsteel Holdings Limited)
17 Precoat International Limited
18 Precoat Limited
19 The Templeborough Rolling Mills Limited
20 Toronto Industrial Fabrications Limited
21 Westwood Steel Services Limited
22 Tata Steel Denmark Byggsystemer A/S
23 The Siam Construction Steel Company Limited
24 The Siam Iron and Steel (2001) Company Limited

IV Subsidiaries yet to commence operations:

1 Subarnarekha Port Private Limited
2 Bhushan Steel (South) Limited
3 Bhushan Steel (Australia) PTY Ltd.
4 Bowen Energy PTY Ltd.
5 Bowen Coal PTY Ltd.
6 Bowen Consolidated 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		123.63	35.13	35.13
2	S & T Mining Company Private Limited	Mar 31	Sep 18, 2008	INR	1,85,26,900	18.53	50.00	1		(0.39)	-	(0.14)
3	Tata NYK Shipping Pte Ltd.	Mar 31	Mar 19, 2007	USD	6,51,67,500	493.84	50.00	1		149.61	68.17	68.17
4	Tata NYK Shipping (India) Pvt. Ltd.	Mar 31	Apr 01, 2015	INR	12,50,000	0.13	100.00	5		2.92	0.29	0.29
5	TM International Logistics Limited	Mar 31	Jan 18, 2002	INR	91,80,000	9.18	51.00	4		234.28	29.78	28.61
6	International Shipping and Logistics FZE	Mar 31	Feb 01, 2004	USD	1	1.24	100.00	5		310.59	38.06	36.57
7	TKM Global China Ltd	Mar 31	Jun 25, 2008	CNY	1	4.39	100.00	5		5.99	1.10	1.06
8	TKM Global GmbH	Mar 31	Mar 01, 2005	EUR	100	1.11	100.00	5		195.95	6.41	6.16
9	TKM Global Logistics Limited	Mar 31	Jan 18, 2002	INR	36,00,000	5.16	100.00	5		30.95	3.65	3.50
10	Industrial Energy Limited	Mar 31	Feb 23, 2007	INR	17,31,60,000	173.16	26.00	1		277.57	57.46	163.55
11	Andal East Coal Company Private Limited		May 18, 2018	INR	3,30,000	1.46	33.89	1	**	-	-	-
12	Naba Diganta Water Management Limited	Mar 31	Jan 09, 2008	INR	1,36,53,000	13.65	74.00	5		24.09	5.19	1.82
13	Jamipol Limited	Mar 31	Apr 24, 1995	INR	44,75,000	9.18	39.78	1		79.65	12.99	19.67
14	Nicco Jubilee Park Limited		May 2001	INR	3,40,000	-	25.31	1	&	-	-	-
15	Himalaya Steel Mills Services Private Limited	Mar 31	Sep 15, 2010	INR	36,19,945	3.62	26.00	1		7.23	2.32	6.59
16	Air Products Llanwern Limited	Sep 30	Apr 02, 2007	GBP	50,000	0.01	50.00	2		11.68	(0.92)	(0.92)
17	Laura Metaal Holding B.V.	Dec 31	Apr 02, 2007	EUR	2,744	10.47	49.00	2		214.97	69.77	72.62
18	Ravenscraig Limited	Dec31	Apr 02, 2007	GBP	100	0.00$$	33.33	2		(73.79)	1.55	1.55
19	Tata Steel Ticaret AS	Dec 31	Apr 02, 2007	TRY	80,000	0.04	50.00	2		8.33	10.10	10.10
20	Texturing Technology Limited	Mar 31	Apr 02, 2007	GBP	10,00,000	9.95	50.00	2		20.10	5.73	5.73
21	Hoogovens Court Roll Service Technologies VOF##	Mar 31	Apr 02, 2007	EUR	No shares since it is a partnership by agreement only	11.51	50.00	2		19.31	1.20	1.20
22	Minas De Benga (Mauritius) Limited	Dec 31	Nov 30, 2007	USD	27,77,69,593	2,596.31	35.00	2		(874.47)	105.96	196.79
23	Tata BlueScope Steel Private Limited	Mar 31	Feb 09, 2005	INR	43,30,00,000	433.00	50.00	1		721.39	140.62	140.62
24	BlueScope Lysaght Lanka (Pvt) Ltd	Mar 31	Apr 01, 2015	LKR	1,06,35,000	2.79	100.00	5		14.89	0.95	0.95
25	Jamshedpur Continuous Annealing & Processing Company Private Limited	Mar 31	Aug 17, 2012	INR	73,03,20,000	730.32	51.00	4		777.16	202.54	194.60

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$$	30.00	1	**	-	-	-
2	Kumardhubi Fireclay & Silica Works Ltd	-		INR	-	-	27.78	1	**	-	-	-
3	Kumardhubi Metal Casting and Engineering Limited	-		INR	-	-	49.31	1	**	-	-	-
4	Strategic Energy Technology Systems Private Limited	-	Jan 16, 2009	INR	2,56,14,500	25.62	25.00	1	***	-	-	-
5	Tata Construction & Projects Ltd.	-		INR	-	-	27.19	1	**	-	-	-
6	TRF Limited.	-	Oct 16, 1963	INR	37,53,275	5.79	34.11	1		(98.76)	(6.94)	(13.41)
7	TRF Singapore Pte Limited	-	Apr 01, 2015	SGD	1,90,86,929	281.43	100.00	5		18.97	(2.04)	(3.94)
8	TRF Holding Pte Limited	-	Apr 01, 2015	USD	1	0.00$$	100.00	5		(0.14)	(0.05)	(0.09)
9	Dutch Lanka Trailer Manufacturers Limited	-	Apr 01, 2015	USD	15,23,06,150	139.52	100.00	5		12.65	(0.99)	(1.91)
10	Dutch Lanka Engineering (Private) Limited	-	Apr 01, 2015	LKR	11,50,000	0.66	100.00	5		(0.19)	(0.55)	(1.06)
11	Malusha Travels Pvt Ltd.	Mar 31	Aug 5, 2014	INR	3,352	0.00$$	33.23	1		-	-	-
12	Bhushan Capital & Credit Services Private Limited	Mar 31	May 18, 2018	INR	86,43,742	9.40	42.58		@	-	-	-
13	Jawahar Credit & Holdings Private Limited	Mar 31	May 18, 2018	INR	86,43,742	9.40	39.65		@	-	-	-
14	European Profiles (M) Sdn. Bhd.	Dec 31	Jan 25, 2008	MYR	7,00,000	1.26	20.00	1		12.23	0.30	-
15	GietWalsOnderhoudCombinatie B.V.	Dec 31	Apr 02, 2007	EUR	50	11.28	50.00	2		25.33	2.80	2.80
16	Hoogovens Gan Multimedia S.A. De C.V.		Apr 02, 2007	MXN	455,000 shares of the variable part; 25,000 of the minimum fixed part of the capital stock	0.01	50.00	2	#	-	-	-
17	ISSB Limited	June 30	Apr 02, 2007	GBP	500	0.00$$	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
18	Wupperman Staal Nederland B.V.	Dec 31	Apr 02, 2007	EUR	2,400	72.98	30.00	2		208.42	47.99	111.97
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	-	33.33	1	&	-	-	-

Notes:

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 JV 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.

@ Tata Steel BSL Limited (TSBSL) an erstwhile subsidiary merged with the Company was being shown 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 Bhushan Steel 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 companies. Neither the erstwhile TSBSL nor Tata Steel Limited ever exercised or currently exercises any influence on these entities, and hence, these are not being considered as Associates.

The operations of the companies are not significant and hence are immaterial for consolidation.

* Closing rate as on March 31, 2022 has been considered for calculation.

** Companies are in liquidation

Partnership without Share capital

*** Not consolidated, as the investment value is impaired

& Financial information are not available

$$ Represents value less than ₹1 lakh

Names of joint-ventures/associates which have been liquidated/sold/struck-off during the year:

1 Albi Profils SRL

2 SEZ Adityapur Limited

3 T M Mining Company Limited

Name of joint-venture which has been converted to subsidiary during the year:

1 Medica TS Hospital Private Limited

For and on behalf of the Board of Directors

sd/-
N. CHANDRASEKARAN
Chairman
DIN: 00121863

sd/-
NOEL NAVAL TATA
Vice-Chairman
DIN: 00024713

sd/-
MALLIKA SRINIVASAN
Independent Director
DIN: 00037022

sd/-
O. P. BHATT
Independent Director
DIN: 00548091

sd/-
FARIDA KHAMBATA
Independent Director
DIN: 06954123

sd/-
DAVID W. CRANE
Independent Director
DIN: 09354737

sd/-
V. K. SHARMA
Independent Director
DIN: 02449088

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 3, 2022

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 the FY 2021-22:

Sl. No.	Name of the Company
Subsidiary	
1.	Fischer Profil Produktions -und-Vertriebs - GmbH
2.	Ceramat Private Limited
3.	Medica TS Hospital Private Limited

The names of companies which have ceased to become Subsidiaries or Associate Companies (including Joint Venture Companies) during the FY 2021-22:

Sl. No.	Name of the Company
Subsidiary	
1.	Bistupur Steel Limited
2.	Dimna Steel Limited
3.	Jamadoba Steel Limited
4.	Jugsalai Steel Limited
5.	Noamundi Steel Limited
6.	Sakchi Steel Limited
7.	Straight Mile Steel Limited
8.	Bore Samson Group Limited
9.	Bore Steel Limited
10.	C Walker & Sons Limited
11.	Color Steels Limited
12.	Cogent Power Inc
13.	Cordor (C& B) Limited
14.	Corus Engineering Steels Overseas Holdings Limited
15.	Round Oak Steelworks Limited
16.	Runblast Limited
17.	The Stanton Housing Company Limited
18.	UKSE Fund Managers Limited
19.	Whitehead (Narrow Strip) Limited
20.	Walkersteelstock Limited
21.	NatSteel Holdings Pte. Ltd.
22.	Easteel Services (M) Sdn. Bhd.
23.	NatSteel Recycling Pte Ltd.
24.	NatSteel Trade International Pte. Ltd.
25.	Bell & Harwood Limited
26.	British Steel Engineering Steels (Exports) Limited
27.	Nationwide SteelStock Limited
28.	Corus Cold Drawn tubes Limited
29.	Ore Carriers Limited
30.	Seamless Tubes Limited
31.	Corus Large Diameter Pipes Limited

Sl. No.	Name of the Company
32.	Corus Engineering Steel Pension Scheme Trustee Limited
33.	Walker Manufacturing and Investments Limited
34.	British Guide Rails Limited
35.	Steelstock Limited
36.	Steel Stockholdings Limited
37.	Corus Service Centre Limited
38.	Tata Steel BSL Limited[(a)]
39.	Bamnipal Steel Limited[(a)]
40.	Tata Steel International (Asia) Limited
Associate	
1.	Albi Profils SRL
Joint Venture	
1.	T M Mining Company Limited
2.	SEZ Adityapur Limited
3.	Medica TS Hospital Private Limited[(b)]

Note:

(a) During FY 2021-22, Tata Steel BSL Limited (**'TSBSL'**) and Bamnipal Steel Limited (**'BNPL'**) amalgamated into and with Tata Steel Limited (**'TSL'**) pursuant to the Order dated October 29, 2021, of the Hon'ble National Company Law Tribunal, Mumbai bench, sanctioning the Composite Scheme of Amalgamation of TSBSL and BNPL into and with TSL. The said Amalgamation is effective November 11, 2021.

(b) During FY 2021-22, Medica TS Hospital Private Limited has been 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 3, 2022

ANNEXURE 7

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

(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, 2022, 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, 2022 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) Regulations, 2014 and 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 Debt Securities) Regulations, 2008 and 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, 2009 and 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 of Bamnipal Steel Limited and Tata Steel BSL Limited into and with Tata Steel Limited

On October 29, 2021, the hon'ble National Company Law Tribunal, Mumbai Bench, pronounced the Order sanctioning the composite scheme of amalgamation of Bamnipal Steel Limited and Tata Steel BSL Limited (**'TSBSL'**), into and with the Company and after the statutory filings, the Scheme became effective from November 11, 2021.

As per the terms of the Scheme, on November 23, 2021, the Board of Directors of the Company approved the allotment of 1,82,23,805 fully paid-up Ordinary shares to the eligible shareholders of TSBSL.

2. Allotment of shares kept in abeyance

During the year under review, the Company allotted 8,026 fully paid-up Ordinary shares that were earlier kept in abeyance under the rights issue of 2007 and 2018.

3. Investment in Tata Steel Long Products Limited

On March 17, 2022, the Company acquired 10,00,00,000 – 0.01% Non-Convertible Redeemable Preference Shares of face value ₹100/- each (**'NCRPS'**) of Tata Steel Long Products Limited (**'TSLP'**), aggregating to ₹1,000 crore. On March 30, 2022, Tata Steel further acquired 117,00,00,000 NCRPS of TSLP, aggregating to ₹11,700 crore.

4. Acquisition of Redeemable Preference Shares of Angul Sukinda Railway Limited

On December 15, 2021, the Company executed a long-term agreement with Angul Sukinda Railway Limited (**'ASRL'**), for the construction, operation and maintenance of an alternate railway line for a period of 20 years to meet the logistic requirements of the Company's Kalinganagar Steel Plant. The entire expenditure for construction of the Additional Rail Line of ₹400 crore will be funded by the Company in a phased manner by subscribing to 40,00,00,000 non-convertible, non-cumulative, redeemable preference shares of face value ₹10/- each of ASRL.

5. Increase in stake in Medica TS Hospital Pvt. Ltd.

On January 07, 2022, the Company's equity stake in Medica TS Hospital Pvt. Ltd. (**'MTSHPL'**), a joint-venture of Tata Steel, increased from 26% to 51% due to conversion of 5,102 Optionally Convertible Debentures (**'OCD'**) of ₹1,000/- each converted into 5,10,200 equity shares of ₹10/- each of MTSHPL. Further, 4,92,298 OCDs of ₹1,000/- each were also converted into 4,92,29,800 0.1% Optionally Convertible Redeemable

Preference Shares of ₹10/- each of MTSHPL. Accordingly, during the year under review, MTSHPL became a subsidiary of the Company from being a joint-venture of the Company.

6. Acquisition of itemized assets from Stork Ferro and Mineral Industries Private Limited

On March 30, 2022, the Company executed an Asset Transfer Agreement with Stork Ferro and Mineral Industries Private Limited for acquisition of itemized assets to produce ferro alloys for a cash consideration of ₹155 crore plus applicable tax.

7. Portfolio restructuring of Tata Steel Group Companies

In line with the strategic objective to group the Tata Steel Group Companies under 4 distinct clusters viz. (a) Long Products (b) Downstream (c) Mining and (d) Utilities and Infrastructure Services, each controlled through a subsidiary company of the Company, the Company during the year approved the transfer of its holding in (a) Tata Steel Special Economic Zone Limited, (b) Adityapur Toll Bridge Company Limited (c) Himalaya Steel Mill Services Private Limited to Tata Steel Utilities and Infrastructure Services Limited (Company's wholly-owned subsidiary), and entire shareholding in Tata Steel Advanced Materials Limited (formerly Tata Steel Odisha Limited) to Tata Steel Downstream Products Limited (Company's wholly-owned subsidiary).

8. Sale of shares in NatSteel Holdings Pte. Ltd.

On September 30, 2021, T S Global Holdings Pte. Ltd. (**'TSGH'**), an indirect wholly owned subsidiary of Tata Steel Limited, set up in South-East Asia, executed definitive agreements with Toptip Holding Pte Ltd. to divest its entire stake held in NatSteel Holdings Pte. Ltd., for an equity value of USD 172 million (₹1,275 crore). However, the wires business of NatSteel in Thailand (Siam Industrial wires) will continue to be in operations under TSGH as part of downstream wires portfolio.

9. First and Final Call on Partly Paid-Up Equity Shares

During the year under review, the Stakeholders' Relationship Committee, duly authorized by the Board, approved the conversion of 71,64,259 partly paid-up equity shares of face value ₹10/- each into fully paid-up equity shares of face value ₹10/- each, against which the first and final call money of ₹461/- per share was received. The converted shares rank pari passu with the existing fully paid-up equity shares of the Company.

As on March 31, 2022, the Company has 2,23,288 partly paid-up equity shares on which the first and final call money remains unpaid. The Company is in the process of sending Reminder-cum-Forfeiture Notices to such eligible shareholders.

10. Debenture Redemptions

On May 11, 2021 the Company exercised its Call Option to redeem 11.50% Perpetual Hybrid Securities of the Company aggregating to ₹775 crore, as per their terms of issue.

11. Credit rating

During the year under review, S&P Global Ratings upgraded Tata Steel's Corporate Family Rating to 'BBB-'Outlook: Stable from 'BB' Outlook: Stable. Further, Moody's also upgraded the rating by one notch to 'Ba1' Outlook: Stable from 'Ba2' Outlook: Stable India Ratings, a domestic rating agency also upgraded Tata Steel's long-term credit rating by one notch to 'AA+' Outlook: Stable from 'AA' Outlook: Positive. Further, CARE Ratings upgraded the Company's long-term credit rating from 'AA' Outlook: Negative to 'AA+' Outlook: Stable.

12. During the year under review, the Company issued 6,83,000 units of Commercial Papers aggregating to ₹34,150 crore and redeemed 5,96,000 units of Commercial Papers aggregating to ₹29,800 crore.

For **Parikh & Associates**
Company Secretaries

sd/-
P. N. PARIKH
Partner
FCS No: 327 CP No: 1228

Place: Mumbai — UDIN: F000327D000258354
Date: 03.05.2022 — PR No.: 1129/2021

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

sd/-
P. N. PARIKH
Partner
FCS No: 327 CP No: 1228
UDIN: F000327D000258354
PR No.: 1129/2021

Place: Mumbai
Date: 03.05.2022

ANNEXURE 8

Particulars of Loans, Guarantees or Investments

[Pursuant to Section 186 of the Companies Act, 2013]

Amount Outstanding as on March 31, 2022

(₹ Crore)

Particulars	Amount
Loans Given	32,557.14
Guarantees Given	9,866.85
Investments Made	43,401.43

Loans, Guarantees given or Investments made during FY 2021-22

(₹ Crore)

Name of the Entity	Relation	Amount	Particulars of Loans, Guarantees given or Investments made	Purpose for which the loans, guarantees and investments are proposed to be utilised
Tata Steel Utilities and Infrastructure Services Limited	Subsidiary	760.75	Investments in Equity Shares	Business Purpose
S & T Mining Company Limited	Joint Venture	0.39		
Creative Port Development Private Limited	Subsidiary	149.00	Investments in Preference Shares	
Tata Steel Long Products Limited		12,700.00		
Angul Sukinda Railway Limited	Others	55.00		
Adityapur Toll Bridge Company Limited*	Subsidiary	2.95	Loan	
Bhubaneswar Power Private Limited		387.63		
Subarnarekha Port Private Limited*		20.00		
T Steel Holdings Pte. Ltd.		21,514.17		
Tata Steel Downstream Products Limited*		10.00		
Tata Steel Mining Limited#		1,080.00		
Tata Steel Special Economic Zone Limited		11.03		
TRF Limited^	Associate	100.00		
S & T Mining Company Limited*	Joint Venture	0.08		

*Represents loans given and repaid during the financial year ended March 31, 2022.

#Includes loans amounting to ₹290.00 crore repaid during the financial year ended March 31, 2022.

^Loan given has been fully impaired during the financial year ended March 31, 2022.

Advance against equity made during FY 2021-22

(₹ Crore)

Name of the Entity	Relation	Amount
Creative Port Development Private Limited	Subsidiary	48.00

Notes:

(i) During the year ended March 31, 2022, the Company has recognised a fair value gain of **₹49.74** crore with respect to investments held in debentures of Medica TS Hospital Private Limited.

(ii) During the year ended March 31, 2022, the Company transferred its entire stake held in Tata Pigments Ltd., Tata Steel Special Economic Zone Limited, Jamipol Limited, Nicco Jubilee Park Limited, Himalaya Steel Mill Services Private Limited and Adityapur Toll Bridge Company Limited to Tata Steel Utilities and Infrastructure Services Limited (‘**TSUISL**’), a wholly-owned subsidiary of the Company, for consideration in the form of 3,57,03,547 equity shares of TSUISL aggregating to **₹760.75** crore.

On behalf of the Board of Directors

sd/-
N. CHANDRASEKARAN
Chairman
DIN: 00121863

Mumbai
May 3, 2022

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

- Achieved lowest ever plant Specific Energy Consumption of 5.432 GCal/tcs.
- Achieved highest ever LD Gas recovery of 88025 Nm^3/hour.
- Achieved By-product gas utilization of 98.39%.
- Achieved highest ever inhouse Power generation of 274.77 MW by utilizing by-product in-house gases and through waste heat recovery.
- Achieved low-pressure process steam consumption of 341 tonnes/hour.
- Lowest ever specific water consumption of 2.18 m^3/tcs.
- Fresh water intake 13.47 MGD.
- Highest ever CETP production of 4.61 MGD.
- Power wheeling across Tata Steel India locations to maximize power utilization from captive units.
- Energy Management System implemented across 06 departments targeted for reduction in power rate (kwh/t).

Kalinganagar

Raw Material Handling System and Logistics Operation

- Conversion of existing sodium vapour lamps (3,000 numbers) across conveyors into LED.
- Conversion of existing high-pressure sodium vapour lamp in 5 High Mast Towers at Rail siding into LED
- Replacement of 10 Numbers LT motors and 8 HT motors across Ore and Coal Conveyors having higher energy efficiency.
- Reduction in specific Power consumption by 5% by process optimization.
- Installation of Weigh Bridge in coal yard to reduce cost of transportation and carbon footprint.
- Solar panels have been provided as alternate power source (Traffic lights and Drop gates).

Sinter Plant

- Power consumption reduced by 1.96 KWh/tons by implementation of Advanced analytics models on:
  – Waste Gas Fan speed optimization
  – Cooler Fan speed optimization
- Solid Fuel rate reduced by 0.66 Kg/Tons through effective process control even with adverse Raw material.

Blast Furnace

- Reduction in Coke Rate to 358kg/thm from 364kg/thm and Fuel rate from 541kg/thm to 538kg/thm
- Reduction in specific water consumption from 0.50 m3/thm to 0.39m^3/thm

Coke Plant

- Reduction of clarified water consumption: Specific Water consumed 0.86 m^3/ton of Gross coke against the plan of 1.0 in FY 2022-23 against the previous best 0.92 in FY 2020-21.
- Reduction of coke moisture: Annual average coke moisture was 1.20% against the previous best of 1.22% achieved during FY 2020-21. 1% reduction of coke moisture reduces the Blast Furnace fuel rate by 3 Kg/T of hot metal. Thus, the reduction of coke moisture helped in reducing the Blast Furnace fuel rate by 209T for FY 2021-22.
- HP Steam Generation by CDQ process is best ever as 8,98,422 Ton (FY 2021-22) against previous best ever of 8,77,622 Ton (FY 2020-21)
- Following annual average Coke Oven Gas quality properties were best ever (lower the better, this gas is used as fuel throughout the plant and cleaner gas helps in improving the combustion efficiency):
  a. 31 mg/Nm^3 ammonia against the previous best of 38 mg/Nm^3 during FY 2020-21.
  b. 228 mg/Nm^3 H2S against the previous best of 261 mg/Nm^3 during FY 2020-21.
  c. 24.7 mg/Nm^3 naphthalene against the previous best of 27 mg/Nm^3 during FY 2020-21.
- The best ever annual average Treated water quality properties are as below (lower the better, since this effluent is treated downstream at CETP, better quality reduces energy spent in treating this effluent at CETP):
  a. 86ppm COD against the previous best of 129ppm in FY 2019-20.
  b. 0.11ppm Cyanide against the previous best of 0.15ppm in FY 2020-21.

Steel Melting Shop

- Reduced specific water consumption from 0.45 m^3/tcs to 0.43 m^3/tcs by modification of logic to prevent LF soft water tank overflow and recirculating the LF Cooling tower blow down water as makeup in GCP circuit.

Hot Strip Mill

- Reduced mill specific power consumption from 115 KWH/T(Q2-Q4) in FY 2020-21 to 114.5 KWH/T in FY 2021-22 through initiatives such as:
  - Real time power consumption monitoring and alert generation during high power consumption for taking immediate correction
  - 100% replacement of high power consuming conventional lights with LED lights.
- Reduced specific water consumption from 0.43 m^3/T to 0.41 m^3/T by reduction of losses through circuit modification

Utilities

- CDQ (Coke Dry Quenching) Power Plant generation increased by 90% (from 4.60 MW to 8.74 MW, from FY 2020-21 to FY 2021-22).
- Inhouse Power generation at Captive Power Plant increased by 2.29% from 122.06 MW to 124.85 MW (from FY 2020-21 to FY 2021-22).
- Increment in LD Gas recovery from 9180 Nm^3/hour to 9451 Nm^3/hour.
- Reduction in power consumed by Air Separation Unit from 570 kwh/ton of oxygen to 555 kwh/ton of oxygen by reducing venting of HP Oxygen and Nitrogen.
- Implemented Coke Oven Gas line bifurcation Scheme for elimination of LDO consumption in CPP#1 to meet critical load at CPP during plant shutdown.

(ii) Steps taken by the Company for utilizing alternate sources of Energy:

Jamshedpur

- Projects on Power generation from solar and non-conventional energy sources gained momentum.
- Project on 'Energy recovery Micro Turbine' approved by corporate sustainability to recover throttling loss in steam pressure and helps in reducing CO_2 emission.
- 150 MW generation capacity through solar power source is in the pipeline.
- Opportunity based green energy (renewable energy) wheeling in place of conventional wheeling to reduce CO_2 emission for Jamshedpur.
- Project on Central LDC is in progress, targeted to reduce DISCOM drawl (by ~07 MW).
- Retrofitting of existing cooling tower with S.M.A.R.T. system using predictive control strategy. Pilot project trial done at WRM.

Kalinganagar

- 34 KT of carbon recovered from Steel Plant generated solid waste material and used in Sinter making process in FY 2021-22.

(iii) Capital investment on energy conservation equipments:

Sl.	Particulars	₹ Crore
Jamshedpur		
1	Central Load Distribution Centre	5.36
2	Micro Turbines at PH#3,4,5 TSJ	8.52
Kalinganagar		
3	Commissioning of Energy Harvesting Micro-Turbine (0.4 MW) in deaerator of CDQ#1 Boiler. Impact: Generated 0.35 MW on an average per month since its commissioning in October 2021	1.23

(B) Technology Absorption

1. Efforts made towards technology absorption

(i) Projects under Research and Development and Digital initiatives

Project title	Benefits
Jamshedpur	
Retrofitting existing cooling towers with a S.M.A.R.T system at WRM	Cooling towers are unit operations that are used in almost all industries to cool down process water. The energy intensive components of cooling tower i.e. pumps and draft fans run at full loads throughout the year ignoring the underlying opportunities for energy savings. The efficiency of cooling tower is a function of climatic conditions i.e. ambient air temperature and humidity. A mathematical model was developed for cooling tower in MATLAB based on analogy to distillation column with hypothetical stages and accordingly, a self-adaptive model predictive control was designed for cooling towers. The model is implemented at Wire Rod Mill, TSJ. The model has led to achieve an estimated saving of around 60% towards energy consumption which in turn would reduce 110 tons of CO_2 emissions annually.
High Strain Rate Deformation Analysis	Crash is one of the most important design considerations for automotive engineers. During crash, the deformation rate of steel is typically of the order of 100 – 1000/sec. At such high deformation rates, the steel behaves differently compared to behaviour at slow deformation rates. Tata Steel has established a facility for studying deformation behaviour of steels at high strain rates. Till now, such facility was largely available at a few government research centres in India. Tata Steel has further developed mathematical model to improve the prediction accuracy of crash behaviour.
Partial replacement of lime by limestone as a fluxing agent in BOF process	Partial replacement of lime with limestone as a fluxing agent in the BOF process is a step towards sustainable steelmaking. A plant trial has been carried at LD#3 shop of TSL Jamshedpur replacing 10% of lime with limestone. This has led to a decrease in lime consumption by 700 kg/TCS, lump iron ore reduction by 400 kg/TCS and improved dephosphorization degree by 1% and phosphorous partition ratio by 4 points. Estimated reduction in CO_2 emission was estimated to be around 2 Kg/TCS.
Improvement in plant yield at wet processing plant of Noamundi through small diameter hydro-cyclone	Slimes generated during the washing process is treated in the existing hydrocyclone (650 mm dia.) which cuts at 45-micron to recover iron values. Further reduction in cut size helps in recovering of more iron values. Based on a lab study, a small diameter hydrocyclone (400 mm dia.) was selected which cuts at 25-micron size. The labs scale study was followed by demo trial at plant. New hydrocyclone has been installed and implemented - plant data for a period of six months showed improvement in plant yield by 1.8%.
Application of glidants to reduce stickiness of iron ore fines	The stickiness delay during unloading of Blended Fines Ore (BFO) is a concern for regular plant operations. Surface modifying glidants when coated on iron ore particles, improves flowability of the mass through sliding of interacting surfaces. Lab tests with various glidants and lubricants showed that stickiness delay can be reduced by 0.25-0.5g/kg addition of glidants. After conducting technoeconomic due diligence, plant trials were conducted with two silica based glidants.
Development of new variant of pearlitic steel	A novel patented process has been developed to produce a new variant of pearlitic (C80) steel – the novel process modifies the microstructure to spheroidised carbides in hot rolled condition. The process has helped in achieving 7-10% cold reduction without any heat-treatment in addition to reducing the annealing time at the customer end almost by 50%.
Development of Antimicrobial colour coated sheet	A coating formulation with Anti-bacterial and Anti COVID-19 functional properties was developed by dispersing functionalized nano additives in a paint system. The coated steel substrate qualifies the anti-bacterial and Anti-COVID-19 measurement tests as per standards JIS Z 2801; ISO 21702.
Development of Copper free MIG wire	Copper coating on MIFG wire possess peeling issues during welding and also, copper fumes are hazardous to operators. R&D has developed an environmental friendly coating, which can eliminate the copper coating on MIG wire. A plant trial has been conducted with the novel coating formulation – the novel coating formulation meets the desired welding criteria.
Pulse iron ore sintering	Tata Steel R&D has developed a new methodology in iron ore sintering called "Pulse Sintering". Unlike conventional sintering process where the suction is continuously downdraft, pulse sintering helps in to broaden the flame and, increases sinter heating index by improving heat transfer rate of flowing gas. This concept was successfully implemented in sinter plant at TSL and observed improved flame-front propagation and, lowers sinter return fines generation.
Tube connectors using Large scale additive manufacturing -WAAM Technology	Wire Arc Additive Manufacturing (WAAM) technology was successfully implemented to 3D print novel and complex shaped TKY tubular connection joints for quick and easy tubes joining. The connectors were designed to have minimal or no post-processing.

Raw Material Handling System and Logistics Operation:

Project title	Benefits
Kalinganagar	
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.
Prevention of Dumper Movement during its Body raised condition	By setting a timer-based operation of body raised dumper movement to eliminate multiple serious incidents
Enhanced reliability of Moving equipment through installation of Drag Chain	This system will eliminate the failure of composite cable along with risk of electrocution.
Safety reliability improvement through smart fencing system in wagon tippler	Elimination of unsafe condition arising due to MMI during rake unloading
Preparation of Intelligent Ore and Flux Dispatcher (IOFD) decision making system	Will help in planning effective engagement of stacker reclaimer during day to day operation.
Setting up of Tyre washing facility	Reduction in fugitive dust emission by movement of vehicles on road.
Robot Operation in Wagon Door Opening and Closing in Outbound Logistics	Elimination / Reduction of MMI during opening and closing of wagon doors for finished Good Despatch.

Sinter Plant:

Project title	Benefits
Kalinganagar	
Digital Twin model for Sinter Plant	Integrated model with simulation and recommendations to improve Key KPIs of Sinter Plant
Digital model for sinter size analysis	Improve mean size of sinter dispatch to BF

Hot Strip Mill (HSM):

Data warehouse/Digital:

Kalinganagar

- HSM Data warehouse has been fully established & functional. With covering all the key process parameters from Re heating Furnace to Down Coiler, enabled dynamic analysis [via Defect based Analysis Dashboards] of various in-process defects & taking corrective actions timely
- **Data Upstaging to GCP:** Centralized Repository of HSM, TSK (Mills & Furnace) process data on google cloud platform has been created for data visualization and modelling solutions on cloud. Windows Communication Foundation (WCF) services created to access the data base in plant premises
- **Rougher Delivery Temperature Prediction Model:** Time Series based Deep Learning Model (LSTM) has been developed on python platform to predict Rougher Delivery Temperature with 93% of accuracy within +/- 20 deg band with respect to R2DT target

(ii) Process Improvement

Jamshedpur

Agglomerated Sinter Return Fines (ASRF): ASRF is an inhouse developed new agglomerate for Blast Furnaces. As a sustainable solution to sinter return fines generated at Blast Furnace stock house, the finer fraction (<3.15 mm) of the return fines are being utilized in the preparation of a new agglomerate "ASRF", through pressure briquetting technique followed by natural curing. The feasibility trial was conducted at E BF in July'2020 and based on its success a plant of capacity 300 tpd was installed and till date 20,000 tons of ASRF was consumed in C&E BFs. It has resulted in carbon rate reduction by 1.8 kg/thm for 1% of ASRF charged. In order to use this material on continuous basic, installation another machine of 250 tpd capacity is under progress. It is planned to increase the production overall capacity to 1000 tpd by FY 2023-24.

Establishment of revert granules for sinter making: Reverts (by-products containing Fe, Carbon & flux values) generated inside steel works are recycled through sinter making. The reverts are finer in size (minus 1mm is 67%) hence it has negative impact on sinter bed permeability and sinter productivity. Pilot scale campaigns of pre-granulation technique with a drum setup is established to produce granules (minus 1 mm <10%) from reverts. The pilot setup was installed, the usage of reverts granules in sintering shows productivity improvement by 0.8%.

Kalinganagar

Raw Material Handling System and Logistics Operation:

- Improvement in Reclaiming rate of stacker reclaimer by programming bench mode and LT mode reclaiming
- Reliability of conveyor operation through installation of suspended magnet in tripper conveyor

- Installation of Safety Interlock gate access system during Long travel movement of stacker reclaimer
- Improvement in pile collision detection in PSR by installation of ultrasonic level sensor
- Productivity and elimination of MMI through remote operation of vibro screen in Lime circuit
- Modification in Clamping pad of wagon tippler enabling handling of BOBY rakes in wagon tippler.
- Revival of additional Holding unit of Wagon Tippler 4 for Handling BOY Wagon
- Setting up of Sprinkler system in Solid waste Yard
- Maintaining Ambient temperature in all stackers reclaimer E- house by installation of Industrial AC.
- Elimination of Chute Puncture issues in stacker reclaimer by replacing normal metallic liner with Ferrocer wear liner.
- Elimination of Muda (waste of time, movement and transportation) by installing nut coke screening machine at coke fraction yard itself which was previously in coal yard.
- Ultrasonic testing was done on total 64TKM (outside & RMHS Yard) for detecting the defect on rail.
- Installation of Height barriers at all Rail-Road Junctions (Level Crossings) for maintaining minimum clearances from charged OHE lines.
- Automatic/Motorized Drop Gate Installation at CPDY/Rail Siding, Transport park, Gate 2.
- CCTV's installation for surveillance across Rail yard
- Automatic Number Plate Recording (ANPR) camera for capturing vehicle number at Road WB.
- CCTV installation for surveillance in CPDY and Rail siding.
- Removal of Reach Stacker and Stabilization of Sheet pack Lifter crane and tong at CPDY for safe operation and better space utilization.
- Provision of "STOP" light to avoid ground crew coming under moving load.
- Provision of Stand to reduce change over time from Horizontal tong to Vertical tong and vice versa
- Modification in orientation of hook block of Vertical coil handling tong to accommodate coil in BOXN type wagons
- Paperless transactions at Transport Park

Sinter Plant:

- Maintaining Sinter bin level >60% & maximize online sinter dispatch to improve Sinter yield and lower specific energy consumption.
- Number of Interruptions reduced from 195 to 130

Coke Plant:

- PHCC in the coal blend was reduced from the previous lowest of 14.75% during FY 2020-21 to 9.99%.
- OHCC in the coal blend was reduced from the previous lowest of 19.63% during FY 2020-21 to 18.75%.
- Installation and commissioning of new De-System at JH1 and JH2.

  Benefit- Recycling of coke dust around 5000 Ton/annum, as well as reduction of fugitive emission in the tunnel area thereafter improving working environment.
- Installation and commissioning of Boom loading facility at JH3 (at C107BC head end) to increase CDQ availability, as well as increase BPTG power generation.

  Benefit- 1694 MW additional power generate per annum by eliminating BPTG stoppage during CDQ schedule shutdown.
- Extension of existing IVCS pipe line from L109 head end to L110 head and SPC 1A tail end.

  Benefit- Reduce manual intervention during cleaning by improves mechanizes cleaning and also reduces cleaning manpower from 6 nos. to 2 nos. at any certain timing.

Steel Melting Shop (SMS):

- Improvement in usage of clean scrap from 4.1% in FY 2019-20 to 7.20% in FY 2021-22 resulted into CO_2 reduction of more than 0.0628 t/tcs. Highest ever monthly clean scrap consumption of 18.4 kTons attained in March 2022.
- Electrical Steel Grades: PN60 for POSCO and PN23 for SURAHAMMAR for Electrical Motors application, were exercised successfully for the first time in TSK among all the Tata Steel India units
- Successful Trial of ultra-low S < 20 ppm in API X42 conducted thru LF with achievement of 90% Strike rate. Successful trial of higher nitride capacity slag to control N pickup at LF. We have tried in HS800 to have N2 less than 40 ppm.
- Commercialised high-end API (for Line pipe application) using RH for Vacuum treatment. Efforts made towards import substitution. Total API production in SMS increased from 46,722 tonnes in FY 2019-20 to 1,98,000 tonnes in FY 2021-22.
- Reduction of DS reagent consumption in SMS from 3.11 Kg/tcs in FY 2019-20 to 2.27 Kg/Tcs in FY 2021-22 due to improvement in DS process and routing 79% heats through LRF.
- Successful commissioning & operationalisation of floor mounted Slag retaining device helps in Slag free tapping and for quality steel production
- Flare stack Reliability improvement through dedicated propane burner installation

Hot Strip Mills:

- Achieved best ever production of 3.23 MnT
- Improvement of gross yield to 98.2% by component wise yield monitoring on daily basis in tableau dashboard and taking countermeasure in case on deviation
- Steady Ramp up of API grades rolling with consistent quality with respect to surface, shape & mechanical properties. Produced 180 KT API grade steel in FY 2021-22 with API X70 as major share in it.
- Commissioning of automated Hot Label sticker pasting machine on the conveyor after Down coilers to avoid Rank A defect.

(iii) Product Development

Jamshedpur

- **Corten-A for Container:** Corten-A complying to IRS guidelines, for shipping container application
- **GA Skin panel for MSIL:** First supply partnering with MSIL for CR to GA conversion
- **DP490 CR:** Dual phase CRCA product for automotive skin panel application – first of its kind in India
- **Super IF in GA:** Very high formability coated IF steel for passenger vehicle 'door-inners'.
- **420LA CR:** High strength low carbon micro-alloyed steel for automotive structural application.
- **Fe550SD rebars:** High strength – high ductility rebars for seismic protection – first of its kind in India
- **HC82BCr [LR – HT]:** High strength wire rods for LRPC application to improve drawability and end product properties.
- **HC82BCr [SH – HT]:** High strength wire rods for mono-shock absorber springs
- **PC300K:** Very high strength wire rods for manufacturing 300K LRPC strands – first of its kind in India
- **SAE1038:** Wire rods [5.5 mm] for concrete nail application for exports.

Kalinganagar

Following new Grades were developed:

- **S700MC-3mm for VW:** Successfully developed S700MC grade for auto structural application. This is for VWs "India 2.0" project where VW is incorporated high strength steels in their new SUVs (Taigun, Kushaq etc.). This is a first time in India development with import substitution.
- **JSH590B- 3.6mm for Honda:** Successfully developed JSH590B grade with improved HER (>75%) in thicker section for control arm application.
- **450HF – 12 to 16 mm for RSB:** First time development of 450HF grade for axle housing component. Novelty is in improved hot forming property of YS>450MPa for thicker section along with impact guarantee at -20°C after hot forming.
- **SPFH590HY:** First time development of SPFH590 for fine components and tools Ltd (FCT) with customized property. This is a new application of SPFH590 for auto seating components.
- **SPFH540(Mn/Si):** 5.5 mm for Wheels India Ltd (WIL) – Developed SPFH540 grade for flash butt welded (FBW) wheel rim application in thicker section. This meets the stringent cyclic fatigue test (CFT) guarantee and weldability criteria.
- **YST38 (16-20mm) for WIL:** First time development of thicker (16-20mm) YST38 grade for mining vehicle wheel disc application. Wheel disc component is made through flow forming process and meets the impact requirement at -20 °C.
- **22MnB5 (9.5mm) for Metalsa:** Successfully developed 22MnB5 hot forming grade for heat treated (H&T) long member application.
- **X70-14.5mm for HSAW:** Successfully developed X70, 14.5mm for HSAW application for different customers for demo route trial for pipe-mill.
- **X42-Sour:** First time development of sour API grades with stringent Hydrogen Induced Cracking [HIC] resistance, Sulphide Stress Cracking [SSC] resistance and Stress- Oriented HIC resistance guarantee.
- **S700MC for L&E [ACE, Tadano and JCB]:** Noteworthy development of high strength steel for the L&E structural application with impact toughness guarantee at – 40°C. First time in India with import substitution.
- **ASTM A 572 G.70 for boiler applications:** First time development of boiler grades.

2. Benefits derived from key projects:

Project title	Benefits derived
Jamshedpur	
Recycling of rolls from CRM for use in hot mills.	Cost saving of ₹1.5 Crore/ year
Tracing scum defects in CRCA coils by signal analytics	This has enabled better prediction of defect-pattern along length of coils
Property prediction model and calculator for hot rolled coils based on data analytics to assist in new product design	Improvement in 'first time right' for product development trials, thereby reducing development cycle time.
Debottlenecking of rolling constraint of 110 mm RCS	Production increase by 100 T/shift. Cost saving of ₹7.1 Crore /year
Kalinganagar	
Test wagon modification with Test Weights embedded in it	Ensuring healthiness of In-motion Weigh bridge for eliminating the error during loaded rake weighment
Modification of Re Railing Van for Road and Rail Movement	Minimum time Re railing equipment reaching site without any travel delay effecting production and also safe shifting of re-railing equipment at site
De-railer fabricated (6 numbers) savings of ~24 Lakhs (4 Lakhs/ Derailer)	Positive isolation ensuring safety of workmen on rail yard
Installation of Anti toppling tilt switch in Hywa	This can avoid toppling hazards in moveable hywas
Digital model for sinter size analysis	Improvement in Mean size of Sinter
Digital Twin model for Sinter Plant	Improvement in Reducibility index and Power rate

3. Information regarding imported technology (last three years)

SN.	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	Supply of Plant & Machinery for 300 TPH Hot Metal Granulation	2021-22	Ongoing
4	Equipment for Acid Regeneration Plant at TSJ		
Kalinganagar			
5	2nd Barrel Reclaimer (Make: TAKRAF Tenova) in RMBB Sinter Plant	2020-21	In Operation

4. Expenditure on Research & Development (R&D)

		(₹ Crore)
(a)	Capital	0.74
(b)	Recurring	212.44
(c)	**Total**	**213.18**
(d)	Total R&D expenditure as a % of Total Turnover	0.17%

(C) Foreign Exchange Earnings and Outgo

(₹ Crore)

	FY 2021-22	FY 2020-21
Foreign Exchange Earnings	17,187.78	13,241.53
Value of direct imports (C.I.F. Value)	29,071.56	13,408.18
Expenditure in foreign currency	505.33	412.85

On behalf of the Board of Directors

sd/-

N. CHANDRASEKARAN
Chairman
DIN: 00121863

Mumbai
May 3, 2022

Financial Statements

Highlights

Standalone

Consolidated

FINANCIAL HIGHLIGHTS

(₹ crore)

	Tata Steel Standalone		Tata Steel Group	
	2021-22	2020-21	2021-22	2020-21
Revenue from operations	1,29,021.35	84,132.92	2,43,959.17	1,56,477.40
Profit/(loss) before tax	44,090.65	18,609.84	50,226.87	13,843.69
Profit/(loss) after tax	33,011.18	17,077.97	41,749.32	8,189.79
Dividends	3,007.08	1,145.92	3,004.16	1,144.75
Retained earnings	76,498.67	46,480.00	55,647.78	16,476.70
Capital employed	1,70,045.84	1,40,768.39	2,04,985.59	1,75,251.28
Net worth	1,25,433.76	95,185.12	1,17,098.46	77,508.45
Borrowings	36,524.51	37,065.49	75,561.35	88,501.41
	Ratio		**Ratio**	
Net debt to Equity	0.30	0.32	0.52	0.98
	₹		₹	
Net worth per Share as at year end	1,027.23	816.83	969.24	676.40
Earnings per Share:				
Basic	270.33	145.00	332.35	63.78
Diluted	270.13	144.99	332.09	63.78
Dividend per Ordinary Share	51.00	25.00	51.00	25.00
Employees (Numbers)	35,927	36,896	72,551	73,962
Shareholders (Numbers)	15,87,315	8,73,198		

FINANCIAL RATIOS

		Tata Steel Standalone		Tata Steel Group	
		2021-22	2020-21	2021-22	2020-21
1.	EBITDA/Turnover	39.88%	32.50%	26.16%	19.74%
2.	PBET/Turnover	34.36%	21.24%	20.64%	9.51%
3.	Return on average capital employed	29.59%	15.61%	29.13%	11.66%
4.	Return on average net worth	29.93%	19.80%	42.91%	10.66%
5.	Asset turnover	72.30%	58.46%	89.99%	66.64%
6.	Inventory turnover (in days)	47	64	62	78
7.	Debtors turnover (in days)	9	10	16	21
8.	Gross block to net block	1.31	1.26	1.58	1.54
9.	Net debt to equity	0.30	0.32	0.52	0.98
10.	Current ratio	0.62	1.00	1.07	0.94
11.	Interest service coverage ratio	22.84	5.81	12.82	3.39
12.	Net worth per share (₹)	1,027.23	816.83	969.24	676.40
13.	Basic earnings per share (₹)	270.33	145.00	332.35	63.78
14.	Dividend payout	19%	18%	15%	37%
15.	P/E ratio	4.84	5.60	3.93	12.73

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
1992-93	4,126	3,739	2,435	2,477	575	78	122	163	-	7	1,179	2,084
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

* Includes production details of erstwhile Tata Steel BSL Limited pursuant to the merger (refer note 44, page 385 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
2019-20	3,421.13	73,416.99	41,422.87	1,00,072.72	79,480.43	50,096.07	60,840.09	50,308.99	3,920.12	6,610.98	(132.82)	6,743.80	1,787.38 #
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**

^ 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.

paid during the year and includes tax on dividend.

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	
1992-93	–	–	–	–	–	2.50 [a]	6,482.21	–	6,482.21
1993-94	–	–	–	–	–	3.00 [b]	9,655.44	–	9,655.44
1994-95	–	–	–	–	–	3.50 [c]	11,823.94	–	11,823.94
1995-96	–	–	–	–	–	4.50 [d]	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 [e,f]	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 [g]	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 [h]	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

a On the Capital as increased by Rights Issue of Ordinary Shares during the financial year 1992-93.

b On the Capital as increased by Ordinary Shares issued during the financial year 1993-94 against Detachable Warrants.

c On the Capital as increased by Ordinary Shares issued during the financial year 1994-95 against Detachable Warrants and Foreign Currency Convertible Bonds.

d 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.

e Includes Dividend of ₹22.30 lakh on 9.25% Cumulative Redeemable Preference Shares for the period April 1, 2000 to June 27, 2000.

f Includes Dividend of ₹1,198.40 lakh on 8.42% Cumulative Redeemable Preference Shares for the period June 1, 2000 to March 31, 2001.

g Dividend paid for 74 days.

h 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.

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, 2022, 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 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, 2022, 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 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 44 to the standalone financial statements in respect of Composite Scheme of Amalgamation (the "Scheme") between the Company and its subsidiaries, namely Tata Steel BSL Limited and Bamnipal Steel Limited ("Transferor Companies"), from the appointed date of April 1, 2019, as approved by National Company Law Tribunal vide its order dated October 29, 2021. However, the accounting treatment pursuant to the Scheme has been given effect to from the date required under Ind AS 103 - Business Combinations, which is the beginning of the preceding period presented i.e. April 1, 2020. Accordingly, the figures for the year ended March 31, 2021 have been restated to give effect to the aforesaid merger. Our opinion is not modified in respect of this matter.

Key audit matters

5. Key audit matters are those matters that, in our professional judgment, 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 36 (A) to the Standalone Financial Statements – "Contingencies" and Note 37 to the Standalone financial statements – "Other significant litigations"]. As at March 31, 2022, 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 inquired with the management for recent developments and the status of the material litigations which were reviewed and noted by the Audit Committee; • 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 subsidiaries, associates and joint ventures and fair value of other investments [Refer to Note 2 (c) to the Standalone Financial Statements – "Use of estimates and critical accounting judgements – Impairment and fair value measurements of financial instruments", Note 2 (m) to the Standalone Financial Statements – "Investments in subsidiaries, associates and joint ventures", Note 2(n)(I) to the Standalone Financial Statements – "Financial assets", Note 6 to the Standalone Financial Statements – "Investments in subsidiaries, associates and joint ventures", Note 7 to the Standalone Financial Statements – "Investments" and Note 39 (b) to the Standalone Financial Statements – "Fair value hierarchy"] The Company has investments in various subsidiaries, associates, joint ventures and other companies and also has made investments in preference shares in certain subsidiaries/associates. The Company accounts for investments in subsidiaries, associates and joint ventures at cost (subject to impairment assessment) and other investments at fair value. For investments carried at cost amounting to ₹29,167.38 crore where an indication of impairment exists, the carrying value of investment is assessed for impairment and where applicable an impairment provision is recognised. During the year, the Company has also invested ₹12,700 crore in certain preference shares of a subsidiary which are initially recorded at fair values and subsequently, carried at amortised cost. For investments carried at or initially recorded at fair values, a fair valuation is done at the year-end or at the time of initial recording, as applicable, in accordance with Ind AS 109. In case of certain investments, cost is considered as an appropriate estimate of fair value since there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range as permitted under Ind AS 109. The accounting for investments is a Key Audit Matter as the determination of recoverable value for impairment assessment/fair valuation involves significant management judgement and estimates. The impairment assessment and fair valuation for such investments have been carried out by the management in accordance with Ind AS 36 and Ind AS 113 respectively. The key inputs and judgements involved in the impairment/ fair valuation assessment of unquoted investments include: • Forecast cash flows including assumptions on growth rates • Discount rates • Terminal growth rate Economic and entity specific factors incorporated in the valuation.	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 and fair valuation of material investments. • We evaluated the Company's process regarding impairment assessment and fair valuation by involving auditor's valuation experts, where considered necessary, to assist in assessing the appropriateness of the valuation model including the independent assessment of the underlying assumptions relating to discount rate, terminal value etc. • We assessed the carrying value/fair value calculations of all individually material investments, where applicable, to determine whether the valuations performed by the Company were within an acceptable range determined by us and the auditor's valuation experts. • We evaluated the cash flow forecasts (with underlying economic growth rate) 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. • We assessed the sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to impairment or material change in fair valuation. • We discussed with the component auditors of certain entities to develop an understanding of the operating performance and outlook used in their own valuation model and to assess consistency with the assumptions used in the model. • We had inquired with management to obtain an understanding of the relevant factors in respect of certain investments carried at fair value where a wide range of fair values were possible due to various factors such as absence of recent observable transactions, restrictions on transfer of shares, existence of multiple valuation techniques, investee's varied nature of portfolio of investments for which significant estimates/judgements are required to arrive at fair value. • We have discussed the key assumptions and sensitivities for certain investments with those charged with governance. • We evaluated the adequacy 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 subsidiaries, associates and joint ventures and fair value of other investments.

Key audit matter	How our audit addressed the key audit matter
Business Combination under Common Control – Merger Accounting of Tata Steel BSL Limited (TSBSL) and Bamnipal Steel Limited (BSL) [Refer to Note 2 (t) to the Standalone Financial Statements – "Business combination under common control" and Note 44 to the Standalone Financial Statements]. Pursuant to the National Company Law Tribunal (NCLT) Order dated October 29, 2021, subsidiaries of the Company viz. TSBSL and BSL ("Transferor Companies") were merged with the Company. The Company has accounted for the business combination using the pooling of interest method in accordance with Appendix C of Ind AS 103 – Business Combination (the 'Standard'). The carrying value of the assets and liabilities of the subsidiaries as at April 1, 2020 (being the beginning of the previous period presented), as appearing in the consolidated financial statements of the Company before the merger have been incorporated in the books with merger adjustments, as applicable. The Company has allotted 1,82,23,805 fully paid-up equity shares to the eligible shareholders of the erstwhile subsidiary (TSBSL) in accordance with the Scheme. The Company has recognised capital reserve of ₹1,728.36 crore directly in "Other Equity". Considering the magnitude and complex accounting involved, the aforesaid business combination treatment in standalone financial statements has been considered to be a key audit matter.	Our audit procedures included the following: • We understood from the management, assessed and tested the design and operating effectiveness of the Company's key controls over the accounting of business combination. • We have traced the assets, liabilities, tax losses of TSBSL and BSL from the audited special purpose financial statements / financial information received from the other auditors under our audit instructions. • We have recomputed the value of fully paid-up equity shares issued as the consideration with reference to the NCLT Order. • We tested management's assessment of accounting for the business combination and determined that it was appropriately accounted for in accordance with Ind AS 103 Business Combination. • We tested the management's computation of determining the amount determined to be recorded in the capital reserve. • We also assessed the adequacy and appropriateness of the disclosures made in the standalone financial statements. Based on the above work performed, the management's accounting for the merger of TSBSL and BSL with the Company is in accordance with the Appendix C of Ind-AS 103 Business Combination.

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 2021-22') 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 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 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 judgment and maintain professional scepticism 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 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 Matter

14. In accordance with the Scheme referred to in Note 44 to the standalone financial statements, the figures for the year ended March 31, 2021 have been restated to include the special purpose financial information of the Transferor Companies which reflect total assets of ₹37,325.07 crore as at March 31, 2021, net assets of ₹20,403.21 crore as at March 31, 2021, total revenue of ₹21,719.08 crore, total net profit after tax of ₹2,464.13 crore and total comprehensive income of ₹2,467.53 crore for the year ended March 31, 2021 and cash flows (net) of ₹4.01 crore for the period from April 1, 2020 to March 31, 2021. The said special purpose financial information of the Transferor Companies have been audited by other auditors, whose reports have been furnished to us and have been relied upon by us. We have audited the adjustments made by the management consequent to the merger of the Transferor Companies with the Company to arrive at restated figures for the year ended March 31, 2021.

Our opinion is not modified in respect of above matter.

Report on other legal and regulatory requirements

15. 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.

16. 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 Cash Flows 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, 2022 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, 2022 on its financial position in its standalone financial statements – Refer Notes 36A and 37 to the standalone financial statements;

        ii. The Company has made provision as at March 31, 2022, as required under the applicable law or accounting standards, for material foreseeable losses, if any, 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, 2022 except for amounts aggregating to ₹6.33 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 accounts, 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 Note 8(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 Note 8(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.

17. 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

Russell I Parera
Partner
Membership Number: 042190
UDIN: 22042190AIIFAN8643

Place: Mumbai
Date: May 3, 2022

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 16(f) of the Independent Auditor's Report of even date to the members of Tata Steel Limited on the Standalone Financial Statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to 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 financial statements of Tata Steel Limited ("the Company") as of March 31, 2022 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 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to 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 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 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 financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, 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

Russell I Parera
Partner
Membership Number: 042190
UDIN: 22042190AIIFAN8643

Place: Mumbai
Date: May 3, 2022

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 15 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, 2022

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	105.88	Not Applicable	No	January, 1960 to April, 2020	Title Deeds not available with the Company
Freehold Land	262.76	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	161.27	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	
Freehold Land	59.90	Tata SSL Limited	No	July, 1988	
Buildings	46.37	Tata SSL Limited	No	January, 1987 to January, 2007	
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	11.73	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 pursuant to National Company Law Tribunal Order dated October 29, 2021, dates have been considered with effect from the merger set out in Note 44 to the standalone financial statements.

(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 crores, 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	June 30, 2021	6,973.00	6,409.24	563.76	Incorrect amount of Creditors for Goods under Non-LC & others (net of short reporting of ₹50.51 crore on Creditors for Goods under LC)
State Bank of India and consortium of banks	2,000.00	Refer Note below	September 30, 2021	6,281.30	5,754.56	526.74	Incorrect amount of Creditors for Goods under Non-LC & others (net of short reporting of ₹54.53 crores on Creditors for Goods under LC)
State Bank of India and consortium of banks	2,000.00	Refer Note below	December 31, 2021	14,533.00	14,007.35	525.65	Incorrect amount of Creditors for Goods under Non-LC & others (net of short reporting of ₹30.66 crores on Creditors for Goods under LC)
State Bank of India and consortium of banks	2,000.00	Refer Note below	March 31, 2022	16,857.04	16,332.53	524.51	Incorrect amount of Creditors for Goods under Non-LC & others (net of short reporting of ₹9.18 crores on Creditors for Goods under LC)

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.

Also refer Note 19(iv) to the standalone financial statements.

iii. (a) The Company has, during the year, made investments in seven companies and twenty-two mutual fund schemes, granted unsecured loans to eight companies and seventy employees, stood guarantee for one company and provided security of certain current assets to eighteen banks against working capital facilities from the banks (including securities in place in respect of working capital facilities rolled-over/renewed during the year). The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans, guarantees and securities to subsidiaries, joint ventures and associates and to parties other than subsidiaries, joint ventures and associates are as per the table given below:

Particulars	Guarantees (₹ crore)	Securities (₹ crore)	Loans (₹ crore)
Aggregate amount granted/ provided during the year			
Subsidiaries	429.66	-	23,014.75
Joint Ventures	-	-	0.08
Associates	-	-	100.00
Others	-	6,350.00	0.74
Balance outstanding (gross) as at balance sheet date in respect of the above cases			
Subsidiaries	429.66		23,267.50*
Joint Ventures	-		-
Associates	-	-	100.00
Others	-	2,000.00	0.55

* includes foreign currency amounts restated at applicable exchange rate as on the balance sheet date

The above amounts are included in Note 8 on Loans, Note 19(ii)(b) on Borrowings and Note 36(B) on Commitments to the standalone financial statements.

(b) In respect of the aforesaid investments, guarantees, securities and loans, the terms and conditions under which such investments were made, guarantees provided, securities 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 crores (fully provided in books) where no schedule of repayment of principal and payment of interest has been stipulated. Except for the aforesaid instances (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 instances, 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	1,461 days - 2,056 days	The amounts pertain to principal and interest, which are overdue as at March 31, 2022. The company is under corporate insolvency resolution process. The Company has filed its claim as financial creditor. The amounts are fully provided in books.
Tata Steel KZN (Pty) Ltd.	558.95	Multiple Dates	2,374 days – 2,831 days	The amounts pertain to principal and interest, which are overdue as at March 31, 2022. The amounts are fully provided in books. The company is liquidated.
Subarnarekha Port Private Limited	5.71	Multiple Dates	199 days – 564 days	The amounts pertain to interest, which has been paid by the party with delays.
Tata Steel Mining Limited	80.53	December 17, 2021	4 days – 13 days	The amounts pertain to principal and interest, which have been repaid/paid by the party with delays.
Tata Steel Special Economic Zone Limited	5.99	March 31, 2021	365 days	The amount pertains to interest.

(d) In respect of the following loans, the total amount overdue for more than ninety days as at March 31, 2022 is ₹640.25 crores. Based on the information and explanations given to us, the entities are under corporate insolvency resolution process/ liquidated 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
Two	625.95	14.30	640.25	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/advances in nature of loan.

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 Special Economic Zone Limited	70.03	0.30%
Tata Steel Mining Limited	230.00	1.00%
Subarnarekha Port Private Limited	49.00	0.21%
Tata Steel Downstream Products Limited	10.00	0.04%
Tata Steel Holdings Pte. Ltd.	1,516.00	6.56%

The above amounts are included in Note 8 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, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, goods and services tax and labour welfare fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including sales tax, service tax, duty of customs, duty of excise, value added tax, cess 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.

(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, 2022 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	1,940.52	1,131.51	1998-1999, 2006-2008, 2009-2012, 2013-2014, 2015-2016	Tribunal
		197.47	124.12	2010-2011, 2014-2016, 2017-2018	Commissioner (Appeals)
Customs Act, 1962	Customs Duty	3.14	0.03	2002-2005, 2017-2018	Commissioner
		160.48	57.20	1977-1978, 1980-1981, 1983-1985, 1987-1988, 1989-1999, 2000-2002, 2003-2010, 2013-2019	Tribunal
		15.17	1.91	1993-1994, 2002-2003, 2017-2021	High Court
Central Excise Act, 1944	Excise Duty	0.66	0.03	2006-2008, 2012-2017	Additional Commissioner
		8.11	4.65	1988-1990, 1996-1997, 1998-1999, 2013-2017, 2006-2008, 2021-2022	Commissioner
		10.41	1.41	2006-2008, 2012-2017	Joint Commissioner
		551.13	36.65	1977-1978, 1980-1981, 1983-1985, 1987-1988, 1989-1999, 2000-2002, 2003-2009, 2013-2016	Tribunal
		33.12	0.10	1989-1990, 2003-2009	High Court
Goods & Services Tax Act, 2017	Goods & Services Tax	0.75	0.04	2018-2020	Assistant Commissioner
		0.16	-	2018-2019	Deputy Commissioner
		0.05	-	2017-2018	Commissioner
Sales Tax Laws	Sales Tax	27.32	2.36	1983-1984, 2002-2003, 2011-2014, 2015-2016	Additional Commissioner
		17.54	3.71	1973-1974, 1980-1999, 1977-1978, 2000-2002, 2003-2010, 2013-2018	Assistant Commissioner
		92.79	2.99	1975-1976, 1983-1989, 1994-1995, 1997-2003, 2004-2019, 2021-2022	Deputy Commissioner
		179.06	4.56	1988-1990, 1991-1992, 1993-1995, 2001-2004, 2014-2015	Commissioner
		304.64	-	1993-1994, 2002-2004, 2006-2007, 2011-2013, 2014-2018	Joint Commissioner
		63.27	9.26	1977-1978, 1980-1981, 1983-1985, 1987-1988, 1989-1999, 2000-2002, 2003-2010, 2013-2016	Tribunal
		26.82	10.80	1977-1979, 1983-1984, 1991-1993, 1995-1997, 2000-2004, 2008-2009	High Court

(Table Contd.)

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 (VAT)	2.54	0.46	2005-2006, 2011-2015	Additional Commissioner
		0.68	0.12	1997-1998, 2005-2007, 2014-2015, 2016-2018	Assistant Commissioner
		164.52	3.38	2004-2018	Deputy Commissioner
		13.75	0.08	2006-2011, 2012-2015	Commissioner
		135.13	2.89	2011-2014, 2015-2018	Joint Commissioner
		21.87	2.61	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	0.75	0.03	2013-2018	Assistant Commissioner
		2.75	0.10	2004-2008, 2012-2013, 2015-2017	Commissioner
		3.30	-	2016-2018	Joint Commissioner
		372.91	14.14	2007-2018	Tribunal
		0.30	-	2010-2011	High Court
Coal Mines Deposit Linked Insurance Scheme, 1976	Coal Mines Deposit Linked Insurance	19.12	-	1980-1981	Commissioner
		26.49	-	1979 - 1980	High Court
The Jharkhand Mineral Bearing Lands (Covid - 19 Pandemic) Cess Act, 2020	Covid Cess	3.37	15.47	2020-2022	High Court
Bihar Electricity Duty Act, 1948	Electricity Duty	5.36	-	2006-2014	Commercial Tax Officer
		7.78	-	2012-2013, 2014-2016	Deputy Commissioner
		8.17	0.03	2002-2003, 2008-2014	State Tax Officer
		0.31	-	1976-1980, 2004-2008	Tribunal
Employee State Insurance Act, 1948	Employee State Insurance	21.37	-	1996-1997, 2010-2014	High Court
Entry Tax Act	Entry Tax	14.63	-	2008-2009, 2011-2012, 2014-2016	Assessing Officer
		0.06	0.04	2014-2015	Additional Commissioner
		0.37	4.86	2009-2021	Assistant Commissioner
		0.95	0.56	2001-2002, 2005-2007	Deputy Commissioner
		4.16	0.24	2007-2011, 2017-2018	Commissioner
		0.11	0.24	2008-2012	Joint Commissioner
		1.19	1.21	2007-2011	Tribunal
		953.08#	144.19	1999-2000, 2005-2018	High Court

(Table Contd.)

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
Mines and Mineral (Development and Regulation) Act, 1957	Excess Mining / Common Cause	2,375.04	-	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
		-	671.35	2000-2017	Supreme 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	2,706.57#	134.87	2010-2020	Indian Bureau Of Mines
		16.78	1.75	2010-2020	Deputy District Mines
		2,191.00	1,173.00	2014-2015	Supreme Court
Indian Stamp Act, 1899	Stamp Duty	5,165.00*	414.00	2013-2014	High Court
Jharkhand Forest Produce (Regulation of Transit) Rules, 2020	Transit Fee	35.18	88.02	2021-2021	Supreme Court
State Water Tax Laws	Water Tax	1,308.30#	498.47	1980-1994, 1995-2021	High Court

includes amounts provided for applicable periods based on demands following the same principle

* represents potential amount where the Company has challenged the constitution of the Act.

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
Central Excise Act, 1944	Excise Duty	235.48	2004-2005	Supreme Court
		16.34	2009-2010	Tribunal
Orissa Rural Infrastructure and Socio Economic Development Act, 2005	Orissa Rural Infrastructure and Socio Economic Development Cess	11,023.93#	2004—2005 and onwards	Supreme Court

includes amounts provided for applicable periods based on demands following the same principle

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.

(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 the Company has used funds raised on short-term basis aggregating ₹3,539 crores for long-term purposes.

(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 and through debt instruments by way of further public offer 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, other than ₹2.72 crore, out of the proceeds from further public offer received during the year which remains unutilised as of March 31, 2022.

(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. 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 six 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

Russell I Parera
Partner
Membership Number: 042190
UDIN: 22042190AIIFAN8643

Place: Mumbai
Date: May 3, 2022

BALANCE SHEET
as at March 31, 2022

(₹ crore)

	Note	Page	As at March 31, 2022	As at March 31, 2021
Assets				
I Non-current assets				
(a) Property, plant and equipment	3	310	87,946.22	90,404.59
(b) Capital work-in-progress	3	312	14,159.32	10,499.49
(c) Right-of-use assets	4	314	5,538.18	5,882.96
(d) Intangible assets	5	316	806.03	855.73
(e) Intangible assets under development	5	317	382.64	408.79
(f) Investments in subsidiaries, associates and joint ventures	6	318	29,167.38	28,197.11
(g) Financial assets				
(i) Investments	7	323	14,234.05	890.22
(ii) Loans	8	328	30,195.27	7,570.10
(iii) Derivative assets			133.21	42.52
(iv) Other financial assets	9	330	1,211.81	341.67
(h) Non-curent tax assets (net)			3,620.76	3,496.49
(i) Other assets	11	333	3,301.78	2,626.86
Total non-current assets			**1,90,696.65**	**1,51,216.53**
II Current assets				
(a) Inventories	12	334	19,942.94	12,857.51
(b) Financial assets				
(i) Investments	7	323	96.11	7,096.80
(ii) Trade receivables	13	334	3,280.30	2,878.58
(iii) Cash and cash equivalents	14	336	2,671.59	2,221.31
(iv) Other balances with banks	15	336	183.70	175.59
(v) Loans	8	328	2,368.01	1,564.37
(vi) Derivative assets			89.54	66.93
(vii) Other financial assets	9	330	718.30	869.61
(c) Current tax assets			-	71.58
(d) Other assets	11	333	1,939.08	1,088.50
Total current assets			**31,289.57**	**28,890.78**
III Assets held for sale			-	383.62
Total assets			**2,21,986.22**	**1,80,490.93**
Equity and liabilities				
IV Equity				
(a) Equity share capital	16	337	1,222.37	1,198.78
(b) Hybrid perpetual securities	17	341	-	775.00
(c) Other equity	18	341	1,24,211.39	93,211.34
Total equity			**1,25,433.76**	**95,185.12**
V Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	19	346	20,290.81	31,545.41
(ii) Lease liabilities			3,726.90	4,013.62
(iii) Derivative liabilities			10.18	71.20
(iv) Other financial liabilities	20	351	883.23	458.61
(b) Provisions	21	351	2,685.00	2,572.23
(c) Retirement benefit obligations	22	352	2,315.91	2,144.45
(d) Deferred income	23	353	0.74	1.51
(e) Deferred tax liabilities (net)	10	331	8,087.57	8,517.78
(f) Other liabilities	24	353	4,887.29	5,913.40
Total non-current liabilities			**42,887.63**	**55,238.21**
VI Current liabilities				
(a) Financial liabilities				
(i) Borrowings	19	346	11,984.66	984.68
(ii) Lease liabilities			522.14	521.78
(iii) Trade payables	25	354		
(a) Total outstanding dues of micro and small enterprises			678.20	316.74
(b) Total outstanding dues of creditors other than micro and small enterprises			20,412.94	13,109.47
(iv) Derivative liabilities			81.48	84.43
(v) Other financial liabilities	20	351	5,137.54	4,618.54
(b) Provisions	21	351	1,082.42	1,076.91
(c) Retirement benefit obligations	22	352	114.99	116.10
(d) Deferred income	23	353	67.84	34.44
(e) Current tax liabilities (net)			1,079.69	653.75
(f) Other liabilities	24	353	12,502.93	8,550.76
Total current liabilities			**53,664.83**	**30,067.60**
Total equity and liabilities			**2,21,986.22**	**1,80,490.93**
Notes forming part of the financial statements	1 - 52			

In terms of our report attached

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

sd/-
Russell I Parera
Partner
Membership Number 042190

Mumbai, May 3, 2022

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
DIN: 00024713

sd/-
Mallika Srinivasan
Independent Director
DIN: 00037022

sd/-
O. P. Bhatt
Independent Director
DIN: 00548091

sd/-
Farida Khambata
Independent Director
DIN: 06954123

sd/-
David W. Crane
Independent Director
DIN: 09354737

sd/-
V. K. Sharma
Independent Director
DIN: 02449088

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, 2022

(₹ crore)

		Note	Page	Year ended March 31, 2022	Year ended March 31, 2021
I	Revenue from operations	26	355	1,29,021.35	84,132.92
II	Other income	27	356	1,452.02	755.11
III	**Total income**			**1,30,473.37**	**84,888.03**
IV	**Expenses:**				
	(a) Cost of materials consumed			35,256.98	20,757.04
	(b) Purchases of stock-in-trade			4,089.03	1,688.84
	(c) Changes in inventories of finished and semi-finished goods, stock-in-trade and work-in-progress	28	356	(1,820.87)	2,176.56
	(d) Employee benefits expense	29	357	6,365.80	5,741.94
	(e) Finance costs	30	357	2,792.08	4,541.02
	(f) Depreciation and amortisation expense	31	357	5,463.69	5,469.26
	(g) Other expenses	32	358	36,458.65	27,966.07
				88,605.36	**68,340.73**
	Less: Expenditure (other than interest) transferred to capital and other accounts			2,458.09	1,321.24
	Total expenses			**86,147.27**	**67,019.49**
V	**Profit before exceptional items and tax (III-IV)**			**44,326.10**	**17,868.54**
VI	**Exceptional items:**	33	359		
	(a) Profit/(loss) on sale of non-current investments			343.68	1,084.85
	(b) Provision for impairment of investments/doubtful advances (net)			(93.22)	149.74
	(c) Employee separation compensation			(330.81)	(443.55)
	(d) Restructuring and other provisions			(204.84)	-
	(e) Gain/(loss) on non-current investments classified as fair value through profit and loss (net)			49.74	(49.74)
	Total exceptional items			**(235.45)**	**741.30**
VII	**Profit before tax (V+VI)**			**44,090.65**	**18,609.84**
VIII	**Tax expense:**				
	(a) Current tax			11,611.94	(1,329.78)
	(b) Deferred tax			(532.47)	2,861.65
	Total tax expense			**11,079.47**	**1,531.87**
IX	**Profit for the year(VII-VIII)**			**33,011.18**	**17,077.97**
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			7.57	84.64
	(b) Fair value changes of investments in equity shares			654.92	333.55
	(ii) Income tax on items that will not be reclassified subsequently to profit and loss			(69.79)	(27.40)
	B (i) Items that will be reclassified subsequently to profit and loss				
	(a) Fair value changes of cash flow hedges			136.57	27.56
	(ii) Income tax on items that will be reclassified subsequently to profit and loss			(34.37)	(6.94)
	Total other comprehensive income/(loss) for the year			**694.90**	**411.41**
XI	**Total comprehensive income/(loss) for the year (IX+X)**			**33,706.08**	**17,489.38**
XII	**Earnings per share**	34	360		
	Basic (₹)			270.33	145.00
	Diluted (₹)			270.13	144.99
XIII	**Notes forming part of the financial statements**	1 - 52			

In terms of our report attached

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

sd/-
Russell I Parera
Partner
Membership Number 042190

Mumbai, May 3, 2022

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
DIN: 00024713

sd/-
Mallika Srinivasan
Independent Director
DIN: 00037022

sd/-
O. P. Bhatt
Independent Director
DIN: 00548091

sd/-
Farida Khambata
Independent Director
DIN: 06954123

sd/-
David W. Crane
Independent Director
DIN: 09354737

sd/-
V. K. Sharma
Independent Director
DIN: 02449088

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, 2022

A. Equity share capital

(₹ 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**

(₹ crore)

Balance as at April 1, 2020	Changes during the year	Balance as at March 31, 2021
1,146.13	52.65	**1,198.78**

B. Hybrid perpetual securities

(₹ crore)

Balance as at April 1, 2021	Changes during the year	Balance as at March 31, 2022
775.00	(775.00)	**-**

(₹ crore)

Balance as at April 1, 2020	Changes during the year	Balance as at March 31, 2021
2,275.00	(1,500.00)	**775.00**

C. Other equity

(₹ crore)

	Retained earnings (refer note 18A, page 341)	Items of other comprehensive income (refer note 18B, page 342)	Other reserves (refer note 18C, page 343)	Shares pending issue (refer note 18D, page 345)	Share application money pending allotment (refer note 18E, page 345)	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**

STATEMENT OF CHANGES IN EQUITY (CONTD.)

for the year ended March 31, 2022

C. Other equity (Contd.)

(₹ crore)

	Retained earnings (refer note 18A, page 341)	Items of other comprehensive income (refer note 18B, page 342)	Other reserves (refer note 18C, page 343)	Shares pending issue (refer note 18D, page 345)	Share application money pending allotment (refer note 18E, page 345)	Total
Balance as at April 1, 2020	**30,803.97**	**(250.42)**	**43,289.21**	**18.21**	**-**	**73,860.97**
Profit for the year	17,077.97	-	-	-	-	17,077.97
Other comprehensive income for the year	64.01	347.40	-	-	-	411.41
Total comprehensive income for the year	**17,141.98**	**347.40**	**-**	**-**	**-**	**17,489.38**
Subscription to final call on equity shares	-	-	3,185.84	-	-	3,185.84
Equity issue expenses written (off)/back	-	-	(1.36)	-	-	(1.36)
Dividend[(i)]	(1,145.92)	-	-	-	-	(1,145.92)
Distribution on hybrid perpetual securities	(242.34)	-	-	-	-	(242.34)
Tax on distribution on hybrid perpetual securities	60.99	-	-	-	-	60.99
Transfer within equity	(138.68)	138.68	-	-	-	-
Application money received	-	-	-		3.78	3.78
Balance as at March 31, 2021	**46,480.00**	**235.66**	**46,473.69**	**18.21**	**3.78**	**93,211.34**

(i) Dividend paid during the year ended March 31, 2022 is ₹**25.00** per Ordinary share (face value ₹10 each, fully paid-up) and ₹**6.25** per Ordinary Share (face value ₹10 each, partly paid-up ₹2.504 per share) (March 31, 2021 ₹10.00 per Ordinary Share of face value ₹10 each, fully paid-up and ₹2.504 per Ordinary Share of face value ₹10 each, partly paid-up ₹2.504 per share).

D) Notes forming part of the financial statements — Note 1-52

In terms of our report attached

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

sd/-
Russell I Parera
Partner
Membership Number 042190

Mumbai, May 3, 2022

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
DIN: 00024713

sd/-
Mallika Srinivasan
Independent Director
DIN: 00037022

sd/-
O. P. Bhatt
Independent Director
DIN: 00548091

sd/-
Farida Khambata
Independent Director
DIN: 06954123

sd/-
David W. Crane
Independent Director
DIN: 09354737

sd/-
V. K. Sharma
Independent Director
DIN: 02449088

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 CASH FLOWS

for the year ended March 31, 2022

(₹ crore)

	Year ended March 31, 2022		Year ended March 31, 2021	
(A) Cash flows from operating activities:				
Profit before tax		**44,090.65**		**18,609.84**
Adjustments for:				
Depreciation and amortisation expense	5,463.69		5,469.26	
Dividend Income	(243.92)		(68.11)	
(Gain)/loss on sale of property, plant and equipment including intangible assets (net of loss on assets scrapped/written off)	(17.28)		(22.88)	
Exceptional (income)/expenses	235.45		(741.30)	
(Gain)/loss on cancellation of forwards, swaps and options	(39.05)		2.72	
Interest income and income from current investments and guarantees	(1,125.57)		(539.13)	
Finance costs	2,792.08		4,541.02	
Foreign exchange (gain)/loss	(851.60)		(20.33)	
Other non-cash items	2.25		(3.89)	
		6,216.05		**8,617.36**
Operating profit before changes in non-current/current assets and liabilities		**50,306.70**		**27,227.20**
Adjustments for:				
Non-current/current financial and other assets	(1,119.44)		(277.78)	
Inventories	(7,072.78)		2,664.03	
Non-current/current financial and other liabilities/provisions	11,111.87		8,313.57	
		2,919.65		10,699.82
Cash generated from operations		**53,226.35**		**37,927.02**
Income taxes paid (net of refund)		(11,240.23)		(372.25)
Net cash from/(used in) operating activities		**41,986.12**		**37,554.77**
(B) Cash flows from investing activities:				
Purchase of capital assets	(6,288.29)		(2,266.22)	
Sale of capital assets	132.61		36.25	
Purchase of investments in subsidiaries	(12,897.00)		(937.07)	
Purchase of other non-current investments	(55.39)		(64.41)	
Sale of investments in subsidiaries	-		21.06	
Sale of other non-current investments	9.99		-	
(Purchase)/sale of current investments (net)	7,183.31		(3,630.50)	
Loans given	(23,104.83)		(8,124.74)	
Repayment of loans given	483.74		788.94	
Principal receipts under sublease	1.43		2.80	
Fixed/restricted deposits with banks (placed)/realised	(21.60)		179.70	
Interest and guarantee commission received	144.32		260.86	
Dividend received from subsidiaries	113.89		25.20	
Dividend received from associates and joint ventures	109.64		23.43	
Dividend received from others	20.39		19.48	
Net cash from/(used in) investing activities		**(34,167.79)**		**(13,665.22)**

STATEMENT OF CASH FLOWS (CONTD.)

for the year ended March 31, 2022

(₹ crore)

	Year ended March 31, 2022		Year ended March 31, 2021	
(C) Cash flows from financing activities:				
Proceeds from issue of equity shares (net of issue expenses)	325.72		3,240.91	
Proceeds from long-term borrowings (net of issue expenses)	36.88		9,777.19	
Repayment of long-term borrowings	(9,380.72)		(20,275.68)	
Proceeds/(repayments) of short-term borrowings (net)	8,794.21		(8,447.60)	
Payment of lease obligations	(483.03)		(488.39)	
Amount received/(paid) on utilisation/cancellation of derivatives	33.33		31.35	
Repayment of hybrid perpetual securities	(775.00)		(1,500.00)	
Distribution on hybrid perpetual securities	(44.19)		(266.25)	
Interest paid	(2,868.17)		(4,311.10)	
Dividend paid	(3,007.08)		(1,145.92)	
Net cash from/(used in) financing activities		**(7,368.05)**		**(23,385.49)**
Net increase/(decrease) in cash and cash equivalents		**450.28**		**504.06**
Opening cash and cash equivalents (refer note 14, page 336)		**2,221.31**		**1,717.25**
Closing cash and cash equivalents (refer note 14, page 336)		**2,671.59**		**2,221.31**

(i) Significant non-cash movements in borrowings during the year include:

(a) amortisation/effective interest rate adjustments of upfront fees ₹**138.99** crore (2020-21: ₹172.44 crore).

(b) exchange loss ₹**137.10** crore (2020-21: gain ₹125.16 crore).

(c) adjustments to lease obligations, increase ₹**196.68** crore (2020-21: increase ₹126.01 crore).

(D) Notes forming part of the financial statements — **Note 1-52**

In terms of our report attached

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

sd/-
Russell I Parera
Partner
Membership Number 042190

Mumbai, May 3, 2022

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
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Chief Executive Officer & Managing Director
DIN: 03083605

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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 Mumbai, 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, 2022, Tata Sons Private Limited owns 32.46% 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, 2022 were approved by the Board of Directors and authorised for issue on May 3, 2022.

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 and intangible assets, valuation of deferred tax assets, 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 310, note 4, page 314, note 5, page 316 and note 6, page 318.

Useful lives of property, plant and equipment and intangible assets

The Company reviews the useful life of property, plant and equipment 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(i), page 301.

Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy has been detailed in note 2(v), page 307 and its further information are set out in note 10, page 331.

NOTES
forming part of the financial statements

2. Significant accounting policies (Contd.)

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 21, page 351 and note 36A, page 367.

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 374.

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 35, page 360.

Estimation of uncertainties relating to COVID-19

The Company has assessed the possible impact of COVID-19 on its financial statements based on the internal and external information and concluded no adjustments are required in these standalone financial statements. The Company continues to monitor changes in future economic conditions.

(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
- compiling pre-feasibility and feasibility studies
- activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource

NOTES
forming part of the financial statements

2. Significant accounting policies (Contd.)

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.

(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.

NOTES

forming part of the financial statements

2. Significant accounting policies (Contd.)

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.

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.

2. Significant accounting policies (Contd.)

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.

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 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.

NOTES

forming part of the financial statements

2. Significant accounting policies (Contd.)

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.

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.

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.

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2. Significant accounting policies (Contd.)

(l) 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 one year. 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 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

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forming part of the financial statements

2. Significant accounting policies (Contd.)

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.

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

2. Significant accounting policies (Contd.)

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 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

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 at the present value of the obligation as on the reporting date.

(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.

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forming part of the financial statements

2. Significant accounting policies (Contd.)

(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.

(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.

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forming part of the financial statements

2. Significant accounting policies (Contd.)

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 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 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 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

Amendment to Ind AS 109 "Financial Instruments" and Ind AS 107 "Financial Instruments: Disclosures" - Interest rate Benchmark Reform Phase 2

The amendment focuses on the potential financial reporting issues that may arise when interest rate benchmarking reforms are either reformed or replaced. The key reliefs provided by the Phase 2 amendments are:

- Changes to contractual cash flows - When changing the basis for determining contractual cash flows for financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes that are required by an interest rate benchmark reform will not result in an immediate gain or loss in the profit and loss statement.
- Hedge accounting - The hedge accounting reliefs will allow most Ind AS 39 or Ind AS 109 hedge relationships that are directly affected by IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

The amendments do not have significant impact on the financial statements. The disclosures as required are presented in note 39, page 374.

Amendment to Ind AS 103 "Business Combination" – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103 – Business Combinations. The Company does not expect the amendment to have any significant impact in its financial statements.

Amendment to Ind AS 16 "Property, Plant and Equipment" – Proceeds before intended use

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

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forming part of the financial statements

3. Property, plant and equipment

[Item No. I(a), Page 292]

(₹ 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**
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**

(₹ crore)

	Land including roads	Buildings	Plant and machinery	Furniture, fixtures and office equipments	Vehicles	Railway sidings	Total
Cost/deemed cost as at April 1, 2020	14,664.48	15,889.22	80,403.15	630.03	439.52	1,193.20	1,13,219.60
Additions	23.53	184.73	1,218.07	75.53	3.82	-	1,505.68
Disposals	(0.30)	(10.40)	(9.44)	(5.13)	(10.51)	(0.25)	(36.03)
Other re-classifications	-	(0.20)	0.47	(1.54)	0.74	-	(0.53)
Cost/deemed cost as at March 31, 2021	**14,687.71**	**16,063.35**	**81,612.25**	**698.89**	**433.57**	**1,192.95**	**1,14,688.72**
Impairment as at April 1, 2020	0.15	1.32	21.90	19.68	-	-	43.05
Charge for the year	-	-	6.07	-	-	-	6.07
Accumulated impairment as at March 31, 2021	**0.15**	**1.32**	**27.97**	**19.68**	**-**	**-**	**49.12**
Accumulated depreciation as at April 1, 2020	728.65	1,683.64	16,228.36	430.50	202.31	187.48	19,460.94
Charge for the year	98.52	529.84	4,001.28	88.45	31.18	47.52	4,796.79
Disposals	(0.18)	(2.40)	(6.91)	(4.39)	(8.61)	(0.10)	(22.59)
Other re-classifications	-	(0.05)	0.41	(0.75)	0.26	-	(0.13)
Accumulated depreciation as at March 31, 2021	**826.99**	**2,211.03**	**20,223.14**	**513.81**	**225.14**	**234.90**	**24,235.01**
Total accumulated depreciation and impairment as at March 31, 2021	**827.14**	**2,212.35**	**20,251.11**	**533.49**	**225.14**	**234.90**	**24,284.13**
Net carrying value as at April 1, 2020	13,935.68	14,204.26	64,152.89	179.85	237.21	1,005.72	93,715.61
Net carrying value as at March 31, 2021	**13,860.57**	**13,851.00**	**61,361.14**	**165.40**	**208.43**	**958.05**	**90,404.59**

NOTES
forming part of the financial statements

3. Property, plant and equipment (Contd.)
[Item No. I(a), Page 292]

(i) Buildings include ₹**51.33** crore (March 31, 2021: ₹2.32 crore) being cost of 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, 2022	As at March 31, 2021
Furniture and fixtures:		
Cost/deemed cost	151.90	166.92
Accumulated depreciation and impairment	137.59	141.64
	14.31	**25.28**
Office equipments:		
Cost/deemed cost	566.17	531.97
Accumulated depreciation and impairment	449.42	391.85
	116.75	**140.12**
	131.06	**165.40**

(iii) ₹**169.98** crore (2020-21: ₹137.49 crore) of borrowing costs has been capitalised during the year against qualifying assets under construction using a capitalisation rate of **2.88%** (2020-21: 4.09%).

(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, 2021, the Company has recognised an impairment reversal ₹3.84 crore (net of charge of ₹6.07 crore for plant and machinery) 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) 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, 2021	**1.88**	**6.35**	**95.82**	**7.64**	**0.09**	**111.78**
	1.88	*6.35*	*92.96*	*7.23*	*0.09*	*108.51*
Additions	**-**	**0.67**	**0.34**	**0.54**	**-**	**1.55**
	-	-	*2.86*	*0.42*	-	*3.28*
Other reclassifications	**-**	**-**	**0.89**	**0.17**	**-**	**1.06**
	-	-	-	-	-	-
Deductions	**-**	**-**	**-**	**(0.09)**	**-**	**(0.09)**
	-	-	-	*(0.01)*	-	*(0.01)*
Cost/deemed cost as at March 31, 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*
Capital work-in-progress	**-**	**-**	**-**	**-**	**-**	**1.60**
	-	-	-	-	-	*2.42*

Figures in italics represent comparative figures for previous year.

(vi) Details of property, plant and equipment pledged against borrowings is presented in note 19, page 346.

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forming part of the financial statements

3. Property, plant and equipment (Contd.)

[Item No. I(a) and I(b), Page 292]

(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**	Not Applicable	No	March, 1928 to April, 2020	Title Deeds not available with the Company
	444.32				
Buildings	**105.88**	Not Applicable	No	January, 1960 to April, 2020	
	99.60				
Freehold Land	**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
	-^				
	161.27	Bhushan Steel Limited	No	April, 2020	
	161.27				
	1.92	Bhushan Steel & Strips Limited	No	April, 2020	
	1.92				
	59.90	Tata SSL Limited	No	July, 1988	
	60.44				
Buildings	**46.37**	Tata SSL Limited	No	January, 1987 to January, 2007	
	83.48				

Figures in italics represent comparative figures for previous year

In case of immovable properties acquired from Tata Steel BSL Limited which got merged with the Company pursuant to National Company Law Tribunal Order dated October 29, 2021, dates have been considered with effect from the merger set out in Note 44, page 385 to the financial statements.

^ Without considering those in the name of TSBSL as the titles in the name of TSBSL can not be transferred till the merger that has happened with the NCLT Order in the current year (and given effect from the beginning of the previous period presented for the purposes of accounting). Also refer Note 44, page 385.

(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.

(ix) Ageing of capital work-in-progress is as below:

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	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**

As at March 31, 2021

(₹ 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	3,461.79	3,123.11	1,491.93	2,397.76	10,474.59
Projects temporarily suspended	-	-	-	24.90	24.90
	3,461.79	**3,123.11**	**1,491.93**	**2,422.66**	**10,499.49**

NOTES
forming part of the financial statements

3. Property, plant and equipment (Contd.)
[Item No. I(b), Page 292]

(x) The expected completion of the amounts lying in capital work in progress which are delayed are as below.

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:				
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**

As at March 31, 2021

(₹ 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:				
Growth projects	-	1,177.74	3,622.78	2,120.91
Raw material augmentation	-	1,446.16	-	224.24
Environment, safety and compliance	-	30.68	-	561.88
Sustenance projects	276.83	468.44	203.58	52.86
	276.83	**3,123.02**	**3,826.36**	**2,959.89**
Projects temporarily suspended:				
Sustenance projects	-	-	-	24.90
	-	**-**	**-**	**24.90**

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 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.

NOTES
forming part of the financial statements

4. Right-of-use assets
[Item No. I(c), Page 292]

(₹ 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**

(₹ 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, 2020	1,808.79	119.84	6,598.38	7.97	17.39	8,552.37
Additions	112.70	16.55	44.88	12.70	-	186.83
Disposals	(1.03)	(38.08)	-	(0.43)	-	(39.54)
Cost as at March 31, 2021	**1,920.46**	**98.31**	**6,643.26**	**20.24**	**17.39**	**8,699.66**
Accumulated impairment as at March 31, 2021	**-**	**-**	**-**	**-**	**-**	**-**
Accumulated depreciation as at April 1, 2020	96.22	29.37	2,158.91	0.53	6.55	2,291.58
Charge for the year	72.17	34.19	415.27	2.79	8.00	532.42
Disposals	(0.61)	(6.61)	-	(0.08)	-	(7.30)
Accumulated depreciation as at March 31, 2021	**167.78**	**56.95**	**2,574.18**	**3.24**	**14.55**	**2,816.70**
Total accumulated depreciation and impairment as at March 31, 2021	**167.78**	**56.95**	**2,574.18**	**3.24**	**14.55**	**2,816.70**
Net carrying value as at April 1, 2020	1,712.57	90.47	4,439.47	7.44	10.84	6,260.79
Net carrying value as at March 31, 2021	**1,752.68**	**41.36**	**4,069.08**	**17.00**	**2.84**	**5,882.96**

(i) Vehicle cost used for in-house research and development included within right-of-use vehicles is ₹**0.71** crore (March 31, 2021: ₹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 292]

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 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, 2022, 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 ₹**4.18** crore (2020-21: ₹8.20 crore) and **Nil** (2020-21: ₹0.34 crore) respectively.

b) expense in respect of variable lease payments not included in the measurement of lease liabilities ₹**6.89** crore (2020-21: ₹60.96 crore).

c) income in respect of sub-leases of right-of-use assets ₹**0.35** crore (2020-21: ₹0.53 crore).

During the year ended March 31, 2022, total cash outflow in respect of leases amounted to ₹**1,008.91** crore (March 31, 2021: ₹1,123.77 crore).

As at March 31, 2022, commitments for leases not yet commenced was **Nil** (March 31, 2021: ₹230.94 crore).

(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** *-^*	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	**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 pursuant to National Company Law Tribunal Order dated October 29, 2021, dates have been considered with effect from the merger set out in Note 44, page 385 to the financial statements.

^ Without considering those in the name of TSBSL as the leases in the name of TSBSL can not be transferred till the merger that has happened with the NCLT Order in the current year (and given effect from the beginning of the previous period presented for the purposes of accounting). Also refer Note 44, page 385.

NOTES
forming part of the financial statements

5. Intangible assets
[Item No. I(d), Page 292]

(₹ 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**

(₹ crore)

	Software costs	Mining assets	Total
Cost/deemed cost as at April 1, 2020	293.43	1,929.03	2,222.46
Additions	5.32	238.38	243.70
Disposals	(0.14)	(97.31)	(97.45)
Other re-classifications (Transfers in/out)	0.20	-	0.20
Cost/deemed cost as at March 31, 2021	**298.81**	**2,070.10**	**2,368.91**
Accumulated impairment as at April 1, 2020	-	40.11	40.11
Reversals during the year	-	(3.62)	(3.62)
Accumulated impairment as at March 31, 2021	**-**	**36.49**	**36.49**
Accumulated amortisation as at April 1, 2020	221.89	1,211.94	1,433.83
Charge for the year	28.98	111.07	140.05
Disposals	(0.15)	(97.04)	(97.19)
Accumulated amortisation as at March 31, 2021	**250.72**	**1,225.97**	**1,476.69**
Total accumulated amortisation and impairment as at March 31, 2021	**250.72**	**1,262.46**	**1,513.18**
Net carrying value as at April 1, 2020	71.54	676.98	748.52
Net carrying value as at March 31, 2021	**48.09**	**807.64**	**855.73**

(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 ₹**0.13** crore (2020-21: ₹0.13 crore).

(iii) During the year ended March 31, 2021, the Company has recognised an impairment reversal of ₹3.62 crore for expenditure incurred in respect of certain mines.

NOTES
forming part of the financial statements

5. Intangible assets (Contd.)
[Item No. I(e), Page 292]

(iv) Ageing of intangible assets under development is as below:

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
Projects in progress	4.24	249.99	43.39	85.02	382.64
	4.24	**249.99**	**43.39**	**85.02**	**382.64**

As at March 31, 2021

(₹ 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
Projects in progress	255.33	38.31	88.84	26.31	408.79
	255.33	**38.31**	**88.84**	**26.31**	**408.79**

(v) The expected completion of the amounts lying in intangible assets under development which are delayed are as below:

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
Projects in progress:				
Sustenance projects	96.14	5.31	34.92	2.06
	96.14	**5.31**	**34.92**	**2.06**

As at March 31, 2021

(₹ 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
Projects in progress:				
Sustenance projects	-	124.55	5.23	35.07
	-	**124.55**	**5.23**	**35.07**

NOTES
forming part of the financial statements

6. Investments in subsidiaries, associates and joint ventures
[Item No. I(f), Page 292]

(₹ crore)

	No. of shares as at March 31, 2022 (face value of ₹10 each fully paid-up unless otherwise specified)	As at March 31, 2022	As at March 31, 2021
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(iv)	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) Adityapur Toll Bridge Company Limited (4,14,00,000 shares sold during the year)	-	-	26.40
(3) Angul Energy Limited (formerly Bhushan Energy Limited)	99,99,904	10.00	10.00
(4) Bhubaneshwar Power Private Limited	23,69,86,703	321.73	321.73
(5) Bhushan Steel (Australia) Pty Limited) (Face value of AUD 1 each)	4,73,69,796	244.45	244.45
(6) Bhushan Steel (South) Limited	13,00,000	1.30	1.30
(7) Bistupur Steel Limited^	-	-	0.04
(8) Creative Port Development Private Limited	1,27,500	91.88	91.88
(9) Dimna Steel Limited^	-	-	0.04
(10) Jamadoba Steel Limited^	-	-	0.04
(11) Jamshedpur Football and Sporting Private Limited	4,08,00,000	40.80	40.80
(12) Jugsalai Steel Limited^	-	-	0.04
(13) Medica TS Hospital Private Limited (2,60,000 classified from investment in joint ventures and 5,10,200 shares received during the year)	7,70,200	0.77	-
(14) Mohar Export Services Pvt Ltd*	3,352	-	-
(15) NatSteel Asia Pte. Ltd. (Face value of SGD 1 each)	28,14,37,128	773.86	773.86
(16) Noamundi Steel Limited^	-	-	0.04
(17) Rujuvalika Investments Limited	13,28,800	60.40	60.40
(18) Sakchi Steel Limited^	-	-	0.04
(19) Straight Mile Steel Limited^	-	-	0.04
(20) Subarnarekha Port Private Limited	4,24,183	17.01	17.01
(21) T Steel Holdings Pte. Ltd. (Face value of GBP 1 each)	7,31,21,21,292	12,724.26	12,724.26
(22) T Steel Holdings Pte. Ltd. (Face value of GBP 0.78 each)	1,25,80,00,000	8,990.63	8,990.63
(23) Tata Steel Advanced Materials Limited (formerly Tata Steel Odisha Limited) (25,67,000 shares sold during the year)	-	-	2.57
(24) Tata Korf Engineering Services Ltd* #	3,99,986	-	-

NOTES

forming part of the financial statements

6. Investments in subsidiaries, associates and joint ventures (Contd.)

[Item No. I(f), Page 292]

(₹ crore)

	No. of shares as at March 31, 2022 (face value of ₹10 each fully paid-up unless otherwise specified)	As at March 31, 2022	As at March 31, 2021
(25) Tata Steel (KZN) (Pty) Ltd.~ (Face value of ZAR 1 each)	-	-	-
(26) Tata Steel Downstream Products Limited	24,23,27,940	2,520.06	2,520.06
(27) Tata Steel Foundation	10,00,000	1.00	1.00
(28) Tata Steel Mining Limited	48,50,71,068	905.62	905.62
(29) Tata Steel Special Economic Zone Limited (89,63,888 received and sold during the year)	-	-	-
(30) Tata Steel Support Services Limited (formerly Bhushan Steel (Orissa) Limited)	49,990	0.05	0.05
(31) Tata Steel Technical Services Limited (formerly Bhushan Steel Madhya Bharat Limited)	49,990	0.05	0.05
(32) Tata Steel Utilities and Infrastructure Services Limited (3,57,03,547 shares acquired during the year)	6,00,53,547	785.10	24.35
(33) The Indian Steel & Wire Products Ltd	56,92,651	3.08	3.08
		27,493.13	**26,760.86**
Aggregate provision for impairment in value of investments		(1,271.26)	(1,289.54)
		26,221.87	**25,471.32**
		28,407.56	**27,657.01**
(b) Investment in preference shares of subsidiary companies			
(i) Unquoted			
(1) Creative Port Development Private Limited	1,74,10,830	174.11	-
0.01% non-cumulative optionally convertible redeemable preference shares (Face value of ₹100 each) (25,10,830 shares re-classified as investment in subsidiaries from investments carried at fair value through profit and loss and 1,49,00,000 purchased during the year)			
(2) Medica TS Hospital Private Limited	4,92,29,800	49.23	-
0.01% non-cumulative optionally convertible redeemable preference shares (4,92,29,800 shares converted during the year)			
		223.34	**-**

NOTES
forming part of the financial statements

6. Investments in subsidiaries, associates and joint ventures (Contd.)
[Item No. I(f), Page 292]

(₹ crore)

	No. of shares as at March 31, 2022 (face value of ₹10 each fully paid-up unless otherwise specified)	As at March 31, 2022	As at March 31, 2021
(c) Equity investments in associate companies			
(i) Quoted			
(1) TRF Limited.	37,53,275	5.79	5.79
Aggregate provision for impairment in value of investments		(5.79)	(5.79)
		-	-
(ii) Unquoted			
(1) Kalinga Aquatic Ltd*	10,49,920	-	-
(2) Kumardhubi Fireclay and Silica Works Ltd.*#	1,50,001	-	-
(3) Kumardhubi Metal Casting and Engineering Ltd.*#	10,70,000	-	-
(4) Malusha Travels Pvt Ltd, ₹33,520 (March 31, 2021: ₹33,520)	3,352	-	-
(5) Strategic Energy Technology Systems Private Limited	2,56,14,500	0.91	0.91
(6) Tata Construction Projects Limited*#	11,97,699	-	-
		0.91	**0.91**
Aggregate provision for impairment in value of investments		(0.91)	(0.91)
		-	-
		-	-
(d) Equity investments in joint ventures			
(i) Unquoted			
(1) Himalaya Steel Mill Services Private Limited (36,19,945 shares sold during the year)	-	-	3.62
(2) Industrial Energy Limited	17,31,60,000	173.16	173.16
(3) Medica TS Hospital Private Limited (2,60,000 classified as investment in subsidiaries)	-	-	0.26
(4) mjunction services limited	40,00,000	4.00	4.00
(5) S & T Mining Company Private Limited (3,85,500 shares purchased during the year)	1,85,26,900	18.53	18.14
(6) T M Mining Company Limited^	-	-	0.23
(7) Tata NYK Shipping Pte Ltd. (Face value of USD 1 each)	6,51,67,500	350.14	350.14
(8) TM International Logistics Limited	91,80,000	9.18	9.18
		555.01	**558.73**
Aggregate provision for impairment in value of investments		(18.53)	(18.63)
		536.48	**540.10**
Total investments in subsidiaries, associates and Joint ventures		**29,167.38**	**28,197.11**

* These investments are carried at a book value of ₹1.00

\# As on March 31, 2022, Kumardhubi Fireclay and Silica Works Ltd., Kumardhubi Metal Casting and Engineering Ltd. and Tata Construction Projects Limited are under liquidation, Tata Korf Engineering Services Ltd is non-operative and has applied for strike off.

~ During the year ended March 31, 2021, Tata Steel (KZN) (Pty) Ltd. has been voluntarily liquidated and necessary filing in respect of overseas direct investment has been done.

^ 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).

NOTES
forming part of the financial statements

6. Investments in subsidiaries, associates and joint ventures (Contd.)

[Item No. I(f), Page 292]

(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. These entities have therefore been considered as joint ventures.

(ii) During the year ended March 31, 2022, the Company has transferred its investments held in Tata Steel Special Economic Zone, Adityapur Toll Bridge Company Limited, Tata Pigments Limited, Himalaya Steel Mill Services Private Limited, Nicco Jubilee Park Limited and Jamshedpur Injection Power Company Limited to Tata Steel Utilities and Infrastructure Services Limited, a wholly owned subsidiary of the Company against issue of shares by Tata Steel Utilities and Infrastructure Services Limited and investments held in Tata Steel Advanced Materials Limited to Tata Steel Downstream Products Limited, a wholly owned subsidiary of the Company against issue of shares by Tata Steel Downstream Products Limited. The gain on transfer of such shares has been recognised within exceptional items.

(iii) Carrying value and market value of quoted and unquoted investments are as below:

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Investments in subsidiary companies:		
Aggregate carrying value of quoted investments	2,185.69	2,185.69
Aggregate market value of quoted investments	7,106.37	5,270.36
Aggregate carrying value of unquoted investments	26,445.21	25,471.32
(b) Investments in associate companies:		
Aggregate carrying value of quoted investments	-	-
Aggregate market value of quoted investments	50.44	31.92
Aggregate carrying value of unquoted investments	-	-
(c) Investments in joint ventures:		
Aggregate carrying value of unquoted investments	536.48	540.10

(iv) 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.

NOTES

forming part of the financial statements

6. Investments in subsidiaries, associates and joint ventures (Contd.)

[Item No. I(f), Page 292]

(v) During the year ended March 31, 2022, the Company considered indicators of impairment such as operational losses in previous years, 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 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 or 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 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 pre-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 pre-tax discount rates used for discounting the cash flows projections is in range of **8.40**% - **9.30**% (March 31, 2021: 8.10% to 8.70%). Beyond the specifically forecasted period, a growth rate of **1.80**% (March 31, 2021: 1.25%) 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 climate risks through the EU Emission Trading Scheme (ETS) which is applicable to all steel plant within Europe. Further, the Netherlands' government has enacted legislation for a local additional carbon tax (linked to the EU ETS scheme CO_2 allowances and traded prices). Given that most European steel producers have not been heavily affected by CO_2 compliance costs to date, TSE's estimate is that such CO_2 emission costs, Netherland's EU ETS costs and specific carbon tax costs will majorly be passed on to end customers from FY 2025. Further, given the aim to be carbon neutral by 2050, TSE is considering its future strategy on operating processes while continuing to serve its customers. The technology transition and investments will be dependent on national and international policy which is evolving.

The outcome of the assessment as on March 31, 2022 did not result in recognition of any impairment for investments held in T Steel Holdings Pte. Ltd. The Company has also conducted sensitivity analysis on the impairment tests including sensitivity in respect of discount rate. The management believes that no reasonably possible change in any of the key assumptions used in the assessment would cause the carrying value of such investment to exceed its recoverable amount.

NOTES
forming part of the financial statements

7. Investments
[Item No. I(g)(i) and II(b)(i), Page 292]

A. Non-current

(₹ crore)

	No. of shares as at March 31, 2022 (face value of ₹10 each fully paid-up unless otherwise specified)	As at March 31, 2022	As at March 31, 2021
(I) Investments carried at fair value through other comprehensive income:			
Investments in equity shares			
(i) Quoted			
(1) Credit Analysis & Research Limited	3,54,000	18.07	14.55
(2) Housing Development Finance Corporation Ltd. (Face value of ₹2 each)	7,900	1.89	1.97
(3) Steel Strips Wheels Limited (Face Value of ₹5 each) (Shares spilt in the ratio 1:1 during the year)	21,73,944	176.14	75.89
(4) Tata Consultancy Services Limited (Face Value of ₹1 each)	46,798	17.50	14.87
(5) Tata Investment Corporation Limited	2,28,015	30.93	23.61
(6) Tata Motors Ltd. (Face value of ₹2 each)	1,00,000	4.34	3.02
(7) The Tata Power Company Ltd. (Face value of ₹1 each)	3,91,22,725	933.66	403.94
(8) Timken India Ltd. ₹**2,141.10** (March 31, 2021: ₹1,296.50)	1	-	-
		1,182.53	**537.85**
(ii) Unquoted #			
(1) Andal East Coal Company Private Limited^	3,30,000	-	-
(2) Bhushan Buildwell Private Limited	4,900	0.25	0.25
(3) Bhushan Capital & Credit Services Private Limited	86,43,742	-	-
(4) Bhushan Steel Bengal Limited	50,000	0.05	0.05
(5) IFCI Venture Capital Funds Ltd.	1,00,000	0.10	0.10
(6) Jawahar Credit & Holdings Private Limited	86,43,742	-	-
(7) Panatone Finvest Ltd.	45,000	0.05	0.05
(8) Saraswat Co-operative Bank Limited	2,500	0.01	0.01
(9) Steelscape Consultancy Pvt. Ltd.	50,000	-	-
(10) Taj Air Limited	42,00,000	-	-
(11) Tarapur Environment Protection Society	82,776	0.89	0.89
(12) Tata Industries Ltd. (Face value of ₹100 each)	99,80,436	202.19	202.19
(13) Tata International Ltd. (Face value of ₹1,000 each)	42,924	54.80	54.80
(14) Tata Services Ltd. (Face value of ₹1,000 each)	1,621	0.16	0.16
(15) Tata Sons Private Ltd. (Face value of ₹1,000 each)	12,375	68.75	68.75
(16) Others(iii)		0.01	0.01
		327.26	**327.26**
		1,509.79	**865.11**

NOTES
forming part of the financial statements

7. Investments (Contd.)
[Item No. I(g)(i) and II(b)(i), Page 292]

(₹ crore)

	No. of shares as at March 31, 2022 (face value of ₹10 each fully paid-up unless otherwise specified)	As at March 31, 2022	As at March 31, 2021
(II) Investments carried at amortised cost:			
Investments in preference shares			
(a) Subsidiary companies			
(i) Unquoted			
Tata Steel Long Products Limited	1,27,00,00,000	12,710.54	-
0.01% non-convertible, non-cumulative redeemable preference shares (Face value of ₹100 each) (1,27,00,00,000 shares purchased during the year)			
		12,710.54	**-**
(III) Investments carried at fair value through profit and loss:			
Investments in preference shares			
(a) Subsidiary companies			
(i) Unquoted			
(1) Creative Port Development Private Limited	-	-	25.11
0.01% non-cumulative optionally convertible redeemable preference shares (Face value of ₹100 each) (25,10,830 shares re-classified as investment in subsidiaries in lieu of change in terms of instrument)			
(2) Tayo Rolls Limited	43,30,000	-	-
7.00% non-cumulative redeemable preference shares (Face value of ₹100 each)			
(3) Tayo Rolls Limited	64,00,000	-	-
7.17% non-cumulative redeemable preference shares (Face value of ₹100 each)			
(4) Tayo Rolls Limited	3,00,000	-	-
8% non-cumulative redeemable preference shares (Face value of ₹100 each)			
(5) Tayo Rolls Limited	2,31,00,000	-	-
8.50% non-cumulative redeemable preference shares (Face value of ₹100 each)			
		-	**25.11**

NOTES
forming part of the financial statements

7. Investments (Contd.)
[Item No. I(g)(i) and II(b)(i), Page 292]

(₹ crore)

	No. of shares as at March 31, 2022 (face value of ₹10 each fully paid-up unless otherwise specified)	As at March 31, 2022	As at March 31, 2021
(b) Associate companies			
(i) Unquoted			
(1) TRF Limited.	25,00,00,000	-	-
12.50 % non-cumulative redeemable preference shares			
		-	**-**
(c) Investments in others			
(i) Unquoted			
(1) Angul Sukinda Railway Limited	5,50,00,000	13.72	-
Non-cumulative redeemable preference shares (5,50,00,000 shares purchased during the year)			
		13.72	**-**
Investment in debentures and bonds			
(a) Investments in joint ventures			
(i) Unquoted			
(1) Medica TS Hospital Private Limited	-	-	-
Secured optionally convertible redeemable debentures (Face value of ₹1,000 each) (4,97,400 debentures converted into 5,10,200 equity shares and 4,92,29,800 non-cumulative optionally convertible redeemable preference shares)			
		-	**-**
		14,234.05	**890.22**

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.

^ As on March 31, 2022, Andal East Coal Company Private Limited is under liquidation.

NOTES
forming part of the financial statements

7. Investments (Contd.)
[Item No. I(g)(i) and II(b)(i), Page 292]

B. Current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
Investments carried at fair value through profit and loss:		
Investments in mutual funds - Unquoted		
(1) Aditya Birla Sun Life Liquid Fund - Growth	-	1,057.38
(2) Axis Liquid Fund - Growth	-	0.24
(4) DSP Liquidity Plan - Growth	-	62.72
(5) DSP Liquidity Fund - Growth	-	631.67
(6) HDFC Liquid Fund - Growth	-	1,022.69
(7) IDFC Cash Fund - Growth	-	533.59
(8) L&T Liquid Fund - Growth	-	419.27
(9) Nippon India Mutual Fund ETF Liquid Bees	0.09	0.09
(10) SBI Liquid Fund - Growth	-	856.48
(11) SBI Mutual Fund - Growth	-	84.24
(12) Tata Liquid Fund - Growth	-	1,159.72
(13) Tata Overnight Fund - Direct - Growth	96.02	-
(14) UTI Liquid Cash Plan - Growth	-	1,268.71
	96.11	**7,096.80**

(i) Carrying value and market value of quoted and unquoted investments are as below:

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Investments in quoted instruments:		
Aggregate carrying value	1,182.53	537.85
Aggregate market value	1,182.53	537.85
(b) Investments in unquoted instruments:		
Aggregate carrying value	13,147.63	7,449.17

(ii) Cumulative gain on de-recognition of investments during the year which were carried at fair value through other comprehensive income amounted to ₹**9.99** crore (2020-21: loss ₹138.68 crore). Fair value of such investments as on the date of de-recognition was ₹**9.99** crore (2020-21: ₹0.00* crore).

* Represents value less than ₹0.01 crore.

NOTES

forming part of the financial statements

7. Investments (Contd.)

[Item No. I(g)(i) and II(b)(i), Page 292]

(iii) Details of other unquoted investments carried at fair value through other comprehensive income is as below:

		No. of shares as at March 31, 2022 (face value of ₹10 each fully paid -up unless otherwise specified)	As at March 31, 2022 (₹)	As at March 31, 2021 (₹)
(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	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
(s)	Woodland Multispeciality Hospital Ltd. (1,25,000 shares sold during the year)	-	-	1.00
			1,28,148.00	**1,28,149.00**

(iv) Tata Steel BSL Limited (TSBSL) an erstwhile subsidiary merged with the Company as referred in note 44, page 385, was being shown 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 Bhushan Steel 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 companies. Neither the erstwhile TSBSL nor the Company ever exercised or currently exercises any influence on these entities, and hence, these are not being considered as associates.

NOTES
forming part of the financial statements

8. Loans
[Item No. I(g)(ii) and II(b)(v), Page 292]

A. Non-current

(₹ crore)

		As at March 31, 2022	As at March 31, 2021
(a)	**Loans to related parties**		
	Considered good - Unsecured	30,191.77	7,553.28
	Credit impaired	558.95	558.95
	Less: Allowance for credit losses	558.95	558.95
		30,191.77	**7,553.28**
(b)	**Other loans**		
	Considered good - Unsecured	3.50	16.82
	Credit impaired	5.75	5.75
	Less: Allowance for credit losses	5.75	5.75
		3.50	**16.82**
		30,195.27	**7,570.10**

B. Current

(₹ crore)

		As at March 31, 2022	As at March 31, 2021
(a)	**Loans to related parties**		
	Considered good - Unsecured	2,365.37	1,560.10
	Credit impaired	167.67	67.67
	Less: Allowance for credit losses	167.67	67.67
		2,365.37	**1,560.10**
(b)	**Other loans**		
	Considered good - Unsecured	2.64	4.27
	Credit impaired	9.60	9.60
	Less: Allowance for credit losses	9.60	9.60
		2.64	**4.27**
		2,368.01	**1,564.37**

(i) Non-current loans to related parties represents loan given to subsidiaries ₹**30,750.72** crore (March 31, 2021: ₹8,112.23 crore), out of which ₹**558.95** crore (March 31, 2021: ₹558.95 crore) is impaired.

(ii) Current loans to related parties represent loans/advances given to subsidiaries ₹**2,433.04** crore (March 31, 2021: ₹1,627.77 crore) and associates ₹**100.00** crore (March 31, 2021: Nil) out of which ₹**67.67** crore (2020-21: ₹67.67 crore) and ₹**100.00** crore (March 31, 2021: Nil) 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 ₹**23,029.77** crore (including roll over ₹1,515.60 crore) given during the year to T Steel Holdings Pte Ltd, a subsidiary and an investment company of the Company 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.

(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.

NOTES

forming part of the financial statements

8. Loans (Contd.)

[Item No. I(g)(ii) and II(b)(v), Page 292]

(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, 2022:

(₹ crore)

	Debts outstanding as at March 31, 2022	Maximum balance outstanding during the year
Subsidiaries		
(1) Adityapur Toll Bridge Company Limited	**-**	**2.95**
(interest rate 9.50%)	-	-
(2) Angul Energy Limited	**126.00**	**248.00**
(interest rate 8.00%)	*248.00*	*326.00*
(3) Bhubaneswar Power Private Limited	**387.63**	**387.63**
(interest rate 7.03%)	-	-
(4) Subarnarekha Port Private Limited	**-**	**49.00**
(interest rate 9.50 % to 10.51 %)	*29.00*	*29.00*
(5) T Steel Holdings Pte. Ltd.[(ii)]	**31,183.47**	**31,183.47**
(interest rate LIBOR + 2 to 6.97%)	*8,772.60*	*8,815.80*
(6) Tata Steel (KZN) (Pty) Ltd.[(iii)]	**558.95**	**558.95**
	558.95	*558.95*
(7) Tata Steel Downstream Products Limited	**-**	**10.00**
(interest rate 5.00%)	*10.00*	*10.00*
(8) Tata Steel Mining Limited	**790.00**	**790.00**
(interest rate 7.71%)	-	*756.60*
(9) Tata Steel Special Economic Zone Limited	**70.03**	**70.03**
(interest rate 9.50 % to 10.50%)	*59.00*	*59.00*
(10) Tayo Rolls Limited[(iii)]	**67.00**	**67.00**
(interest rate 7.00 % to 13.07 %)	*67.00*	*67.00*
Associate		
(1) TRF Limited.	**100.00**	**100.00**
(interest rate 9.92%)	-	-
Joint venture		
(1) Industrial Energy Limited	**-**	**-**
(interest rate 10.00%)	-	*27.60*
(2) S & T Mining	**-**	**0.08**
(interest rate 9.38%)	-	-

Figures in italics represents comparative figures of previous year.

(i) The above loans have been given for business purpose.

(ii) Includes inter-company loans of ₹**22,089.87** crore (March 31, 2021: ₹7,310.50 crore) given during the year, for a period of 6 to 8 years including moratorium of interest for two and a half years.

(iii) As at March 31, 2022, loans given to Tayo Rolls Limited, Tata Steel (KZN) (Pty) Ltd. and TRF Limited have been fully impaired.

(b) Details of investments made and guarantees provided are given in note 6, page 318, note 7, page 323 and note 36B, page 370.

(vii) There are no outstanding loans/advances in nature of loan from promoters,key management personnel or other officers of the Company.

NOTES
forming part of the financial statements

9. Other financial assets
[Item No. I(g)(iv) and II(b)(vii), Page 292]

A. Non-current

(₹ crore)

		As at March 31, 2022	As at March 31, 2021
(a)	**Security deposits**		
	Considered good - Unsecured	250.67	238.39
	Credit impaired	83.97	2.74
	Less: Allowance for credit losses	83.97	2.74
		250.67	**238.39**
(b)	**Interest accrued on deposits and loans**		
	Considered good - Unsecured	**831.21**	**35.43**
(c)	**Earmarked balances with banks**	**79.60**	**65.00**
(d)	**Others**		
	Considered good - Unsecured	**50.33**	**2.85**
		1,211.81	**341.67**

B. Current

(₹ crore)

		As at March 31, 2022	As at March 31, 2021
(a)	**Security deposits**		
	Considered good - Unsecured	2.54	22.26
	Considered doubtful - Unsecured	-	81.27
	Less: Allowance for credit losses	-	81.27
		2.54	**22.26**
(b)	**Interest accrued on deposits and loans**		
	Considered good - Unsecured	17.70	36.38
	Credit impaired	14.30	14.30
	Less: Allowance for credit losses	14.30	14.30
		17.70	**36.38**
(c)	**Others**		
	Considered good - Unsecured	698.06	810.97
	Unsecured, considered doubtful	144.25	140.47
	Less: Allowance for credit losses	144.25	140.47
		698.06	**810.97**
		718.30	**869.61**

(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, 2021: ₹14.00 crore) and deposits with Tata Sons Private Limited ₹**1.25** crore (March 31, 2021: ₹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 ₹**171.30** crore (March 31, 2021: ₹91.31 crore) on account of retirement benefit obligations paid by the Company directly.

NOTES

forming part of the financial statements

10. Income tax

[Item No. V(e), Page 292]

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, 2022	Year ended March 31, 2021
Profit/(loss) before tax	**44,090.65**	**18,609.84**
Expected income tax expense at statutory income tax rate of **25.168 %** (2020-21: 25.168 %)	11,096.73	4,683.72
(a) Income exempt from tax/Items not deductible	(17.26)	(228.82)
(b) Utilisation/credit of unrecognised tax losses, unabsorbed depreciation and other tax benefits	-	(2,923.03)
Tax expense as reported	**11,079.47**	**1,531.87**

B. Deferred tax assets/(liabilities)

(i) 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
Others	347.56	51.01	102.26	-	500.83
	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)**

NOTES
forming part of the financial statements

10. Income tax (Contd.)
[Item No. V(e), Page 292]

Components of deferred tax assets and liabilities as at March 31, 2021 is as below:

(₹ crore)

	Balance as at April 1, 2020	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, 2021
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	2,693.68	134.79	-	-	2,828.47
Accumulated business loss and unabsorbed depreciation	2,640.18	(2,640.18)			-
	8,454.32	**(2,505.39)**	**-**	**-**	**5,948.93**
Deferred tax liabilities:					
Property, plant and equipment and intangible assets	13,920.74	202.16	-	(3.75)	14,119.15
Others	395.86	(62.01)	13.71	-	347.56
	14,316.60	**140.15**	**13.71**	**(3.75)**	**14,466.71**
Net deferred tax assets/(liabilities)	**(5,862.28)**	**(2,645.54)**	**(13.71)**	**3.75**	**(8,517.78)**
Disclosed as:					
Deferred tax liabilities (net)	**(5,862.28)**				**(8,517.78)**

(ii) Deferred tax assets amounting to ₹**7,967.37** crore as at March 31, 2022 (March 31, 2021: ₹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

11. Other assets
[Item No. I(i) and II(d), Page 292]

A. Non-current

(₹ crore)

		As at March 31, 2022	As at March 31, 2021
(a)	**Capital advances**		
	Considered good - Unsecured	1,252.96	618.55
	Considered doubtful - Unsecured	118.05	115.70
	Less: Provision for doubtful advances	118.05	115.70
		1,252.96	**618.55**
(b)	**Advance with public bodies**		
	Considered good - Unsecured	1,916.54	1,865.13
	Considered doubtful - Unsecured	303.05	341.72
	Less: Provision for doubtful advances	303.05	341.72
		1,916.54	**1,865.13**
(c)	**Capital advances to related parties**		
	Considered good - Unsecured	**40.69**	**31.97**
(d)	**Others**		
	Considered good - Unsecured	**91.59**	**111.21**
		3,301.78	**2,626.86**

B. Current

(₹ crore)

		As at March 31, 2022	As at March 31, 2021
(a)	**Advance with public bodies**		
	Considered good - Unsecured	1,211.91	639.20
	Considered doubtful - Unsecured	3.18	2.46
	Less: Provision for doubtful advances	3.18	2.46
		1,211.91	**639.20**
(b)	**Advances to related parties**		
	Considered good - Unsecured	**46.66**	**77.98**
(c)	**Others**		
	Considered good - Unsecured	680.51	371.32
	Considered doubtful - Unsecured	123.95	106.38
	Less: Provision for doubtful advances	123.95	106.38
		680.51	**371.32**
		1,939.08	**1,088.50**

(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.

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12. Inventories
[Item No. II(a), Page 292]

(₹ crore)

		As at March 31, 2022	As at March 31, 2021
(a)	Raw materials	9,288.49	4,369.64
(b)	Finished and semi-finished goods	6,700.41	4,884.57
(c)	Stock-in-trade	30.78	25.76
(d)	Stores and spares	3,923.26	3,577.54
		19,942.94	**12,857.51**
Included above, goods-in-transit:			
(i)	Raw materials	3,021.18	867.03
(ii)	Finished and semi-finished goods	-	0.09
(iii)	Stock-in-trade	1.57	0.73
(iv)	Stores and spares	140.58	76.36
		3,163.33	**944.21**

(i) Value of inventories above is stated after provisions (net of reversal) ₹**145.12** crore (March 31, 2021: ₹120.16 crore) for write-downs to net realisable value and provision for slow-moving and obsolete items.

13. Trade receivables
[Item No. II(b)(ii), Page 292]

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Considered good - Unsecured	3,343.35	2,912.46
(b) Credit impaired	109.54	111.54
	3,452.89	**3,024.00**
Less: Allowance for credit losses	172.59	145.42
	3,280.30	**2,878.58**

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.

(i) Movement in allowance for credit losses of receivables is as below:

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	145.42	128.59
Charge/(release) during the year	27.17	16.83
Balance at the end of the year	**172.59**	**145.42**

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13. Trade receivables (Contd.)

[Item No. II(b)(ii), Page 292]

(ii) Ageing of trade receivables and credit risk arising there from is as below:

As at March 31, 2022

(₹ crore)

	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
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**
Less: Allowance for credit losses							172.59
Total trade receivables							**3,280.30**

As at March 31, 2021

(₹ crore)

	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed – considered good	2,534.60	309.69	14.23	16.31	4.42	33.21	2,912.46
Undisputed – credit impaired	-	-	-	-	-	28.18	28.18
Disputed - considered good	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	83.36	83.36
	2,534.60	**309.69**	**14.23**	**16.31**	**4.42**	**144.75**	**3,024.00**
Less: Allowance for credit losses							145.42
Total trade receivables							**2,878.58**

(iii) The Company considers its maximum exposure to credit risk with respect to customers as at March 31, 2022 to be ₹**3,280.30** crore (March 31, 2021: ₹2,878.58 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, 2022 and March 31, 2021.

(iv) There are no outstanding receivables due from directors or other officers of the Company.

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forming part of the financial statements

14. Cash and cash equivalents
[Item No. II(b)(iii), Page 292]

(₹ crore)

		As at March 31, 2022	As at March 31, 2021
(a)	Cash on hand	1.15	1.02
(b)	Cheques, drafts on hand	0.51	0.69
(c)	Remittances in transit	0.02	-
(d)	Unrestricted balances with banks	2,669.91	2,219.60
		2,671.59	**2,221.31**

(i) Cash and bank balances are denominated and held in Indian Rupees.

15. Other balances with banks
[Item No. II(b)(iv), Page 292]

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
Earmarked balances with banks	183.70	175.59
	183.70	**175.59**

(i) Earmarked balances with banks primarily include balances held for unpaid dividends ₹**68.82** crore (March 31, 2021: ₹64.13 crore), bank guarantee and margin money ₹**41.50** crore (March 31, 2021: ₹64.47 crore).

(ii) Earmarked balances with banks are denominated and held in Indian Rupees.

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forming part of the financial statements

16. Equity share capital
[Item No. IV(a), Page 292]

(₹ crore)

		As at March 31, 2022	As at March 31, 2021
Authorised:			
1,75,00,00,000	Ordinary Shares of ₹10 each	1,750.00	1,750.00
	(March 31, 2021: 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, 2021: 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, 2021: 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, 2021: 60,00,00,000 Shares of ₹100 each)		
		8,350.00	**8,350.00**
Issued:			
1,22,32,18,367	Ordinary Shares of ₹10 each	1,223.22	1,197.83
	(March 31, 2021: 1,19,78,30,303 Ordinary Shares of ₹10 each)		
2,23,288	Ordinary Shares of ₹10 each (partly paid-up, ₹2.504 each paid-up)	0.22	7.39
	(March 31, 2021: 73,87,547 Ordinary Shares of ₹10 each, ₹2.504 each paid-up)		
		1,223.44	**1,205.22**
Subscribed and paid-up:			
1,22,21,22,042**	Ordinary Shares of ₹10 each fully paid-up	1,222.12	1,196.74
	(March 31, 2021: 1,19,67,39,452 Ordinary Shares of ₹10 each)		
2,23,288	Ordinary Shares of ₹10 each (partly paid-up, ₹2.504 each paid-up)	0.05	1.84
	(March 31, 2021: 73,87,547 Ordinary Shares of ₹10 each, ₹2.504 each paid-up)		
	Amount paid-up on 3,89,516 Ordinary Shares of ₹10 each forfeited	0.20	0.20
	(March 31, 2021: 3,89,516 Ordinary Shares of ₹10 each)		
		1,222.37	**1,198.78**

* 'A' Ordinary Shares and Preference Shares included within the authorised share capital are for disclosure purposes and have not yet been issued.

** Includes 3,078 Ordinary shares on which first and final call money has been received and the partly paid-up equity shares have been converted to fully paid-up equity shares but are pending final listing and trading approval under the fully paid-up shares with ISIN INE081A01012, and hence, continue to be listed under partly paid-up ISIN IN9081A01010 as on March 31, 2022.

(i) Subscribed and paid-up capital includes **11,68,393** (March 31, 2021: 11,68,393) Ordinary Shares of face value ₹10 each fully paid-up, held by Rujuvalika Investments Limited, a wholly-owned subsidiary of the Company.

Further, erstwhile Tata Steel BSL Limited held 13,500 Ordinary Shares in the Company as on March 31, 2021. Pursuant to the composite Scheme of Amalgamation of Tata Steel BSL Limited (TSBSL) and Bamnipal Steel Limited into and with Tata Steel Limited as sanctioned and approved by the Hon'ble National Company Law Tribunal, Mumbai Bench vide Order dated October 29, 2021, TSBSL merged with the Company. Accordingly, the crossholding of TSBSL in the Company aggregating to 13,500 Ordinary Shares stands cancelled and extinguished and the subscribed and paid-up share capital of the Company stands reduced by 13,500 Ordinary Shares as on March 31, 2022.

NOTES
forming part of the financial statements

16. Equity share capital (Contd.)
[Item No. IV(a), Page 292]

(ii) Details of movement in subscribed and paid-up share capital is as below:

	Year ended March 31, 2022		Year ended March 31, 2021	
	No. of shares	₹ crore	No. of shares	₹ crore
Ordinary Share of ₹10 each				
Balance at the beginning of the year	1,20,41,26,999	1,198.58	1,20,41,26,999	1,145.93
Fully paid shares allotted during the year[(a)]	1,82,31,167	18.23	-	-
Partly paid shares allotted during the year[(b)]	664	0.00*	-	-
Partly paid-up shares converted to fully paid-up shares during the year[(c)]	-	5.37	-	52.65
Crossholding cancelled and extinguished	(13,500)	(0.01)	-	-
Balance at the end of the year	**1,22,23,45,330**	**1,222.17**	**1,20,41,26,999**	**1,198.58**

* Represents value less than ₹0.01 crore

(a) **1,82,23,805** Ordinary Shares of face value ₹10 each were allotted to eligible shareholders of Tata Steel BSL Limited as on the record date of November 16, 2021, in share entitlement ratio of 1:15, pursuant to the composite Scheme of Amalgamation of Tata Steel BSL Limited and Bamnipal Steel Limited into and with Tata Steel Limited as sanctioned and approved by Hon'ble National Company Law Tribunal, Mumbai Bench vide Order dated October 29, 2021.

3,450 Ordinary Shares of face value ₹10 each were allotted at a premium of ₹290 per share to the shareholders whose shares were kept in abeyance in the Rights Issue of 2007.

2,584 Ordinary Shares of face value ₹10 each were allotted at a premium of ₹590 per share in lieu of Cumulative Convertible Preference Shares of ₹100 each to the shareholders whose shares were kept in abeyance in the Rights Issue of 2007.

1,328 Fully Paid Ordinary Shares of face value ₹10 each were allotted at a premium of ₹500 per share to the shareholders whose shares were kept in abeyance in the Rights Issue of 2018.

(b) **664** Partly Paid Ordinary Shares of face value ₹10 each (₹2.504 paid-up) were allotted at a premium of ₹605 (₹151.496 paid-up) per share to the shareholders whose shares were kept in abeyance in the Rights Issue of 2018.

(c) During the year ended March 31, 2022, the Company has sent several Reminder-cum-Forfeiture Notice to the holders of partly paid-up equity shares on which the first and final call money remains unpaid. As on March 31, 2022, the Company has converted **71,64,259** partly paid-up shares into fully paid-up shares of the Company.

(iii) As at March 31, 2022, **2,92,785** Ordinary Shares of face value ₹10 each (March 31, 2021: 2,98,822 Ordinary Shares) are kept in abeyance in respect of Rights Issue of 2007.

As at March 31, 2022, **1,19,965** fully paid Ordinary Shares of face value ₹10 each (March 31, 2021: 1,21,293 fully paid Ordinary Shares) are kept in abeyance in respect of Rights Issue of 2018.

As at March 31, 2022, **59,828** Ordinary Shares of face value ₹10 each (March 31, 2021: 60,492 Ordinary shares) are kept in abeyance in respect of Rights Issue of 2018. Pursuant to the first and final call on the partly paid-up equity shares, the right on 59,828 Partly Paid Ordinary Shares formerly kept in abeyance will now be 59,828 Ordinary Shares kept in abeyance.

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forming part of the financial statements

16. Equity share capital (Contd.)

[Item No. IV(a), Page 292]

(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, 2022 and March 31, 2021 have been utilised in the following manner:

(₹ crore)

	Utilised in FY 2020-21	Unutilised in FY 2020-21	Utilised in FY 2021-22*	To be utilised during FY 2022-23*
Repayments of loan	2,670.60	13.38	53.27	-
Expenses towards general corporate purpose	32.26	520.89	807.43	2.72
Issue expense	1.36	-	1.12	-
	2,704.22	**534.27**	**861.82**	**2.72**

* Includes proceeds of ₹330.27 crore from right issue during the year.

(v) Details of Shareholders holding more than 5% shares in the Company is as below:

	As at March 31, 2022		As at March 31, 2021	
	No. of Ordinary Shares	% held	No. of Ordinary Shares	% held
Name of shareholders				
(a) Tata Sons Private Limited	39,65,08,142	32.46	39,65,08,142	32.93
(b) Life Insurance Corporation of India	7,90,89,965	6.47	10,67,23,335	8.86

(vi) Details of promoters' shareholding percentage in the Company is as below:

	As at March 31, 2022		As at March 31, 2021	
	No. of Ordinary Shares	% held	No. of Ordinary Shares	% held
Name of promoter				
(a) Tata Sons Private Limited#	39,65,08,142	32.46	39,65,08,142	32.93
Name of promoter group				
(a) Tata Motors Limited#	54,96,295	0.45	54,96,295	0.46
(b) Tata Investment Corporation Limited#	41,98,494	0.34	41,98,494	0.35
(c) Tata Chemicals Ltd#	30,90,051	0.25	30,90,051	0.26
(d) Ewart Investments Limited	22,25,975	0.18	22,25,975	0.18
(e) Rujuvalika Investments Limited*	11,68,393	0.10	11,68,393	0.10
(f) Tata Industries Limited	10,42,545	0.09	10,42,545	0.09
(g) Tata Motors Finance Limited	6,09,511	0.05	6,09,511	0.05
(h) Tata Capital Ltd	16,740	0.00	16,740	0.00
(i) Titan Company Limited	2,511	0.00	2,511	0.00
(j) Sir Dorabji Tata Trust^	-	-	-	-
(k) Sir Ratan Tata Trust^	-	-	-	-

* 11,68,393 Ordinary Shares held by Rujuvalika Investments Limited (a wholly owned subsidiary of Tata Steel Limited), do not carry any voting rights.

Change in shareholding is on account of allotment of additional shares to the non-controlling equity holders of erstwhile Tata Steel BSL Limited ("TSBSL") pursuant to the scheme of amalgamation of TSBSL and Bamnipal Steel Limited with and into the Company.

^ During the year ended March 31, 2019, Sir Dorabji Tata Trust and Sir Ratan Tata Trust had sold their entire holdings in the Company.

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forming part of the financial statements

16. Equity share capital (Contd.)
[Item No. IV(a), Page 292]

(vii) **96,95,642** shares (March 31, 2021: 1,00,14,395 shares) of face value of ₹10 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 below:

A. Ordinary Shares of ₹10 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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17. Hybrid perpetual securities
[Item No. IV(b), Page 292]

The detail of movement in Hybrid perpetual securities is as below:

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	775.00	2,275.00
Repayments during the year	(775.00)	(1,500.00)
Balance at the end of the year	**-**	**775.00**

The Company had issued hybrid perpetual securities of ₹775.00 crore and ₹1,500.00 crore in May 2011 and March 2011 respectively. These securities are 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. and 11.80% p.a. respectively, with a step up provision if the securities are not called after 10 years. The distribution on the securities may be deferred at the option of the Company if in the six months preceding the relevant distribution payment date, the Company has not made payment on, or repurchased or redeemed, any securities ranking pari passu with, or junior to the instrument. As these securities are perpetual in nature and the Company does not have any redemption obligation, these were classified as equity.

During the year, the Company has exercised its call option and redeemed the perpetual securities worth ₹775.00 crore issued during May 2011.

18. Other equity
[Item No. IV(c), Page 292]

A. Retained earnings
The details of movement in retained earnings is as below:

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	46,480.00	30,803.97
Profit for the year	33,011.18	17,077.97
Remeasurement of post-employment defined benefit plans	7.57	84.64
Tax on remeasurement of post-employment defined benefit plans	(1.90)	(20.63)
Dividend	(3,007.08)	(1,145.92)
Distribution on hybrid perpetual securities[(i)]	(1.46)	(242.34)
Tax on distribution on hybrid perpetual securities	0.37	60.99
Transfers within equity[(ii)]	9.99	(138.68)
Balance at the end of the year	**76,498.67**	**46,480.00**

(i) During the year ended March 31, 2022, distribution of ₹**8.30** crore (2020-21: ₹16.97 crore) post exercise of the call option on hybrid perpetual securities has 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.

NOTES
forming part of the financial statements

18. Other equity (Contd.)
[Item No. IV(c), Page 292]

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, 2022	Year ended March 31, 2021
Balance at the beginning of the year	(41.10)	(61.72)
Other comprehensive income recognised during the year	102.20	20.62
Balance at the end of the year	**61.10**	**(41.10)**

(i) The details of other comprehensive income recognised during the year is as below:

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Fair value changes recognised during the year	123.92	34.65
Fair value changes reclassified to profit and loss/cost of hedged items	12.65	(7.09)
Tax impact on above	(34.37)	(6.94)
	102.20	**20.62**

During the year, ineffective portion of cash flow hedges recognised in the statement of profit and loss amounted to **Nil** (2020-21: 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 ₹**4.01** crore (2020-21: loss ₹12.10 crore).
- later than one year: gain ₹**57.09** crore (2020-21: loss ₹29.00 crore).

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forming part of the financial statements

18. Other equity (Contd.)
[Item No. IV(c), Page 292]

(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, 2022	Year ended March 31, 2021
Balance at the beginning of the year	276.76	(188.70)
Other comprehensive income recognised during the year	654.92	333.55
Tax impact on above	(67.89)	(6.77)
Transfers within equity	(9.99)	138.68
Balance at the end of the year	**853.80**	**276.76**

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, 2022	Year ended March 31, 2021
Balance at the beginning of the year	30,964.76	27,780.28
Received/transfer on issue of Ordinary Shares during the year	325.25	3,185.84
Equity issue expenses written (off)/back during the year	(1.12)	(1.36)
Balance at the end of the year	**31,288.89**	**30,964.76**

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forming part of the financial statements

18. Other equity (Contd.)

[Item No. IV(c), Page 292]

(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 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, 2022	Year ended March 31, 2021
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, 2022	Year ended March 31, 2021
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, 2022	Year ended March 31, 2021
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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18. Other equity (Contd.)

[Item No. IV(c), Page 292]

(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, 2022	Year ended March 31, 2021
Balance at the beginning of the year[(i)]	1,730.25	1,730.25
Balance at the end of the year	**1,730.25**	**1,730.25**

(i) Includes ₹1,728.76 crore representing the difference between the net identifiable assets acquired and consideration paid, on merger of Tata Steel BSL Limited and Bamnipal Steel Limited with the Company.

(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, 2022	Year ended March 31, 2021
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, 2022	Year ended March 31, 2021
Balance at the beginning of the year[(i)]	18.21	18.21
Less: Allotted during the year	(18.21)	-
Balance at the end of the year	**-**	**18.21**

(i) Balance at the beginning of the year is net of 13,500 treasury shares amounting to ₹0.01 crore, which has been subsequently cancelled.

E. Share application money pending allotment

The details of movement in share application money pending allotment is as below:

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	3.78	-
Received during the year	326.85	3.78
Allotted during the year	(330.63)	-
Balance at the end of the year	**-**	**3.78**

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forming part of the financial statements

19. Borrowings
[Item No. V(a)(i) and VI(a)(i), Page 292]

A. Non-current

(₹ crore)

		As at March 31, 2022	As at March 31, 2021
(a)	**Secured**		
	(i) Loans from Joint Plant Committee - Steel Development Fund	2,714.29	2,677.40
	(ii) Term loans from banks/financial institutions	-	6,949.03
		2,714.29	**9,626.43**
(b)	**Unsecured**		
	(i) Non-convertible debentures	10,899.62	13,567.60
	(ii) Term loans from banks/financial institutions	6,676.90	8,351.38
		17,576.52	**21,918.98**
		20,290.81	**31,545.41**

B. Current

(₹ crore)

		As at March 31, 2022	As at March 31, 2021
(a)	**Secured**		
	(i) Repayable on demand from banks/financial institutions	**0.85**	**250.00**
(b)	**Unsecured**		
	(i) Loans from banks/financial institutions	4,800.00	65.80
	(ii) Current maturities of long-term borrowings	2,855.74	668.88
	(iii) Commercial papers	4,328.07	-
		11,983.81	**734.68**
		11,984.66	**984.68**

NOTES
forming part of the financial statements

19. Borrowings (Contd.)

[Item No. V(a)(i) and VI(a)(i), Page 292]

(i) As at March 31, 2022, ₹**2,715.14** crore (March 31, 2021: ₹9,876.43 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, 2022 is 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 Tube 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 has filed a writ petition before the High Court at Kolkata in February 2006 claiming waiver of the outstanding loan and interest and refund of the balance lying with Steel Development Fund and the matter is subjudice.

The loan includes funded interest ₹**1,074.96** crore (March 31, 2021: ₹1,038.07 crore).

It includes ₹**1,639.33** crore (March 31, 2021: ₹1,639.33 crore) representing repayments and interest on earlier loans for which applications of funding are awaiting sanction and is not secured by charge on movable assets of the Company.

(b) Loans from banks/financial institutions

(i) Rupee term loans as on 31 March 2021, amounting to ₹6,949.03 crore were secured by a charge on immovable & movable properties including movable machinery, spares, tools & accessories, ranking pari passu inter-se. The term loan were originally payable across 18 half yearly instalments starting from March 2022. The interest rate on such term loans was 0.55% spread over MCLR (Marginal Cost of funds based Lending Rate). During the year ended 31 March 2022, the Company has repaid such loans.

(ii) Working capital facilities from banks as at March 31, 2021 amounting to ₹250.00 crore was secured by a first pari passu charge on the stock of raw materials, finished goods, stock in process, consumable stores and book debts of the Company.

(iii) As at March 31, 2022, 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.

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forming part of the financial statements

19. Borrowings (Contd.)
[Item No. V(a)(i) and VI(a)(i), Page 292]

(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**	**-**	**June 30, 2021**	**6,973.00**	**6409.24**	**563.76**	Primarily inclusion of certain liabilities not forming part of creditors for goods.
	2,000.00	*-*	*June 30, 2020*	*7,806.00*	*7,295.24*	*510.76*	
	2,000.00	**-**	**September 30, 2021**	**6,281.30**	**5,754.56**	**526.74**	
	2,000.00	*-*	*September 30, 2020*	*7,557.00*	*7,033.07*	*523.93*	
	2,000.00	**-**	**December 31, 2021**	**14,533.00**	**14,007.35**	**525.65**	
	2,000.00	*-*	*December 31, 2020*	*7,116.00*	*6,492.37*	*623.63*	
	2,000.00	**-**	**March 31, 2022**	**16,857.04**	**16,332.53**	**524.51**	
	2,000.00	*-*	*March 31, 2021*	6,957.00	*6,365.44*	*591.56*	

Figures in italics represent comparative figures for previous year.

* 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.

(v) The details of major unsecured borrowings as at March 31, 2022 is as below:

(a) Non-convertible Debentures

The details of debentures issued by the Company is as below:

(i) 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.

(ii) 8.15% p.a. interest bearing 10,000 debentures of face value ₹10,00,000 each are redeemable at par on October 1, 2026.

(iii) 7.70% p.a. interest bearing 6,700 debentures of face value ₹10,00,000 each are redeemable at par on March 13, 2025.

(iv) 7.95% p.a. interest bearing 5,000 debentures of face value ₹10,00,000 each are redeemable at par on October 30, 2023.

(v) 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 02, 2023.

(vi) 8.25% p.a. interest bearing 10,000 debentures of face value ₹10,00,000 each are redeemable at par on May 19, 2023.

(vii) 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.

(viii) 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.

(ix) 7.85% p.a. interest bearing 5,100 debentures of face value ₹10,00,000 each are redeemable at par on April 21, 2023.

(x) 7.85% p.a. interest bearing 10,250 debentures of face value ₹10,00,000 each are redeemable at par on April 17, 2023.

(xi) 2.00% p.a. interest bearing 15,000 debentures of face value ₹10,00,000 each are redeemable at a premium of 85.03% of the face value on April 22, 2022.

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19. Borrowings (Contd.)

[Item No. V(a)(i) and VI(a)(i), Page 292]

(b) Term loans from banks/financial institutions

The details of loans from banks and financial institutions availed by the Company is as below:

(i) Rupee loan amounting ₹**1,320.00** crore (March 31, 2021: ₹2,600.00 crore) is repayable in 3 semi-annual instalments, the next instalment is due on August 31, 2029.

(ii) Rupee loan amounting ₹**595.00** crore (March 31, 2021: ₹595.00 crore) is repayable in 4 semi-annual instalments, the next instalment is due on October 16, 2026.

(iii) Rupee loan amounting ₹**520.00** crore (March 31, 2021: ₹520.00 crore) is repayable in 5 semi-annual instalments, the next instalment is due on June 30, 2025.

(iv) Rupee loan amounting ₹**930.42** crore (March 31, 2021: ₹990.00 crore) is repayable in 14 semi-annual instalments, the next instalment is due on November 15, 2023

(v) USD **440** million equivalent to ₹**3,335.09** crore (March 31, 2021: USD 440.00 million equivalent to ₹3,217.06 crore) loan is repayable in 3 equal annual instalments commencing from September 9, 2023.

(vi) Euro **9.55** million equivalent to ₹**80.37** crore (March 31, 2021: Euro 28.66 million equivalent to ₹245.87 crore) loan is repayable in 1 semi-annual instalment, the next instalment is due on April 30, 2022.

(vii) USD loan amounting to 66.67 million equivalent to ₹487.83 crore as on March 31, 2021 due for repayment on February 16, 2022 has been repaid during the year.

(viii) Rupee loan amounting ₹400.00 crore as on March 31, 2021 repayable in 3 semi-annual instalments, has been fully pre-paid during the year.

(c) Commercial papers raised by the Company are short-term in nature ranging between twenty days to six months.

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19. Borrowings (Contd.)
[Item No. V(a)(i) and VI(a)(i), Page 292]

(vi) Currency and interest exposure of borrowings including current maturities is as below:

(₹ crore)

	As at March 31, 2022			As at March 31, 2021		
	Fixed rate	Floating rate	Total	Fixed rate	Floating rate	Total
INR	16,106.29	12,775.79	28,882.08	11,989.63	16,623.10	28,612.73
EURO	66.56	13.82	80.38	203.01	42.15	245.16
USD	-	3,313.01	3,313.01	-	3,672.20	3,672.20
	16,172.85	**16,102.62**	**32,275.47**	**12,192.64**	**20,337.45**	**32,530.09**

INR-Indian Rupees, USD-United States Dollars.

(vii) Majority of floating rate borrowings are bank borrowings and debentures bearing interest rates based on Marginal Cost of Lending Rate (MCLR), Repo rate, LIBOR and EURIBOR. Of the total floating rate borrowings as at March 31, 2022, ₹**3,335.09** crore (March 31, 2021: ₹3,703.27 crore) has been hedged using interest rate swaps and interest rate cap and collars, 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, 2022	As at March 31, 2021
Not later than one year or on demand	11,984.74	987.15
Later than one year but not two years	6,064.62	2,879.91
Later than two years but not three years	1,844.20	6,042.35
Later than three years but not four years	1,361.70	1,804.85
Later than four years but not five years	1,450.00	1,322.35
More than five years	9,614.29	19,677.39
	32,319.55	**32,714.00**
Less: Capitalisation of transaction costs	44.08	183.91
	32,275.47	**32,530.09**

(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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20. Other financial liabilities
[Item No. V(a)(iv) and VI(a)(v), Page 292]

A. Non-current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
Creditors for other liabilities	883.23	458.61
	883.23	**458.61**

B. Current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Interest accrued but not due	568.98	642.24
(b) Unclaimed dividends	68.82	64.13
(c) Creditors for other liabilities	4,499.74	3,912.17
	5,137.54	**4,618.54**

(i) Non-current and current creditors for other liabilities include:

(a) creditors for capital supplies and services ₹**2,136.65** crore (March 31, 2021: ₹1,820.05 crore).

(b) liability for employee family benefit scheme ₹**227.43** crore (March 31, 2021: ₹209.07 crore).

21. Provisions
[Item No. V(b) and VI(b), Page 292]

A. Non-current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Employee benefits	2,192.59	2,113.79
(b) Others	492.41	458.44
	2,685.00	**2,572.23**

B. Current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Employee benefits	298.03	287.62
(b) Others	784.39	789.29
	1,082.42	**1,076.91**

(i) Non-current and current provision for employee benefits include provision for leave salaries ₹**1,228.46** crore (March 31, 2021: ₹1,261.31 crore) and provision for early separation scheme ₹**1,245.08** crore (March 31, 2021: ₹1,122.62 crore).

(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.

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forming part of the financial statements

21. Provisions (Contd.)
[Item No. V(b) and VI(b), Page 292]

(iii) Non-current and current other provisions include:

(a) provision for compensatory afforestation, mine closure and rehabilitation obligations ₹**1,229.47** crore (March 31, 2021: ₹1,200.40 crore). These amounts become payable upon closure of the mines and are expected to be incurred over a period of 1 to 45 years.

(b) provision for expected obligations in respect of a loss-making subsidiary ₹**47.33** crore (March 31, 2021: ₹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, 2022	Year ended March 31, 2021
Balance at the beginning of the year	1,247.73	801.21
Recognised/(released) during the year[a]	33.13	456.35
Other reclassifications	-	7.41
Utilised during the year	(4.06)	(17.24)
Balance at the end of the year	**1,276.80**	**1,247.73**

(a) includes provisions capitalised during the year in respect of restoration obligations.

22. Retirement benefit obligations
[Item No. V(c) and VI(c), Page 292]

A. Non-current

(₹ crore)

		As at March 31, 2022	As at March 31, 2021
(a)	Retiring gratuities	399.37	331.65
(b)	Post-retirement medical benefits	1,586.09	1,530.32
(c)	Other defined benefits	330.45	282.48
		2,315.91	**2,144.45**

B. Current

(₹ crore)

		As at March 31, 2022	As at March 31, 2021
(a)	Post-retirement medical benefits	94.15	100.20
(b)	Other defined benefits	20.84	15.90
		114.99	**116.10**

(i) Detailed disclosure in respect of post-retirement defined benefit schemes is provided in note 35, page 360.

(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

23. Deferred income
[Item No. V(d) and VI(d), Page 292]

A. Non-Current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
Other deferred income	0.74	1.51
	0.74	**1.51**

B. Current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
Other deferred income	67.84	34.44
	67.84	**34.44**

24. Other liabilities
[Item No. V(f) and VI(f), Page 292]

A. Non-current

(₹ crore)

		As at March 31, 2022	As at March 31, 2021
(a)	Advances received from customers	3,562.63	4,971.82
(b)	Statutory dues	22.33	-
(c)	Other credit balances	1,302.33	941.58
		4,887.29	**5,913.40**

B. Current

(₹ crore)

		As at March 31, 2022	As at March 31, 2021
(a)	Advances received from customers	2,858.42	2,121.18
(b)	Employee recoveries and employer contributions	29.19	25.17
(c)	Statutory dues	9,615.32	6,404.41
		12,502.93	**8,550.76**

(i) Non-current and current advance from customer includes an interest-bearing advance of ₹**4,972.83** crore (March 31, 2021: ₹6,304.69 crore) which would be adjusted over a period of 4 years against export of steel products. Out of the amount outstanding ₹**1,410.20** crore (2020-21: ₹1,332.87 crore) is expected to be adjusted by March 31, 2023 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.

NOTES
forming part of the financial statements

25. Trade payables

[Item No. VI(a)(iii), Page 293]

A. Total outstanding dues of micro and small enterprises

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
Dues of micro and small enterprises	678.20	316.74
	678.20	**316.74**

B. Total outstanding dues of creditors other than micro and small enterprises

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Creditors for supplies and services	18,803.15	11,948.27
(b) Creditors for accrued wages and salaries	1,609.79	1,161.20
	20,412.94	**13,109.47**

(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, 2022	As at March 31, 2021
(i) Principal amount remaining unpaid to supplier at the end of the year*	955.31	443.10
(ii) Interest due thereon remaining unpaid to supplier at the end of the year	1.31	3.50
(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	22.38	14.73
(iv) Amount of interest accrued and remaining unpaid at the end of the year	23.69	18.23

* 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, 2022

(₹ crore)

	Not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
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.

NOTES
forming part of the financial statements

25. Trade payables (Contd.)
[Item No. VI(a)(iii), Page 293]

As at March 31, 2021

(₹ crore)

	Not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - MSME	260.91	25.63	0.96	0.49	1.95	289.94
Undisputed dues - Others	7,393.12	2,903.02	43.54	12.32	50.85	10,402.85
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	0.14	0.22	19.43	19.63	39.42
	7,654.03	**2,928.79**	**44.72**	**32.24**	**72.43**	**10,732.21**
Add: Unbilled dues*						2,694.00
Total trade payables						**13,426.21**

* Includes dues of micro, small and medium enterprises of ₹26.80 crore.

26. Revenue from operations
[Item No. I, Page 293]

(₹ crore)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Sale of products	1,26,070.07	81,361.43
(b)	Sale of power and water	1,611.33	1,466.73
(c)	Other operating revenues(ii)	1,339.95	1,304.76
		1,29,021.35	**84,132.92**

(i) Revenue from contracts with customers disaggregated on the basis of geographical region and major businesses is as below:

(₹ 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**

(₹ crore)

	Year ended March 31, 2021		
	India	Outside India	Total
(a) Steel	66,616.71	12,153.16	78,769.87
(b) Power and water	1,466.73	-	1,466.73
(c) Others	1,292.80	1,298.76	2,591.56
	69,376.24	**13,451.92**	**82,828.16**

(ii) Other operating revenues include income from export and other incentive schemes.

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forming part of the financial statements

27. Other income
[Item No. II, Page 293]

(₹ crore)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Dividend income	243.92	68.11
(b)	Interest income	943.00	318.69
(c)	Net gain/(loss) on sale/fair value changes of mutual funds	182.57	220.44
(d)	Gain/(loss) on sale of property, plant and equipment including intangible assets (net of loss on assets scrapped/written off)	17.28	22.88
(e)	Gain/(loss) on cancellation of forwards, swaps and options	34.09	60.06
(f)	Other miscellaneous income	31.16	64.93
		1,452.02	**755.11**

(i) Dividend income includes income from investments carried at fair value through other comprehensive income ₹**20.39** crore (2020-21: ₹19.48 crore).

(ii) Interest income represents income on financial assets carried at amortised cost ₹**943.00** crore (2020-21: ₹318.69 crore).

28. Changes in inventories of finished and semi-finished goods, stock-in-trade and work-in-progress
[Item No. IV(c), Page 293]

	Year ended March 31, 2022	Year ended March 31, 2021
Inventories at the end of the year		
(a) Finished and semi-finished goods	6,700.41	4,884.57
(b) Stock-in-trade	30.78	25.76
	6,731.19	**4,910.33**
Inventories at the beginning of the year		
(a) Work-in-progress	-	6.90
(b) Finished and semi-finished goods	4,884.56	6,966.84
(c) Stock-in-trade	25.76	113.15
	4,910.32	**7,086.89**
Increase/(decrease)	**1,820.87**	**(2,176.56)**

NOTES

forming part of the financial statements

29. Employee benefits expense

[Item No. IV(d), Page 293]

(₹ crore)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Salaries and wages	5,390.41	4,901.83
(b)	Contribution to provident and other funds	550.29	557.54
(c)	Staff welfare expenses	425.10	282.57
		6,365.80	**5,741.94**

(i) During the year ended March 31, 2022, the Company has recognised an amount of ₹**40.52** crore (2020-21: ₹34.28 crore) as remuneration to key managerial personnel. The details of such remuneration is as below:

(₹ crore)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Short-term employee benefits	34.67	28.19
(b)	Post-employment benefits	5.85	5.82
(c)	Other long-term employee benefits	-	0.27
		40.52	**34.28**

30. Finance costs

Item No. IV(e), Page 293]

(₹ crore)

		Year ended March 31, 2022	Year ended March 31, 2021
Interest expense on:			
(a)	Bonds, debentures, bank borrowings and others	2,446.76	4,115.04
(b)	Lease Obligation	515.30	563.47
		2,962.06	**4,678.51**
Less: Interest capitalised		169.98	137.49
		2,792.08	**4,541.02**

(i) During the year ended March 31, 2021, interest expense includes interest on income tax ₹4.76 crore.

31. Depreciation and amortisation expense

[Item No. IV(f), Page 293]

(₹ crore)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Depreciation on property, plant and equipment	4,863.26	4,796.79
(b)	Depreciation on right-of-use assets	506.60	532.42
(c)	Amortisation of intangible assets	93.83	140.05
		5,463.69	**5,469.26**

NOTES
forming part of the financial statements

32. Other expenses
[Item No. IV(g), Page 293]

(₹ crore)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Consumption of stores and spares	6,960.39	5,432.31
(b)	Repairs to buildings	46.56	37.16
(c)	Repairs to machinery	3,973.15	3,193.41
(d)	Relining expenses	204.09	144.03
(e)	Fuel oil consumed	377.29	232.08
(f)	Purchase of power	4,286.40	3,514.18
(g)	Conversion charges	1,797.50	2,249.21
(h)	Freight and handling charges	6,631.96	5,287.62
(i)	Rent	85.51	73.28
(j)	Royalty	5,506.30	2,195.31
(k)	Rates and taxes	2,065.74	1,233.72
(l)	Insurance charges	202.87	197.12
(m)	Commission, discounts and rebates	288.33	255.00
(n)	Allowance for credit losses/provision for advances	63.04	55.89
(o)	Others	3,969.52	3,865.75
		36,458.65	**27,966.07**

(i) Others include: net foreign exchange gain ₹**724.84** crore (2020-21: foreign exchange gain ₹51.18 crore),

(ii) During the year ended March 31, 2022, the Company has recognised an amount of ₹**9.76** crore (2020-21: ₹8.29 crore) towards payment to non-executive directors. The details are as below:

(₹ crore)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Short-term benefits	9.30	7.80
(b)	Sitting fees	0.46	0.49
		9.76	**8.29**

(iii) Details of auditors' remuneration and out-of-pocket expenses is as below:

(₹ crore)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Auditors remuneration and out-of-pocket expenses		
	(i) Statutory audit fees	9.24	7.45
	(ii) Tax audit fees	0.60	0.60
	(iii) For other services	0.27	0.43
	(iv) Out-of-pocket expenses	-	0.37
(b)	Cost audit fees [including out of pocket expenses ₹**12,000** (2020-21: Nil)]	0.20	0.20

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forming part of the financial statements

32. Other expenses (Contd.)
[Item No. IV(g), Page 293]

(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 ₹**266.57** crore (2020-21: ₹189.85 crore).

During the year ended March 31, 2022 amount approved by the Board to be spent on CSR activities was ₹**526.00** crore (2020-21: ₹270.17 crore).

During the year ended March 31, 2022, in respect of CSR activities 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]. The amount spent relates to purpose other than construction or acquisition of any asset and out of the above, ₹**167.21** crore was spent on ongoing projects during the year. There was no amount unspent for the year ended March 31, 2022 and the Company does not propose to carry forward any amount spent beyond the statutory requirement.

During the year ended March 31, 2021, revenue expenditure incurred by the Company amounted to ₹229.97 crore [₹225.22 crore has been paid in cash and ₹4.75 crore was yet to be paid], which included ₹87.34 crore spent on ongoing projects. There was no amount unspent for year ended March 31, 2021.

During the year ended March 31, 2022, amount spent on CSR activities through related parties was ₹**309.42** crore (2020-21: ₹104.80 crore).

(v) During the year ended March 31, 2022, revenue expenditure charged to the statement of profit and loss in respect of research and development activities undertaken was ₹**212.44** crore (2020-21: ₹228.29 crore) including depreciation of ₹**9.24** crore (2020-21: ₹9.43 crore). Capital expenditure incurred in respect of research and development activities during the year was ₹**0.74** crore (2020-21: ₹2.75 crore).

33. Exceptional items
[Item No. VI, Page 293]

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 ₹**343.68** crore (2020-21: ₹1,084.85 crore) relates to profit recognised on sale of investments of three subsidiaries and three joint ventures to a wholly owned subsidiary of the Company.

(b) Provision for impairment of investments/doubtful advances ₹**93.22** crore (2020-21: reversal ₹149.74 crore) relates to provision recognised for loan given to associate net off reversal of provision for investment in subsidiary.

(c) Employee separation compensation ₹**330.81** crore (2020-21: ₹443.55 crore) relates to provisions recognised in respect of employee separation scheme of employees.

(d) Restructuring and other provisions ₹**204.84** crore (2020-21: ₹Nil) 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 ₹**49.74** crore (2020-21: loss ₹49.74 crore) represents gain on investments in debentures held of an erstwhile joint venture (subsidiary as at balance sheet date).

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forming part of the financial statements

34. Earnings per share
[Item No. XII, Page 293]

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, 2022	Year ended March 31, 2021
(a)	Profit after tax	33,011.18	17,077.97
	Less: Distribution on hybrid perpetual securities (net of tax)	1.09	181.35
	Profit attributable to ordinary shareholders- for basic and diluted EPS	**33,010.09**	**16,896.62**
		Nos.	Nos.
(b)	Weighted average number of Ordinary Shares for basic EPS	1,20,28,75,282	1,14,70,84,629
	Add: Adjustment relating to merger (refer note 44, page 385)	1,82,10,305	1,82,10,305
	Total weighted average number of Ordinary Shares for basic EPS	**1,22,10,85,587**	**1,16,52,94,934**
	Add: Adjustment for shares held in abeyance and un-called portion on partly paid-up shares	9,43,074	1,08,181
	Weighted average number of Ordinary Shares and potential Ordinary Shares for diluted EPS	**1,22,20,28,661**	**1,16,54,03,115**
(c)	Nominal value of Ordinary Share (₹)	10.00	10.00
(d)	Basic earnings per Ordinary Share (₹)	270.33	145.00
(e)	Diluted earnings per Ordinary Share (₹)	270.13	144.99

(i) During the year ended March 31, 2021, 5,70,42,370 options in respect of partly paid and 1,22,619 options in respect of fully paid shares were excluded from weighted average number of Ordinary Shares for the computation of diluted earnings per share as these were anti- dilutive.

35. 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.

(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 ₹**169.61** crore (2020-21: ₹179.97 crore).

NOTES
forming part of the financial statements

35. Employee benefits (Contd.)

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, 2022	Year ended March 31, 2021
Discount rate	7.00	6.50
Guaranteed rate of return	8.10	8.50
Expected rate of return on investment	8.00	8.00

(b) Retiring gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. 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.

(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.

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forming part of the financial statements

35. Employee benefits (Contd.)

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, 2022	Year ended March 31, 2021
Change in defined benefit obligations:		
Obligation at the beginning of the year	2,940.64	3,068.95
Current service cost	159.58	165.68
Interest costs	174.52	187.79
Remeasurement (gain)/loss	(41.04)	(116.56)
Adjustment for arrear wage settlement	-	1.62
Benefits paid	(338.83)	(366.84)
Obligation at the end of the year	**2,894.87**	**2,940.64**

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Change in plan assets:		
Fair value of plan assets at the beginning of the year	2,608.99	2,491.83
Interest income	160.11	160.23
Remeasurement gain/(loss) excluding amount included within employee benefit expense	8.51	15.69
Employers' contribution	56.72	308.08
Benefits paid	(338.83)	(366.84)
Fair value of plan assets at the end of the year	**2,495.50**	**2,608.99**

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forming part of the financial statements

35. Employee benefits (Contd.)

Amounts recognised in the balance sheet consist of:

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets	2,495.50	2,608.99
Present value of obligation	(2,894.87)	(2,940.64)
	(399.37)	**(331.65)**
Recognised as:		
Retirement benefit obligations - Non-current	**(399.37)**	**(331.65)**

Expense/(gain) recognised in the statement of profit and loss consists of:

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Employee benefits expense:		
Current service cost	159.58	165.68
Net interest expense	14.41	27.56
	173.99	**193.24**
Other comprehensive income:		
Return on plan assets excluding amount included in employee benefits expense	(8.51)	(15.69)
Actuarial (gain)/loss arising from changes in demographic assumption	1.74	(5.60)
Actuarial (gain)/loss arising from changes in financial assumption	(60.72)	(29.60)
Actuarial (gain)/loss arising from changes in experience adjustments	17.94	(81.36)
	(49.55)	**(132.25)**
Expense/(gain) recognised in the statement of profit and loss	**124.44**	**60.99**

(ii) Fair value of plan assets by category of investment is as below:

(%)

	As at March 31, 2022	As at March 31, 2021
Assets category (%)		
Equity instruments (quoted)	1.08	0.34
Debt instruments (quoted)	24.47	20.89
Insurance products (unquoted)	74.45	78.77
	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.

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forming part of the financial statements

35. Employee benefits (Contd.)

(iii) Key assumptions used in the measurement of retiring gratuity is as below:

	As at March 31, 2022	As at March 31, 2021
Discount rate	7.00%	6.50% to 6.83%
Rate of escalation in salary	7.00% to 10.50%	5.00% to 12.00%

(iv) Weighted average duration of the retiring gratuity obligation is **8.00** years (March 31, 2021: 8.00 – 15.46 years).

(v) The Company expects to contribute ₹**399.37** crore to the plan during the financial year 2022-23

(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, 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

As at March 31, 2021

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹214.88 crore, increase by ₹248.66 crore
Rate of escalation in salary	Increase by 1%, decrease by 1%	Increase by ₹242.23 crore, decrease by ₹213.72 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) 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, 2022		Year ended March 31, 2021	
	Medical	Others	Medical	Others
Change in defined benefit obligation:				
Obligation at the beginning of the year	1,630.52	298.38	1,539.10	263.19
Current service cost	25.53	23.63	25.37	44.46
Interest cost	103.59	18.13	97.59	16.15
Remeasurement (gain)/loss				
(i) Actuarial (gains)/losses arising from changes in demographic assumptions	233.65	15.29	(11.90)	(0.40)
(ii) Actuarial (gains)/losses arising from changes in financial assumptions	(137.69)	(14.06)	-	6.79
(iii) Actuarial (gains)/losses arising from changes in experience adjustments	(101.75)	46.54	55.64	(2.52)
Benefits paid	(73.61)	(39.48)	(75.28)	(29.29)
Past service cost	-	2.86	-	-
Obligation at the end of the year	**1,680.24**	**351.29**	**1,630.52**	**298.38**

NOTES
forming part of the financial statements

35. Employee benefits (Contd.)

Amounts recognised in the balance sheet consist of:

(₹ crore)

	As at March 31, 2022		As at March 31, 2021	
	Medical	Others	Medical	Others
Present value of obligation	(1,680.24)	(351.29)	(1,630.52)	(298.38)
Recognised as:				
Retirement benefit obligations - Current	(94.15)	(20.84)	(100.20)	(15.90)
Retirement benefit obligations - Non-current	(1,586.09)	(330.45)	(1,530.32)	(282.48)

Expense/(gain) recognised in the statement of profit and loss consists of:

(₹ crore)

	Year ended March 31, 2022		Year ended March 31, 2021	
	Medical	Others	Medical	Others
Employee benefits expense:				
Current service cost	25.53	23.63	25.37	44.46
Past service cost	-	2.86	-	-
Net interest expense	103.59	18.13	97.59	16.15
	129.12	**44.62**	**122.96**	**60.61**
Other comprehensive income:				
Actuarial (gains)/losses arising from changes in demographic assumptions	233.65	15.29	(11.90)	(0.40)
Actuarial (gains)/losses arising from changes in financial assumption	(137.69)	(14.06)	-	6.79
Actuarial (gains)/losses arising from changes in experience adjustments	(101.75)	46.54	55.64	(2.52)
	(5.79)	**47.77**	**43.74**	**3.87**
Expense recognised in the statement of profit and loss	**123.33**	**92.39**	**166.70**	**64.48**

(ii) Key assumptions used in the measurement of post-retirement medical benefits and other defined benefit plans is as below:

	As at March 31, 2022		As at March 31, 2021	
	Medical	Others	Medical	Others
Discount rate	7.00%	7.00%	6.50%	6.50%
Rate of escalation in salary	N.A	10.50%-15.00%	N.A	10.50%-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, 2021: 8.00 years). Weighted average duration of other defined benefit obligation ranges from **2.4 to 16** years (March 31, 2021: 2.9 to 13 years)

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forming part of the financial statements

35. 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, 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
Medical cost inflation rate	Increase by 1%, decrease by 1%	Increase by ₹**274.38** crore, decrease by ₹**217.56** crore

As at March 31, 2021

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹220.01 crore, increase by ₹284.05 crore
Medical cost inflation rate	Increase by 1%, decrease by 1%	Increase by ₹262.98 crore, decrease by ₹208.60 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, 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

As at March 31, 2021

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹16.25 crore, increase by ₹18.95 crore
Rate of escalation in salary	Increase by 1%, decrease by 1%	Increase by ₹3.49 crore, decrease by ₹3.21 crore
Inflation rate	Increase by 1%, decrease by 1%	Increase by ₹7.75 crore, decrease by ₹6.79 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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36. 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, 2022, there are matters and/or disputes pending in appeal amounting to ₹**3,544.68** crore (March 31, 2021: ₹2,360.77 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, 2021: ₹1,551.10 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, 2021: ₹170.54 crore)

In respect of above demands, the Company has deposited an amount of ₹**1,255.63** crore (March 31, 2021: ₹1,250.54 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 GST

As at March 31, 2022, there were pending litigations for various matters relating to customs, excise duty, service tax and GST involving demands of ₹**310.63** crore (March 31, 2021: ₹304.48 crore).

Sales tax/VAT

The total sales tax demands that are being contested by the Company amounted to ₹**776.08** crore (March 31, 2021: ₹823.37 crore).

The details of significant demands are 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 amount involved for various assessment years beginning 2011-2012 to 2016-2017 as on March 31, 2022 is amounting to ₹**142.00** crore (March 31, 2021: ₹188.65 crore).

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forming part of the financial statements

36. Contingencies and commitments (Contd.)

Other taxes, dues and claims

Other amounts for which the Company may contingently be liable aggregate to ₹**15,790.08** crore (March 31, 2021: ₹13,736.46 crore).

The details of significant demands are as below:

(a) Claim by a party arising out of conversion arrangement ₹**195.79** crore (March 31, 2021: ₹195.79 crore). The Company has not acknowledged this claim and has instead filed a claim of ₹**141.23** crore (March 31, 2021: ₹141.23 crore) on the party. The matter is pending before the Calcutta High Court.

(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, 2022 is ₹**11,023.93** crore (March 31, 2021: ₹9,709.73 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 and to grant refund of royalty paid in excess by the Company. Mines Tribunal has granted stay on the total demand with directive to Government of Odisha not to take any coercive action for realisation of this demanded amount.

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.

Likely demand of royalty on fines at sized ore rates as on March 31, 2022 is ₹**2,859.97** crore (March 31, 2021: ₹2,207.31 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.

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36. Contingencies and commitments (Contd.)

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. Demand amount of ₹**132.91** crore (March 31, 2021: ₹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 has challenged the demand and obtained a stay on the matter from the Revisionary Authority, Mines Tribunal, New Delhi. The demand of ₹234.74 crore has been provided. Based on evaluation of facts and circumstances, the show cause notice of ₹694.02 crore is not considered as a 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, 2021: ₹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.

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. The Company received a demand of ₹183.46 crore for the period starting January 1996 to November 2020 in this regard.

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.

The potential exposure as on March 31, 2022 is ₹**262.13** crore (March 31, 2021: ₹206.63 crore) is considered as contingent.

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36. Contingencies and commitments (Contd.)

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 ₹**8,699.11** crore (March 31, 2021: ₹7,079.29 crore).

Other commitments as at March 31, 2022 amount to ₹**0.01** crore (March 31, 2021: ₹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 have 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 has 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, has 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 **4,41,55,800** (March 31, 2021: 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 and the pledge is in the process of being released.

(e) The Company has given guarantees aggregating ₹**9,866.85** crore (March 31, 2021: ₹9,121.69 crore) details of which are as below:

(i) in favour of Commissioner Customs for ₹**1.07** crore (March 31, 2021: ₹1.07 crore) given on behalf of Timken India Limited in respect of goods imported.

(ii) in favour of The President of India for ₹**177.18** crore (March 31, 2021: ₹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 ₹**429.66** crore (March 31, 2021: Nil) 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, 2022 towards issued Guaranteed Notes by a subsidiary, ABJA Investment Co. Pte Ltd. for ₹**7,579.75** crore (March 31, 2021: ₹7,311.50 crore) and ₹**1,679.04** crore (March 31, 2021: ₹1,631.79 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 President of India for ₹**0.15** crore (March 31, 2021: ₹0.15 crore) against advance license.

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37. Other significant litigations

(a) Odisha Legislative Assembly issued an amendment to Indian Stamp Act, 1889, on May 09, 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, 2021: ₹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 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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37. 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 has been extended by application of law till March 31, 2030, the above demand is not tenable. The Company, has 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 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 has 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 has 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 has 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 has been informed that New Patrapara Coal Mine has 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 has directed SCCL to pay aforesaid compensation to TSBSL (entity merged with the Company).

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38. 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, 2022	As at March 31, 2021
Equity share capital	1,222.37	1,198.78
Hybrid perpetual securities	-	775.00
Other equity	1,24,211.39	93,211.34
Total equity (A)	**1,25,433.76**	**95,185.12**
Non-current borrowings	20,290.81	31,545.41
Non-current lease obligations	3,726.90	4,013.62
Current borrowings	11,984.66	984.68
Current lease obligations	522.14	521.78
Gross debt (B)	**36,524.51**	**37,065.49**
Total capital (A+B)	**1,61,958.27**	**1,32,250.61**
Gross debt as above	36,524.51	37,065.49
Less: Current investments	96.11	7,096.80
Less: Cash and cash equivalents	2,671.59	2,221.31
Less: Other balances with banks (including non-current earmarked balances)	263.30	240.58
Net debt (C)	**33,493.51**	**27,506.78**
Net debt to equity(i)	**0.30**	**0.32**

(i) Net debt to equity ratio as at March 31, 2022 and March 31, 2021 has been computed based on average of opening and closing equity.

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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 303 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, 2022 and March 31, 2021.

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**

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forming part of the financial statements

39. Disclosures on financial instruments (Contd.)

As at March 31, 2021

(₹ 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	2,461.90	-	-	-	-	2,461.90	2,461.90
Trade receivables	2,878.58	-	-	-	-	2,878.58	2,878.58
Investments	-	865.11	-	-	7,121.91	7,987.02	7,987.02
Derivatives	-	-	6.96	102.49	-	109.45	109.45
Loans	9,134.47	-	-	-	-	9,134.47	9,134.47
Other financial assets	1,146.28	-	-	-	-	1,146.28	1,146.28
	15,621.23	**865.11**	**6.96**	**102.49**	**7,121.91**	**23,717.70**	**23,717.70**
Financial liabilities:							
Trade payables	13,426.21	-	-	-	-	13,426.21	13,426.21
Borrowings other than lease obligations	32,530.09	-	-	-	-	32,530.09	33,233.14
Derivatives	-	-	64.62	91.01	-	155.63	155.63
Other financial liabilities	5,077.15	-	-	-	-	5,077.15	5,077.15
	51,033.45	**-**	**64.62**	**91.01**	**-**	**51,189.08**	**51,892.13**

(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.

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39. Disclosures on financial instruments (Contd.)

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.

(₹ 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**

(₹ crore)

	As at March 31, 2021			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Investments in mutual funds	7,096.80	-	-	7,096.80
Investments in equity shares	537.85	-	327.26	865.11
Investments in preference shares	-	-	25.11	25.11
Derivative financial assets	-	109.45	-	109.45
	7,634.65	**109.45**	**352.37**	**8,096.47**
Financial liabilities:				
Derivative financial liabilities	-	155.63	-	155.63
	-	**155.63**	**-**	**155.63**

(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.

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39. Disclosures on financial instruments (Contd.)

(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.

(vi) There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2022 and March 31, 2021.

(vii) Reconciliation of Level 3 fair value measurement is as below:

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	352.37	328.76
Additions during the year	13.72	23.61
Reclassification during the year*	(25.11)	-
Balance at the end of the year	**340.98**	**352.37**

* represents investment held in preference shares of a subsidiary, measured at fair value through profit and loss, now 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, 2022		As at March 31, 2021	
	Assets	Liabilities	Assets	Liabilities
(a) Foreign currency forwards, swaps and options	115.66	91.66	103.04	91.01
(b) Interest rate swaps and collars	107.09	-	6.41	64.62
	222.75	**91.66**	**109.45**	**155.63**
Classified as:				
Non-current	133.21	10.18	42.52	71.20
Current	89.54	81.48	66.93	84.43

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, 2022	As at March 31, 2021
(i) Foreign currency forwards, swaps and options	3,170.68	2,659.66
(ii) Interest rate swaps and collars	440.00	506.50
	3,610.68	**3,166.16**

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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, 2022 and March 31, 2021, 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 ₹**3,103.46** crore for the year ended March 31, 2022 (March 31, 2021: ₹832.49 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, 2022 and March 31, 2021 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, 2022 and March 31, 2021 a 100 basis points increase 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 ₹**127.94** crore for the year ended March 31, 2022 (2020-21: ₹170.61 crore).

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39. Disclosures on financial instruments (Contd.)

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, 2022 and March 31, 2021 was ₹**1,182.53** crore and ₹537.85 crore, respectively.

A 10% change in equity prices of such securities held as at March 31, 2022 and March 31, 2021, would result in an impact of ₹**118.25** crore and ₹53.79 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.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹**53,622.75** crore and ₹22,851.57 crore, as at March 31, 2022 and March 31, 2021 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.

The risk relating to trade receivables is presented in note 13, page 334.

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, 2022 and March 31, 2021.

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-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 of maintaining financial flexibility.

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39. Disclosures on financial instruments (Contd.)

The Company's liquidity position remains strong at ₹**18,873.27** crore as at March 31, 2022, comprising ₹**3,031.00** crore in the form of current investments, cash and cash equivalents and other balances with banks (including non-current earmarked balances) and ₹**15,842.27** crore in committed undrawn bank lines.

The following table shows a maturity analysis of the anticipated cash flows including future 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, 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**	**-**

(₹ crore)

	As at March 31, 2021				
	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	33,139.87	46,971.53	3,038.40	18,884.79	25,048.34
Lease obligations including interest obligations	4,567.86	8,573.39	1,064.23	2,965.30	4,543.86
Trade payables	13,426.21	13,426.21	13,426.21	-	-
Other financial liabilities	4,434.91	4,434.91	3,976.30	257.97	200.64
	55,568.85	**73,406.04**	**21,505.14**	**22,108.06**	**29,792.84**
Derivative financial liabilities	**155.63**	**155.63**	**84.43**	**71.20**	**-**

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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 on March 31, 2022 is as below:

(₹ crore)

	Carrying value at March 31, 2022		Of which: Have yet to transition to an alternative benchmark interest rate 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.

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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, 2022 and March 31, 2021:

(₹ crore)

	Subsidiaries	Associates	Joint Ventures	Tata Sons Private Limited, its subsidiaries and joint ventures	Total
Purchase of goods	**26,063.59**	**33.14**	**269.16**	**412.26**	**26,778.15**
	10,855.04	*21.76*	*166.58*	*164.39*	*11,207.77*
Sale of goods	**11,666.65**	**1.78**	**4,489.92**	**350.38**	**16,508.73**
	7,287.05	*0.07*	*2,395.67*	*643.56*	*10,326.35*
Services received	**2,463.32**	**41.12**	**1,525.32**	**493.86**	**4,523.62**
	2,190.50	*32.80*	*1,027.22*	*325.29*	*3,575.81*
Services rendered	**491.28**	**2.14**	**89.56**	**34.86**	**617.84**
	334.25	*2.45*	*81.80*	*3.24*	*421.74*
Interest income recognised	**862.50**	**-**	**-**	**-**	**862.50**
	124.72	-	*2.75*	-	*127.47*
Interest expenses recognised	**-**	**-**	**-**	**-**	**-**
	93.70	-	-	*8.55*	*102.25*
Dividend paid(vi)	**2.92**	**-**	**-**	**1,011.07**	**1,013.99**
	1.18	-	-	*379.06*	*380.24*
Dividend received	**113.89**	**-**	**109.64**	**12.54**	**236.07**
	25.22	-	*23.43*	*12.92*	*61.57*
Provision/(reversal) recognised for receivables during the year	**(4.00)**	**99.95**	**(0.71)**	**-**	**95.24**
	1.50	*0.02*	*1.52*	*0.02*	*3.06*
Management contracts	**78.29**	**5.43**	**8.18**	**148.42**	**240.32**
	57.15	*5.32*	*3.00*	*153.56*	*219.03*
Sale of investments	**760.76**	**-**	**-**	**-**	**760.76**
	2,245.61	-	-	-	*2,245.61*
Finance provided during the year (net of repayments)	**35,439.67**	**100.00**	**0.46**	**-**	**35,540.13**
	8,353.30	-	*13.20*	*23.61*	*8,390.11*

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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	**35,302.03**	**119.81**	**131.92**	**27.25**	**35,581.01**
	10,516.82	*8.47*	*355.10*	*13.03*	*10,893.42*
Provision for outstanding loans and receivables	**654.27**	**100.03**	**1.65**	**0.05**	**756.00**
	658.26	*0.08*	*2.36*	*0.05*	*660.75*
Outstanding payables	**13,267.52**	**8.95**	**317.22**	**172.09**	**13,765.78**
	6,221.38	*21.92*	*253.00*	*201.29*	*6,697.59*
Guarantees provided outstanding	**9,738.75**	**-**	**177.18**	**-**	**9,915.93**
	8,943.29	-	*177.18*	-	*9,120.47*
Subscription to first and final call on partly paid-up equity shares(vii)	**-**	**-**	**-**	**-**	**-**
	-	-	-	1,767.91	1,767.91
Purchase of Assets	**1.95**	**-**	**-**	**-**	**1.95**
	10.32	-	-	-	*10.32*
Sale of Fixed Assets	**1.05**	**-**	**-**	**-**	**1.05**
	62.43	-	*2.01*	-	*64.44*

Figures in italics represents comparative figures of previous year.

(i) The details of remuneration paid to key managerial personnel and payment to non-executive directors are provided in note 29, page 357 & note 32, page 358 respectively.

During the year ended March 31, 2021, value of shares subscribed by key managerial personnel and their relatives under final call to rights issue was ₹1,12,484.00.

The Company has paid dividend of ₹**84,950.00** (2020-21: ₹32,346.00) to key managerial personnel and ₹**16,475.00** (2020-21: ₹6,395.00) to relatives of key managerial personnel during the year ended March 31, 2022.

(ii) During the year ended March 31, 2022, the Company has contributed ₹**308.89** crore (2020-21: ₹553.88 crore) to post employment benefit plans.

As at March 31, 2022, amount receivable from post-employment benefit fund is ₹**171.30** crore (March 31, 2021: ₹91.31 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 318 & note 7, page 323

(iv) Commitments with respect to subsidiaries, associates and joint ventures is disclosed in note 36B, page370.

(v) Transactions with joint ventures have been disclosed at full value and not at their proportionate share.

(vi) Dividend paid includes ₹**991.27** crore (2020-21: ₹368.15 crore) paid to Tata Sons Private Limited.

(vii) Subscription to first and final call on partly paid-up equity shares includes **Nil** (2020-21: ₹1,744.00 crore) received from 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 March 31, 2022	Year ended March 31, 2021
(1)	**Current ratio^** (Total current assets/Current liabilities) [Current liabilities: Total current liabilities - Current maturities of non-current borrowings and lease obligations]	0.62	1.00
(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	0.32
(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]	14.36	3.60
(4)	**Return on Equity (%)#** (Profit after tax (PAT)/Average Equity) [Equity: Equity share capital + Other equity + Hybrid perpetual securities]	29.93	19.80
(5)	**Inventory turnover ratio (in days)#** (Average inventory/Sale of products in days)	47	64
(6)	**Debtors turnover ratio (in days)** (Average trade receivables/Turnover in days) [Turnover: Revenue from operations]	9	10
(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]	89	91
(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 long-term debt and leases] [Turnover: Revenue from operations]	*	*
(9)	**Net profit ratio (%)#** (Net profit after tax/Turnover) [Turnover: Revenue from operations]	25.59	20.30
(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 long-term debt and leases + 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]	29.59	15.61
(11)	**Return on investment (%)** (Net gain/(loss) on sale/fair value changes of mutual funds/Average investment funds in current investments)	5.08	4.26

* Net working capital is negative

^ The variation in current ratio as at March 31, 2022 as compared to March 31, 2021 is primarily due to temporary increase in current borrowings and trade payables.

Variation in coverage, turnover and other profitability ratios is primarily due to increase in turnover and profitability during the year ended March 31, 2022.

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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 Board of Directors of Tata Steel Limited, at its meeting held on April 25, 2019, had considered and approved a merger of Bamnipal Steel Limited ("BNPL") and Tata Steel BSL Limited (formerly Bhushan Steel Limited) ("TSBSL") into Tata Steel Limited by way of a composite scheme of amalgamation and had recommended a merger ratio of 1 equity share of ₹10/- each fully paid-up of Tata Steel Limited for every 15 equity shares of ₹2/- each fully paid-up held by the public shareholders of TSBSL. The Mumbai Bench of the National Company Law Tribunal (NCLT), through its order dated October 29, 2021 has approved the scheme with the appointed date of the merger being April 1, 2019.

Post the approval of the scheme, the erstwhile promoters of TSBSL holding 2,56,53,813 equity shares (of TSBSL) to receive ₹2/- for each shares held by them. Accordingly, on November 23, 2021, the Board of Directors approved allotment of 1,82,23,805 fully paid-up equity shares of the Company, of face value 10/- each, to eligible shareholders of TSBSL (as on the record date of November 16, 2021). Further, 1,63,847 fully paid-up equity shares of TSL (included within the aforementioned 1,82,23,805 fully paid-up equity shares) are allotted to 'TSL Fractional Share Entitlement Trust'(managed by Axis Trustee Services Limited), towards fractional entitlements of shareholders of TSBSL for the benefit of shareholders of TSBSL.

As per guidance on accounting for common control transactions contained in Ind AS 103 "Business Combinations" the merger has been accounted for using the using the pooling of interest method. The previous year figures have therefore been restated to include the impact of the merger. The difference between the net identifiable assets acquired and consideration paid on merger has been accounted for as Capital reserve.

Pursuant to the Scheme of amalgamation, shares of Tata Steel Limited issued to the public shareholders of TSBSL, was presented under other equity pending allotment of such shares for the comparative period. As part of the Scheme, the equity shares held by Bamnipal Steel Limited and the preference shares held by the Company in TSBSL and the equity shares held by the Company in Bamnipal Steel Limited stands cancelled.

45. On March 10, 2022, the Company and Tata Steel Long Products Limited ('TSLP') executed a Share Sale and Purchase Agreement with MMTC Ltd, NMDC Ltd, MECON Ltd, Bharat Heavy Electricals Ltd, Industrial Promotion and Investment Corporation of Odisha Ltd, Odisha Mining Corporation Ltd., President of India, Government of Odisha and Neelachal Ispat Nigam Limited ('NINL') for acquisition of 93.71% equity shares in NINL. The acquisition will be done through TSLP, a listed subsidiary of the Company. The Company has also invested ₹12,700 crore in Non-Convertible Redeemable Preference Shares ('NCRPS') of TSLP to assist TSLP in funding its growth plans including the acquisition of and/or subscription to shares of NINL.

46. 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 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'). The Company has made an equity investment in TSML of ₹625 crore on April 11, 2022 to finance the acquisition.

47. 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, 2022 amounts to ₹**22.33** crore (March 31, 2021: ₹20.06 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 ₹**201.21** crore (2020-21: ₹110.03 crore) as an income (refer note 26, page 355) on account of such scheme.

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48. 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, 2022	Balance as at March 31, 2021	Relationship with the struck-off Company
F.W.Z. Cycles Private Limited	Sale of goods	-	0.00*	Customer
Aquatech Systems (Asia) Private Limited	Purchase of goods and receiving of services	11.75	2.51	Vendor
Sinha Aviation Service Private Limited	Receiving of services	0.01	-	Vendor
E & J Golden India Private Limited	Receiving of services	0.00*	0.00*	Advance to vendor
Other entities(i)	Subscription to equity shares	0.01	0.01	Equity shareholder

* Represents value less than ₹0.01 crore

(i) Details of other struck off entities holding equity shares in the Company is as below:

Name of struck off Company	No. of shares held	Paid-up as at March 31, 2022 (₹)	Paid-up as at March 31, 2021 (₹)
(1) Agro Based Industries Ltd	145	1,450.00	1,450.00
(2) Anand Growth Fund Pvt. Ltd.	133	1,330.00	1,330.00
(3) Anileksha Investments Pvt Ltd	225	2,250.00	2,250.00
(4) Bennett Coleman. & Co. Ltd	795	7,950.00	7,950.00
(5) Bhagirathi Protein Ltd	650	6,500.00	6,500.00
(6) Bhansali & Co (Exports) Pvt Ltd	6	60.00	60.00
(7) Bharat Solite Limited	1	10.00	10.00
(8) Bindawala Builders Pvt Ltd	179	1,790.00	1,790.00
(9) Burdwan Holdings Pvt Ltd	315	3,150.00	3,150.00
(10) Chaityadeep Investments Pvt Ltd	211	2,110.00	2,110.00
(11) Chanakya Service Station Private Limited	1650	16,500.00	16,500.00
(12) Dashtina Investments Private Limited	40	400.00	400.00
(13) Deegeeson Impex Pvt Ltd	30	300.00	300.00
(14) Desai Holdings Limited	75	750.00	750.00
(15) Dhanastra Investments Limited	1350	13,500.00	13,500.00
(16) Frontline Corporate Finance Ltd.	106	1,060.00	1,060.00
(17) Gagan Trading Co Ltd	169	1,690.00	1,690.00
(18) Goldcrest Jute and Fibre Ltd	180	1,800.00	1,800.00
(19) Impact Growth Fund Private Limited	133	1,330.00	1,330.00
(20) Kapursco Cold Storage Pvt. Ltd.	30	300.00	300.00
(21) Kirban Sales Pvt Ltd	15	150.00	150.00
(22) Kothari Intergroup Limited	20	200.00	200.00
(23) Karimnagar Sai Krishna Hire Purchase Private Limited	100	1,000.00	1,000.00
(24) Lakshadeep Investments Pvt Ltd	211	2,110.00	2,110.00
(25) M H Doshi Investment Agencies Private Limited	50	500.00	500.00
(26) Meghna Finance and Investments Private Limited	489	4,890.00	4,890.00
(27) Merchant Management System Private Limited	880	8,800.00	8,800.00

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48. Disclosure for struck off companies (Contd.)

(i) Details of other struck off entities holding equity shares in the Company is as below (Contd.):

Name of struck off Company	No. of shares held	Paid-up as at March 31, 2022 (₹)	Paid-up as at March 31, 2021 (₹)
(28) Modern Holdings Pvt Ltd	1805	18,050.00	18,050.00
(29) Mokul Finance Private Limited	51	510.00	510.00
(30) Multiplier Financial Services Private Limited	3	30.00	30.00
(31) N.R.I. Financial Services Limited	30	300.00	300.00
(32) Overland Investment Co Ltd	450	4,500.00	4,500.00
(33) PCS Securities Pvt. Ltd.	50	500.00	500.00
(34) Popular Stock and Share Services Private Limited	32	320.00	320.00
(35) Prahit Investments Pvt Ltd	460	4,600.00	4,600.00
(36) Protect Finvest Private Limited	33	330.00	330.00
(37) Raghunath Oils and Fats Limited	50	500.00	500.00
(38) S S Securities Limited	50	500.00	500.00
(39) Safex Financial Services Private Limited	3	30.00	30.00
(40) Seagull Finance And Investment Private Limited	60	600.00	600.00
(41) Shree Agencies Pvt Ltd	441	4,372.52	4,372.52
(42) Suhit Investments Pvt Ltd	166	1,660.00	1,660.00
(43) Swapnalok Construction Pvt Ltd	50	500.00	500.00
(44) Calcutta Sales Agency Ltd.	634	6,340.00	6,340.00
(45) Varun Credit & Real Estate Pvt Ltd	57	570.00	570.00
(46) Vms Consultants Pvt. Ltd.	50	500.00	500.00
		1,26,592.52	**1,26,592.52**

(ii) Details of investments struck off during the year has been given in note 6, page 318.

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49. Details of significant investments in subsidiaries, joint ventures and associates

(% Direct Holding)

		Country of Incorporation	As at March 31, 2022	As at March 31, 2021
(a)	**Subsidiary companies**			
(1)	ABJA Investment Co. Pte Ltd.	Singapore	100.00	100.00
(2)	Adityapur Toll Bridge Company Limited	India	-	88.50
(3)	Angul Energy Limited	India	99.99	99.99
(4)	Bhushan Steel (Australia) Pty Limited	Australia	100.00	100.00
(5)	Bhushan Steel (South) Limited	India	100.00	100.00
(6)	Bhubaneshwar Power Private Limited	India	93.58	93.58
(7)	Creative Port Development Private Limited	India	51.00	51.00
(8)	Jamshedpur Football and Sporting Private Limited	India	100.00	100.00
(9)	Medica TS Hospital Pvt Ltd.	India	51.00	-
(10)	Mohar Exports Services Pvt Ltd	India	33.23	33.23
(11)	NatSteel Asia Pte. Ltd.	Singapore	100.00	100.00
(12)	Rujuvalika Investments Limited	India	100.00	100.00
(13)	Subarnarekha Port Private Limited	India	7.07	7.07
(14)	T Steel Holdings Pte. Ltd.	Singapore	100.00	100.00
(15)	Tata Korf Engineering Services Ltd	India	100.00	100.00
(16)	Tata Metaliks Ltd.	India	60.03	60.03
(17)	Tata Steel Advanced Materials Limited (formerly Tata Steel Odisha Limited)	India	-	100.00
(18)	Tata Steel Downstream Products Limited	India	100.00	100.00
(19)	Tata Steel Foundation	India	100.00	100.00
(20)	Tata Steel Long Products Limited	India	74.91	74.91
(21)	Tata Steel Mining Limited	India	100.00	100.00
(22)	Tata Steel Special Economic Zone Limited	India	-	100.00
(23)	Tata Steel Support Services Limited (formerly Bhushan Steel (Orissa) Limited)	India	99.98	99.98
(24)	Tata Steel Technical Services Limited (formerly Bhushan Steel Madhya Bharat Limited)	India	99.98	99.98
(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 Tata Pigments Limited	India	-	100.00
(29)	The Tinplate Company of India Limited	India	74.96	74.96
(b)	**Associate companies**			
(1)	Kalinga Aquatics Ltd.	India	30.00	30.00
(2)	Kumardhubi Fireclay and Silica Works Ltd	India	27.78	27.78
(3)	Kumardhubi Metal Casting and Engineering Ltd	India	49.31	49.31
(4)	Malusha Travels Pvt Ltd	India	33.23	33.23
(5)	Strategic Energy Technology Systems Private Limited	India	25.00	25.00
(6)	Tata Construction and Projects Ltd.	India	27.19	27.19
(7)	TRF Limited.	India	34.11	34.11

NOTES
forming part of the financial statements

49. Details of significant investments in subsidiaries, joint ventures and associates (Contd.)

(% Direct Holding)

		Country of Incorporation	As at March 31, 2022	As at March 31, 2021
(c)	**Joint ventures**			
(1)	Himalaya Steel Mills Services Private Limited	India	-	26.00
(2)	Industrial Energy Limited	India	26.00	26.00
(3)	Jamipol Limited	India	-	32.67
(4)	Medica TS Hospital Pvt Ltd.	India	-	26.00
(5)	mjunction services limited	India	50.00	50.00
(6)	Nicco Jubilee Park Limited	India	-	20.99
(7)	S & T Mining Company Private Limited	India	50.00	50.00
(8)	T M Mining Company Limited	India	74.00	74.00
(9)	Tata NYK Shipping Pte Ltd.	Singapore	50.00	50.00
(10)	TM International Logistics Limited	India	51.00	51.00

50. The Board of Directors in meeting on May 3, 2022 has considered a proposal for 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 subject to regulatory/statutory approvals as may be required and the approval of the shareholders of the Company.

51. Dividend

The dividend declared by the Company is based on profits available for distribution as reported in the financial statements of the Company. On May 3, 2022 the Board of Directors of the Company has proposed a dividend of ₹**51.00** per Ordinary share of ₹10 each and ₹**12.75** per partly paid Ordinary share of ₹10 each (paid-up ₹2.504 per share) in respect of the year ended March 31, 2022 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of approximately ₹**6,233.11** crore.

52. Previous year figures have been recasted/restated wherever necessary including those as required in keeping with revised Schedule III amendments.

In terms of our report attached

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

sd/-
Russell I Parera
Partner
Membership Number 042190

Mumbai, May 3, 2022

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
DIN: 00024713

sd/-
Mallika Srinivasan
Independent Director
DIN: 00037022

sd/-
O. P. Bhatt
Independent Director
DIN: 00548091

sd/-
Farida Khambata
Independent Director
DIN: 06954123

sd/-
David W. Crane
Independent Director
DIN: 09354737

sd/-
V. K. Sharma
Independent Director
DIN: 02449088

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, 2022, 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, 2022, 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 14 of the Other Matters section below, other than the unaudited financial statements/ financial information as certified by the management and referred to in sub-paragraph 15 and financial information not available as referred to in paragraph 16 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. 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
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, 2022, 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 the Holding Company's key controls surrounding assessment of litigations relating to the relevant laws and regulations; • We discussed with management the recent developments and the status of the material litigations which were reviewed and noted by the Holding Company's Audit Committee; • We performed our assessment on a test basis on the underlying calculations supporting the contingent liabilities/other significant litigations disclosed in relation to the Holding Company's Standalone Financial Statements; • We used auditor's experts / specialist 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. Based on the above work performed, the management's assessment in respect of Holding Company's litigations and related disclosures relating to contingent liabilities/ other significant litigations in the Consolidated Financial Statements is considered to be reasonable.

Also refer to the Key Audit Matters included by us in our audit report of even date on the standalone financial statements of the Holding Company.

Other Information

5. 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 the Holding Company's Annual Report (titled as 'Tata Steel Integrated Report & Annual Accounts 2021-22') 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 14 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

6. 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.

7. 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.

8. 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

9. 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.

10. 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 associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its 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.

11. 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.

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 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

14. We did not audit the financial statements/ special purpose financial information of eighteen subsidiaries whose financial statements/ special purpose financial information reflect total assets of ₹108,116.74 crore and net assets of ₹51,883.66 crore as at March 31, 2022, total revenue of ₹103,985.40 crore, total net profit after tax of ₹8,191.60 crore, total comprehensive income (comprising of profit and other comprehensive income) of ₹8,170.45 crore and net cash flows amounting to ₹4,858.92 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 ₹44.03 crore and ₹85.37 crore respectively of the Group's share total comprehensive income for the year ended March 31, 2022. The consolidated financial statements also include the Group's share of total comprehensive income (comprising of profit and other comprehensive income) of ₹59.71 crore for the year ended March 31, 2022 as considered in the consolidated financial statements, in respect of one associate company and two jointly controlled entities, 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/ independent firm of accountants whose reports have been furnished to us by the other auditors/ independent firm of accountants/ 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/ independent firm of accountants.

15. We did not audit the financial statements/ special purpose financial information of twelve subsidiaries whose financial statements/ special purpose financial information reflect total assets of ₹11,643.16 crore and net assets of ₹4,299.98 crore as at March 31, 2022, total revenue of ₹4,812.59 crore, total net loss after tax of ₹851.59 crore, total comprehensive income (comprising of loss and other comprehensive income) of ₹(852.54) crore and net cash flows amounting to ₹ (33.05) 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

total comprehensive income (comprising of profit and other comprehensive income) of ₹101.88 crore and ₹72.16 crore for the year ended March 31, 2022 as considered in the consolidated financial statements, in respect of three associate companies and four 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 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 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.

16. 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, 2022 are not available. Further, one subsidiary, three associate companies and one jointly controlled entity of the Group are under insolvency proceedings, liquidation or have applied for strike off with the respective authorities and in respect of these entities, the financial statements/ special purpose financial information for the year ended March 31, 2022 are 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, 2022 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 subsidiaries, associate companies and jointly controlled entities. 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.

    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 / independent firm of accountants and the financial statements/ special purpose 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

17. 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.

18. 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 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, 2022 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, 2022 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. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2022.

iii. The instances of 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, 2022 except for amount aggregating to ₹6.39 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, jointly controlled entities and associate companies 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, jointly controlled entities and associate companies respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries, jointly controlled entities and associate companies 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, jointly controlled entities and associate companies (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries, jointly controlled entities and associate companies 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, jointly controlled entities and associate companies respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries 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, jointly controlled entities and associate companies 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.

(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, jointly controlled entities and associate companies 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 incorporated in India, is in compliance with Section 123 of the Act.

19. The Group, its associate companies and jointly controlled entities incorporated in India have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.

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

Russell I Parera
Partner
Membership Number: 042190
UDIN: 22042190AIIFFO6226

Place: Mumbai
Date: May 3, 2022

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 18(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, 2022

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, 2022, we have audited the internal financial controls with reference to financial statements of Tata Steel Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies and jointly controlled entities, 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 financial statements is not applicable to one subsidiary, one associate company and two jointly controlled entities incorporated in India namely Mohar Export Services Pvt. Ltd, Malusha Travels Pvt Ltd., S & T Mining Company 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 entities, 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 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 consolidated financial statements

6. A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated 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 consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

7. Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated 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 with reference to consolidated financial statements were operating effectively as at March 31, 2022, 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 nine subsidiary companies, and two jointly controlled entities, 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

Russell I Parera
Partner
Membership Number: 042190
UDIN: 22042190AIIFFO6226

Place: Mumbai
Date: May 3, 2022

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 17 of the Independent Auditor's 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, 2022

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 03, 2022	(i)(c), (ii)(b), (iii)(c), (iii)(d) & (ix)(d)
2	Tata Steel Utilities and Infrastructure Services Limited	U45200JH2003PLC010315	Subsidiary	April 15, 2022	(i)(c) & (iii)(d)
3	Tata Metaliks Limited	L27310WB1990PLC050000	Subsidiary	April 22,2022	(ii)(b)
4	Tata Steel Long Products Limited	L27102OR1982PLC001091	Subsidiary	April 19, 2022	(i)(c)
5	The Tinplate Company of India Limited	L28112WB1920PLC003606	Subsidiary	April 12, 2022	(ii)(b)
6	Naba Diganta Water Management Limited	U93010WB2008PLC121573	Joint Venture	April 11, 2022	(i)(c)
7	Jamipol Limited	U24111JH1995PLC009020	Joint Venture	April 22, 2022	(i)(c) & (ii)(b)
8	Industrial Energy Limited	U74999MH2007PLC167623	Joint Venture	April 14, 2022	(i)(c)
9	Subarnarekha Port Private Limited	U45203OR2008PTC010351	Subsidiary	April 19, 2022	(vii)(a)

The statutory audit report on the financial statements for the year ended March 31, 2022 of the following related entities of the Holding Company has not been issued until the date of this report-

Subsidiaries

1. Tata Steel Mining Limited
2. Tata Steel Advance Material Limited
3. The Tata Pigments Limited
4. Adityapur Toll Bridge Company Limited

Jointly Controlled Entities

5. Mjunction Services Limited
6. Himalaya Steel Mills Services Private Limited
7. Nicco Jubilee Park Limited
8. S & T Mining Company Private Limited

Associate Companies

9. TRF Limited
10. 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

Russell I Parera
Partner
Membership Number: 042190
UDIN: 22042190AIIFFO6226

Place: Mumbai
Date: May 3, 2022

CONSOLIDATED BALANCE SHEET

as at March 31, 2022

(₹ crore)

	Note	Page	As at March 31, 2022	As at March 31, 2021
Assets				
I Non-current assets				
(a) Property, plant and equipment	3	422	1,16,166.46	1,19,003.50
(b) Capital work-in-progress	3	426	21,227.62	18,128.74
(c) Right-of-use assets	4	428	8,337.70	9,450.95
(d) Goodwill on consolidation	5	431	4,311.20	4,344.69
(e) Other intangible assets	6	433	4,472.47	2,976.04
(f) Intangible assets under development	6	435	817.93	878.66
(g) Advance against equity			1,210.00	-
(h) Equity accounted investments	7	436	2,961.65	2,475.66
(i) Financial assets				
(i) Investments	8	438	1,653.78	987.38
(ii) Loans	9	439	72.44	91.93
(iii) Derivative assets			318.15	162.66
(iv) Other financial assets	10	440	442.64	459.57
(j) Retirement benefit assets	11	441	20,397.96	20,019.47
(k) Non-current tax assets			3,785.01	1,845.34
(l) Deferred tax assets	12	442	3,023.93	1,578.02
(m) Other assets	13	445	3,690.05	2,872.70
Total non-current assets			**1,92,888.99**	**1,85,275.31**
II Current assets				
(a) Inventories	14	446	48,824.39	33,276.38
(b) Financial assets				
(i) Investments	8	438	8,524.42	7,218.89
(ii) Trade receivables	15	447	12,246.43	9,539.84
(iii) Cash and cash equivalents	16	448	15,604.68	5,532.08
(iv) Other balances with banks	17	449	294.25	250.10
(v) Loans	9	439	5.84	5.59
(vi) Derivative assets			1,172.74	498.79
(vii) Other financial assets	10	440	2,011.62	1,480.10
(c) Retirement benefit assets	11	441	1.25	0.42
(d) Current tax assets			61.63	156.74
(e) Other assets	13	445	3,508.82	2,153.44
Total current assets			**92,256.07**	**60,112.37**
III Assets held for sale	18	450	**300.54**	**99.53**
Total assets			**2,85,445.60**	**2,45,487.21**

CONSOLIDATED BALANCE SHEET (CONTD.)
as at March 31, 2022

(₹ crore)

	Note	Page	As at March 31, 2022	As at March 31, 2021
Equity and liabilities				
IV Equity				
(a) Equity share capital	19	451	1,221.21	1,197.61
(b) Hybrid perpetual securities	20	455	-	775.00
(c) Other equity	21	455	1,13,221.83	72,266.16
Equity attributable to owners of the Company			**1,14,443.04**	**74,238.77**
Non-controlling interests			2,655.42	3,269.68
Total equity			**1,17,098.46**	**77,508.45**
V Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	23	463	44,764.07	65,698.01
(ii) Lease Liabilities			5,696.46	6,710.78
(iii) Derivative liabilities			10.35	71.41
(iv) Other financial liabilities	24	467	989.57	522.70
(b) Provisions	25	468	4,825.98	4,691.92
(c) Retirement benefit obligations	11	441	3,413.71	3,499.79
(d) Deferred income	26	470	137.16	144.26
(e) Deferred tax liabilities	12	442	12,325.78	9,241.42
(f) Other liabilities	27	470	5,596.06	6,531.34
Total non-current liabilities			**77,759.14**	**97,111.63**
VI Current liabilities				
(a) Financial liabilities				
(i) Borrowings	23	463	24,064.61	14,968.97
(ii) Lease Liabilities			1,036.21	1,123.65
(iii) Trade payables	28	471		
(a) Total outstanding dues of micro and small enterprises			897.50	484.66
(b) Total outstanding dues of creditors other than micro and small enterprises			35,867.37	25,482.83
(iv) Derivative liabilities			196.91	510.01
(v) Other financial liabilities	24	467	8,381.41	7,802.60
(b) Provisions	25	468	2,768.49	4,725.32
(c) Retirement benefit obligations	11	441	158.22	166.84
(d) Deferred income	26	470	130.45	63.98
(e) Current tax liabilities			1,382.70	4,424.44
(f) Other liabilities	27	470	15,513.02	11,113.83
Total current liabilities			**90,396.89**	**70,867.13**
VII Liabilities held for sale	18	450	**191.11**	**-**
Total equity and liabilities			**2,85,445.60**	**2,45,487.21**
Notes forming part of the consolidated financial statements	**1-55**			

In terms of our report attached

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

sd/-
Russell I Parera
Partner
Membership Number 042190

Mumbai, May 3, 2022

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
DIN: 00024713

sd/-
Mallika Srinivasan
Independent Director
DIN: 00037022

sd/-
O. P. Bhatt
Independent Director
DIN: 00548091

sd/-
Farida Khambata
Independent Director
DIN: 06954123

sd/-
David W. Crane
Independent Director
DIN: 09354737

sd/-
V. K. Sharma
Independent Director
DIN: 02449088

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, 2022

(₹ crore)

		Note	Page	Year ended March 31, 2022	Year ended March 31, 2021
I	Revenue from operations	29	472	2,43,959.17	1,56,477.40
II	Other income	30	473	784.89	895.60
III	**Total income**			**2,44,744.06**	**1,57,373.00**
IV	**Expenses:**				
	(a) Cost of materials consumed			75,763.70	45,292.49
	(b) Purchases of stock-in-trade			15,312.91	9,808.32
	(c) Changes in inventories of finished and semi-finished goods, stock-in-trade and work-in-progress			(7,597.87)	1,516.77
	(d) Employee benefits expense	31	473	23,264.10	19,908.81
	(e) Finance costs	32	474	5,462.20	7,606.71
	(f) Depreciation and amortisation expense	33	474	9,100.87	9,233.64
	(g) Other expenses	34	474	76,616.28	51,212.44
				1,97,922.19	**1,44,579.18**
	(h) Less: Expenditure (other than interest) transferred to capital and other accounts			2,889.90	1,765.69
	Total expenses			**1,95,032.29**	**1,42,813.49**
V	Share of profit/(loss) of joint ventures and associates			649.16	327.34
VI	**Profit/(loss) before exceptional items and tax (III-IV+V)**			**50,360.93**	**14,886.85**
VII	**Exceptional items:**	35	475		
	(a) Profit on sale of subsidiaries and non-current investments			724.84	15.81
	(b) Profit on sale of non current assets			30.83	-
	(c) Provision for impairment of investments/doubtful advances (net)			(99.74)	70.23
	(d) Provision for impairment of non-current assets			(252.68)	(723.41)
	(e) Employee separation compensation			(330.81)	(443.55)
	(f) Restructuring and other provisions			(256.24)	87.50
	(g) Gain/(loss) on non-current investments classified as fair value through profit and loss (net)			49.74	(49.74)
	Total exceptional items			**(134.06)**	**(1,043.16)**
VIII	**Profit/(loss) before tax (VI+VII)**			**50,226.87**	**13,843.69**
IX	**Tax expense:**	12	442		
	(a) Current tax			7,049.88	4,288.27
	(b) Deferred tax			1,427.67	1,365.63
	Total tax expense			**8,477.55**	**5,653.90**
X	**Profit/(loss) for the year (VIII-IX)**			**41,749.32**	**8,189.79**

CONSOLIDATED STATEMENT OF PROFIT AND LOSS (CONTD.)

for the year ended March 31, 2022

(₹ crore)

		Note	Page	Year ended March 31, 2022	Year ended March 31, 2021
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			486.03	(9,418.17)
	(b) Fair value changes of investments in equity shares			684.07	354.38
	(c) Share of equity accounted investees			0.85	1.68
	(ii) Income tax on items that will not be reclassified subsesquently to profit and loss			(203.02)	1,779.97
	B. (i) Items that will be reclassified subsequently to profit and loss :				
	(a) Foreign currency translation differences			(369.99)	(205.82)
	(b) Fair value changes of cash flow hedges			930.65	332.83
	(c) Share of equity accounted investees			(29.36)	18.09
	(ii) Income tax on items that will be reclassified subsesquently to profit and loss			(193.81)	(73.97)
	Total other comprehensive income/(loss) for the year			**1,305.42**	**(7,211.01)**
XII	**Total comprehensive income/(loss) for the year (X+XI)**			**43,054.74**	**978.78**
XIII	**Profit/(loss) from for the year attributable to:**				
	Owners of the Company			40,153.93	7,490.22
	Non-controlling interests			1,595.39	699.57
				41,749.32	**8,189.79**
XIV	**Total comprehensive income for the year attributable to:**				
	Owners of the Company			41,468.40	281.33
	Non-controlling interests			1,586.34	697.45
				43,054.74	**978.78**
XV	**Earnings per share**	36	476		
	Basic (₹)			332.35	63.78
	Diluted(₹)			332.09	63.78
XVI	**Notes forming part of the consolidated financial statements**	**1-55**			

In terms of our report attached

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

sd/-
Russell I Parera
Partner
Membership Number 042190

Mumbai, May 3, 2022

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
DIN: 00024713

sd/-
Mallika Srinivasan
Independent Director
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O. P. Bhatt
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DIN: 02449088

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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, 2022

A. Equity share capital

(₹ crore)

Balance as at April 1, 2021	Changes during the year	Balance as at March 31, 2022
1197.61	23.60	**1,221.21**

(₹ crore)

Balance as at April 1, 2020	Changes during the year	Balance as at March 31, 2021
1,144.95	52.66	**1,197.61**

B. Hybrid Perpetual Securities

(₹ crore)

Balance as at April 1, 2021	Changes during the year	Balance as at March 31, 2022
775.00	(775.00)	**-**

(₹ crore)

Balance as at April 1, 2020	Changes during the year	Balance as at March 31, 2021
2,275.00	(1,500.00)	**775.00**

C. Other equity

(₹ crore)

	Retained earnings [refer note 21A, page 455]	Items of other comprehensive income [refer note 21B, page 456]	Other consolidated reserves [refer note 21C, page 457]	Share application money pending allotment [refer note 21D, page 460]	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	-	-	-	-
Addition 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**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTD.)

for the year ended March 31, 2022

C. Other equity (Contd.)

(₹ crore)

	Retained earnings [refer note 21A, page 455]	Items of other comprehensive income [refer note 21B, page 456]	Other consolidated reserves [refer note 21C, page 457]	Share application money pending allotment [refer note 21D, page 460]	Other equity attributable to the owners of the Company	Non-controlling interests	Total
Balance as at April 1, 2020	**18,127.82**	**7,615.91**	**44,412.62**	**-**	**70,156.35**	**2,586.60**	**72,742.95**
Profit/(loss) for the year	7,490.22	-	-	-	7,490.22	699.57	8,189.79
Other comprehensive income for the year	(7,627.26)	418.37	-	-	(7,208.89)	(2.12)	(7,211.01)
Total comprehensive income for the year	**(137.04)**	**418.37**	**-**	**-**	**281.33**	**697.45**	**978.78**
Subscription to final call on equity shares	-	-	3,185.84	-	3,185.84	-	3,185.84
Equity issue expenses written (off)/back	(1.96)	-	(1.36)	-	(3.32)	-	(3.32)
Dividend(i)	(1,144.75)	-	-	-	(1,144.75)	(5.78)	(1,150.53)
Distribution on hybrid perpetual securities	(242.34)	-	-	-	(242.34)	-	(242.34)
Tax on distribution on hybrid perpetual securities	60.99	-	-	-	60.99	-	60.99
Transfers within equity	(139.39)	138.68	0.71	-	-	-	-
Adjustment for changes in ownership interests	(46.63)	-	-	-	(46.63)	(7.83)	(54.46)
Application money received	-	-	-	3.78	3.78	-	3.78
Other movements	-	-	14.91	-	14.91	(0.76)	14.15
Balance as at March 31, 2021	**16,476.70**	**8,172.96**	**47,612.72**	**3.78**	**72,266.16**	**3,269.68**	**75,535.84**

(i) Dividend paid during the year ended March 31, 2022 is ₹**25.00** per Ordinary share (face value ₹10 each, fully paid-up) and ₹**6.25** per Ordinary Share (face value ₹10 each, partly paid-up ₹2.504 per share) (March 31, 2021: ₹10.00 per Ordinary Share of face value ₹10 each, fully paid-up and ₹2.504 per Ordinary Share of face value ₹10 each, partly paid-up ₹2.504 per share).

D. Notes forming part of the consolidated financial statements — Note 1-55

In terms of our report attached

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

sd/-
Russell I Parera
Partner
Membership Number 042190

Mumbai, May 3, 2022

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
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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

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended March 31, 2022

(₹ crore)

	Year ended March 31, 2022		Year ended March 31, 2021	
A. Cash flows from operating activities:				
Profit/(loss) before tax		**50,226.87**		**13,843.69**
Adjustments for:				
Depreciation and amortisation expense	9,100.87		9,233.64	
Dividend income	(35.30)		(41.42)	
(Gain)/Loss on sale of non-current investments	(0.22)		(0.27)	
(Gain)/loss on sale of property, plant and equipment including intangible assets (net of loss on assets scrapped/written off)	(95.33)		(148.03)	
Exceptional (income)/expenses	134.06		1,043.16	
(Gain)/loss on cancellation of forwards, swaps and options	(39.05)		2.72	
Interest income and income from current investments	(445.26)		(508.02)	
Finance costs	5,462.20		7,606.71	
Foreign exchange (gain)/loss	1,579.15		(2,375.23)	
Share of profit or loss of joint ventures and associates	(649.16)		(327.34)	
Other non-cash items	661.56		210.08	
		15,673.52		**14,696.00**
Operating profit before changes in non-current/current assets and liabilities		**65,900.39**		**28,539.69**
Adjustments for:				
Non-current/current financial and other assets	(6,220.09)		178.35	
Inventories	(16,916.83)		45.68	
Non-current/current financial and other liabilities/provisions	13,519.22		16,267.28	
		(9,617.70)		**16,491.31**
Cash generated from operations		**56,282.69**		**45,031.00**
Income taxes paid (net of refund)		(11,901.70)		(704.32)
Net cash from/(used in) operating activities		**44,380.99**		**44,326.68**
B. Cash flows from investing activities:				
Purchase of capital assets	(10,522.20)		(6,978.59)	
Sale of capital assets	569.48		444.63	
Purchase of non-current investments	(48.70)		(70.64)	
Advance against equity paid	(1,210.00)		-	
Sale of non-current investments	62.56		-	
(Purchase)/sale of current investments (net)	(1,104.05)		(3,560.04)	
Repayment of loans given	(80.97)		25.78	
Principal receipts under sublease	17.68		101.04	
Fixed/restricted deposits with banks (placed)/realised	(18.26)		223.80	
Interest received	137.38		266.28	
Dividend received from associates and joint ventures	126.19		92.85	
Dividend received from others	35.31		42.03	
Acquisition of subsidiaries/undertakings[i]	(53.23)		-	
Sale of subsidiaries/undertakings[ii]	1,207.58		89.98	
Net cash from/(used in) investing activities		**(10,881.23)**		**(9,322.88)**

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTD.)

for the year ended March 31, 2022

(₹ crore)

	Year ended March 31, 2022		Year ended March 31, 2021	
C. Cash flows from financing activities:				
Proceeds from issue of equity shares (net of issue expenses)	325.74		3,238.95	
Proceeds from long-term borrowings (net of issue expenses)	906.66		9,800.61	
Repayment of long-term borrowings	(26,359.60)		(29,168.25)	
Proceeds/(repayments) of short-term borrowings (net)	11,532.27		(10,008.99)	
Payment of lease obligations	(1,310.07)		(1,283.92)	
Proceeds from divestment of stake in subsidiary	-		21.06	
Amount received/(paid) on utilisation/cancellation of derivatives	29.90		31.34	
Repayment of hybrid perpetual securities	(775.00)		(1,500.00)	
Distribution on hybrid perpetual securities	(44.20)		(266.25)	
Interest paid	(4,686.67)		(6,803.69)	
Dividend paid	(3,020.12)		(1,150.53)	
Net cash from/(used in) financing activities		**(23,401.09)**		**(37,089.67)**
Net increase/(decrease) in cash or cash equivalents		**10,098.67**		**(2,085.87)**
Opening cash and cash equivalents(iii)		**5,532.08**		**7,732.34**
Effect of exchange rate on translation of foreign currency cash and cash equivalents		(23.79)		(114.39)
Closing cash and cash equivalents (Refer note 16, page 448)(iii)		**15,606.96**		**5,532.08**

(i) Includes ₹**54.18** crore paid in respect of deferred consideration on acquisition of subsidiary.

(ii) Includes **Nil** (2020-21: ₹84.81 crore) received in respect of deferred consideration on disposal of subsidiary and joint venture.

(iii) Opening cash and cash equivalents includes **Nil** (2020-21: ₹190.38 crore) and closing cash and cash equivalents includes ₹**2.28** crore (2020-21: Nil) 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 ₹**0.87** crore (2020-21: Nil) and reclassified from held for sale **Nil** (2020-21: ₹534.10 crore)

(b) reduction on account of subsidiaries disposed off and liquidated ₹**149.60** crore (2020-21: Nil)

(c) exchange loss (including translation) ₹**897.63** crore (2020-21: ₹76.65 crore)

(d) amortisation/effective interest rate adjustments of upfront fees ₹**1,156.35** crore (2020-21: ₹606.55 crore)

(e) net addition to lease obligation ₹**385.42** crore (2020-21: ₹1,536.59 crore).

D. Notes forming part of the consolidated financial statements — Note 1-55

In terms of our report attached

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

sd/-
Russell I Parera
Partner
Membership Number 042190

Mumbai, May 3, 2022

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
DIN: 00024713

sd/-
Mallika Srinivasan
Independent Director
DIN: 00037022

sd/-
O. P. Bhatt
Independent Director
DIN: 00548091

sd/-
Farida Khambata
Independent Director
DIN: 06954123

sd/-
David W. Crane
Independent Director
DIN: 09354737

sd/-
V. K. Sharma
Independent Director
DIN: 02449088

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 consolidated financial statements

1. Company Information

Tata Steel Limited ("the Company") is a public limited Company incorporated in India with its registered office in Mumbai, 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, 2022 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 55, page 512.

The functional and presentation currency of the Company and the presentation currency of the Group is Indian Rupee ("₹").

As on March 31, 2022, Tata Sons Private Limited owns 32.46 % 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, 2022 were approved by the Board of Directors and authorised for issue on May 3, 2022.

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 values 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 and intangible assets, 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 rate 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 Group's impairment review and key assumptions are set out in note 3, page 422 , note 4, page 428, note 5, page 431and note 6, page 433.

NOTES

forming part of the consolidated financial statements

2. Significant accounting policies (Contd.)

Useful lives of property, plant and equipment and intangible assets

The Group reviews the useful life of property, plant and equipment 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 413.

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 419 and its further information are set out in note 12, page 442.

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 468 and note 38(A), page 488.

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 497.

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 476.

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.

Estimation of uncertainties relating to COVID-19

The Group has assessed the possible impact of COVID-19 on its financial statements based on the internal and external information available and concluded no adjustment is required in these consolidated financial statements. The Group continues to monitor changes in future economic conditions.

(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 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

2. Significant accounting policies (Contd.)

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 given, 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. 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.

(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.

NOTES

forming part of the consolidated financial statements

2. Significant accounting policies (Contd.)

(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 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 the 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.

NOTES
forming part of the consolidated financial statements

2. Significant accounting policies (Contd.)

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 a 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 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.

NOTES

forming part of the consolidated financial statements

2. Significant accounting policies (Contd.)

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 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).

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.

2. Significant accounting policies (Contd.)

(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 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.

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 consolidated 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

NOTES
forming part of the consolidated financial statements

2. Significant accounting policies (Contd.)

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
- expenditure 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 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.

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 include 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

NOTES

forming part of the consolidated financial statements

2. Significant accounting policies (Contd.)

maturities of less than one year. 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 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 a 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.

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forming part of the consolidated financial statements

2. Significant accounting policies (Contd.)

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.

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 collar. 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.

2. Significant accounting policies (Contd.)

(s) Employee benefits

Defined contribution plans

Contributions under defined contribution plans are recognised as an expense for the period in which the employee has rendered the 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.

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. Re-measurement 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 obligation as reduced by the fair value of plan assets.

Compensated absences

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 at the present value of the obligation as on the reporting date.

(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.

(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

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forming part of the consolidated financial statements

2. Significant accounting policies (Contd.)

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 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.

2. Significant accounting policies (Contd.)

(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 risk 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 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 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 translation

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 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.

NOTES
forming part of the consolidated 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 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

Amendment to Ind AS 109 "Financial Instruments" and Ind AS 107 "Financial Instruments: Disclosures" - Interest rate Benchmark Reform Phase 2

The amendment focuses on the potential financial reporting issues that may arise when interest rate benchmarking reforms are either reformed or replaced. The key reliefs provided by the Phase 2 amendments are:

- Changes to contractual cash flows - When changing the basis for determining contractual cash flows for financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes that are required by an interest rate benchmark reform will not result in an immediate gain or loss in the profit and loss statement.
- Hedge accounting - The hedge accounting reliefs will allow most Ind AS 39 or Ind AS 109 hedge relationships that are directly affected by IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

The amendments do not have significant impact on the financial statements. The disclosures as required are presented in note 43, page 497.

Amendment to Ind AS 103 "Business Combination" – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103 – Business Combinations. The Group does not expect the amendment to have any significant impact in its financial statements.

Amendment to Ind AS 16 "Property, Plant and Equipment" – Proceeds before intended use

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

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forming part of the consolidated financial statements

3. Property, plant and equipment
[Item No. I(a), Page 400]

(₹ 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)	-	(398.39)
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 at March 31, 2022	**17,041.32**	**17,418.21**	**80,072.65**	**217.61**	**195.48**	**1,221.19**	**1,16,166.46**

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forming part of the consolidated financial statements

3. Property, plant and equipment (Contd.)

[Item No. I(a), Page 400]

(₹ 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, 2020	17,608.78	23,798.04	1,34,338.02	795.59	466.42	1,335.96	1,78,342.81
Additions	29.46	437.32	4,192.36	91.76	4.68	0.70	4,756.28
Disposals	(9.75)	(104.05)	(1,513.45)	(17.21)	(13.43)	(0.25)	(1,658.14)
Reclassified from held for sale	288.46	326.55	1,842.01	156.60	14.52	-	2,628.14
Other re-classifications	0.06	(1.04)	6,429.40	(1.54)	2.12	-	6,429.00
Exchange differences on consolidation	87.06	148.77	1,754.20	7.57	(0.05)	5.73	2,003.28
Cost/deemed cost as at March 31, 2021	**18,004.07**	**24,605.59**	**1,47,042.54**	**1,032.77**	**474.26**	**1,342.14**	**1,92,501.37**
Accumulated impairment as at April 1, 2020	309.15	225.57	4,315.14	19.69	0.06	17.82	4,887.43
Charge for the year	2.23	71.15	1,952.66	-	-	-	2,026.04
Disposals	(6.26)	(10.76)	(121.02)	(0.69)	-	-	(138.73)
Reclassified from held for sale	-	-	78.40	-	-	-	78.40
Other re-classifications	-	1.80	3,313.32	-	1.13	-	3,316.25
Exchange differences on consolidation	19.24	11.39	272.52	0.17	-	1.37	304.69
Accumulated impairment as at March 31, 2021	**324.36**	**299.15**	**9,811.02**	**19.17**	**1.19**	**19.19**	**10,474.08**
Accumulated depreciation as at April 1, 2020	745.48	5,921.83	46,263.60	535.06	213.44	271.99	53,951.40
Charge for the year	115.89	860.29	6,476.96	113.67	35.01	54.90	7,656.72
Disposals	(1.54)	(111.17)	(1,095.16)	(13.33)	(10.88)	(0.11)	(1,232.19)
Reclassified from held for sale	21.18	181.25	1,012.26	126.81	11.38	-	1,352.88
Other re-classifications	0.01	1.30	(0.13)	(0.86)	0.32	-	0.64
Exchange differences on consolidation	(1.33)	136.23	1,148.68	6.67	(0.02)	4.11	1,294.34
Accumulated depreciation as at March 31, 2021	**879.69**	**6,989.73**	**53,806.21**	**768.02**	**249.25**	**330.89**	**63,023.79**
Total accumulated depreciation and impairment as at March 31, 2021	**1,204.05**	**7,288.88**	**63,617.23**	**787.19**	**250.44**	**350.08**	**73,497.87**
Net carrying value as at April 1, 2020	16,554.15	17,650.64	83,759.28	240.84	252.92	1,046.15	1,19,503.98
Net carrying value as on March 31, 2021	**16,800.02**	**17,316.71**	**83,425.31**	**245.58**	**223.82**	**992.06**	**1,19,003.50**

NOTES
forming part of the consolidated financial statements

3. Property, plant and equipment (Contd.)
[Item No. I(a), Page 400]

(i) Net carrying value of furniture, fixtures and office equipment comprises of:

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
Furniture and fixtures		
Cost/deemed cost	218.83	283.31
Accumulated depreciation and impairment	169.19	219.83
	49.64	**63.48**
Office equipments		
Cost/deemed cost	758.10	749.46
Accumulated depreciation and impairment	590.13	567.36
	167.97	**182.10**
	217.61	**245.58**

(ii) ₹**179.24** crore (2020-21: ₹159.90 crore) of borrowing costs has been capitalised during the year on qualifying assets under construction. The capitalisation rate ranges between **2.88**% to **9.71**% (2020-21: 4.09% to 9.71%).

(iii) During the year ended March 31, 2022, 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, 2022 resulted in the Group recognising a net impairment charge of ₹**137.42** crore (2020-21: ₹1,920.32 crore) for property, plant and equipment including capital work-in-progress. The impairment charge (net of reversal) for the year is contained within the European and South-east Asian operations.

Tata Steel Europe (TSE) is exposed to climate risks through the EU Emission Trading Scheme (ETS) which is applicable to all steel plant within Europe. Further, the Netherlands' government has enacted legislation for a local additional carbon tax (linked to the EU ETS scheme CO_2 allowances and traded prices). Given that most European steel producers have not been heavily affected by CO_2 compliance costs to date, TSE's estimate is that such CO_2 emission costs, Netherland's EU ETS costs and specific carbon tax costs will majorly be passed on to end customers from FY 2025. Further, given the aim to be carbon neutral by 2050, TSE is considering its future strategy on operating processes while continuing to serve its customers. The technology transition and investments will be dependent on national and international policy which is evolving.

Considering above and consistent with annual test for impairment of goodwill as at March 31, 2022, 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 **8.40**% p.a. (2020-21: 8.10% p.a.), except in Tata Steel UK Limited where a discount rate of **9.30**% (2020-21: 8.70%) was used, was lower than their carrying value. For the value in use model a **Nil** growth rate (March 31, 2021: 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 **1.8**% growth rate is used on future cashflows into perpetuity Accordingly, an impairment charge of ₹**137.28** crore (2020-21: ₹1,417.98 crore) has been recognised primarily in relation to the various businesses within European Operations. Out of the total impairment charge, ₹**44.03** crore (2020-21: ₹1,300.78 crore) is included in exceptional items and ₹**93.25** crore (2020-21: ₹117.20 crore) is included within other expenses in the consolidated statement of profit and loss.

During the year ended March 31, 2021, the Group has recognised an impairment reversal of ₹3.84 crore, in respect of expenditure incurred at one of its mining sites within the Indian operations. The impairment reversed is included within other expenses in the consolidated statement of profit and loss.

NOTES

forming part of the consolidated financial statements

3. Property, plant and equipment (Contd.)

[Item No. I(a), Page 400]

The Group has recognised an impairment charge of ₹**0.14** crore (2020-21: ₹4.50 crore) within the South East Asia operations. The impairment charge was included within other expenses in the consolidated statement of profit and loss.

During the year ended March 31, 2021, the Group has recognised an impairment reversal of ₹125.97 crore with respect to capital work- in- progress within other Indian operations. The impairment recognised was included within exceptional items in the consolidated statement of profit and loss.

During the year ended March 31, 2021, the Group recognised an impairment charge of ₹627.65 crore in respect of mining operations carried out in Canada. The value in use was computed using cash flow forecasts based on the most recently approved financial budgets which cover a period of 5 years and future projections taking the analysis out to the period over which the Group has right to use the underlying assets discounted using a discount rate of 10.00% p.a. The impairment recognised was included in exceptional items 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, 2022 of ₹**5,214.15** crore (March 31, 2021: ₹3,654.69 crore) and overseas Canadian mining business which had a carrying value as at March 31, 2022 of ₹**3,537.87** crore (March 31, 2021: ₹5,234.71 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 463.

NOTES
forming part of the consolidated financial statements

3. Property, plant and equipment (Contd.)
[Item No. I(b), Page 400]

(vi) Ageing of capital work-in-progress is as below:

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
	8,059.22	**3,800.18**	**3,510.20**	**5,858.02**	**21,227.62**

As at March 31, 2021

(₹ 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	4,878.90	4,151.57	2,138.77	6,383.59	17,552.83
Projects temporarily suspended	28.31	54.34	44.01	449.25	575.91
	4,907.21	**4,205.91**	**2,182.78**	**6,832.84**	**18,128.74**

(vii) The expected completion of amounts lying in capital work in progress which are delayed is as below:

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**	**-**	**-**
	7,180.37	**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**

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forming part of the consolidated financial statements

3. Property, plant and equipment (Contd.)

[Item No. I(b), Page 400]

As at March 31, 2021

(₹ 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	-	1,177.74	3,622.78	2,120.91
Raw material augmentation	-	1,446.16	-	224.24
Environment, safety and compliance	-	30.68	-	561.88
Sustenance projects	276.83	468.44	203.58	52.86
	276.83	**3,123.02**	**3,826.36**	**2,959.89**
Tata Steel Europe:				
Growth projects	1,534.06	1,014.31	143.26	-
Environment, safety and compliance	223.75	725.92	-	-
Sustenance projects	964.66	521.01	490.90	-
	2,722.47	**2,261.24**	**634.16**	**-**
	2,999.30	**5,384.26**	**4,460.52**	**2,959.89**
Projects temporarily suspended:				
Tata Steel India:				
Sustenance projects	-	-	-	24.90
	-	**-**	**-**	**24.90**
Tata Steel Europe:				
Environment, safety and compliance	34.10	-	18.46	-
Sustenance projects	234.94	-	4.35	-
	269.04	**-**	**22.81**	**-**
	269.04	**-**	**22.81**	**24.90**

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 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 consolidated financial statements

4. Right-of-use assets
[Item No. I(c), Page 400]

(₹ 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 right-of-use assets
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 1, 2021	-	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
Additions 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 at March 31,2022	**2,210.61**	**1,379.88**	**4,626.81**	**10.07**	**110.15**	**0.18**	**8,337.70**

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4. Right-of-use assets (Contd.)

[Item No. I(c), Page 400]

(₹ 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 right-of-use assets
Cost as at April 1, 2020	2,244.19	2,084.52	7,576.09	19.26	148.45	339.88	12,412.39
Additions	86.86	93.65	1,407.08	0.53	43.52	-	1,631.64
Disposals	(1.03)	(117.60)	(517.89)	(6.02)	(17.49)	-	(660.03)
Reclassified from held for sale	333.08	35.77	-	0.23	25.09	-	394.17
Other re-classifications	(9.53)	(0.39)	3.06	(0.20)	0.01	-	(7.05)
Exchange differences on consolidation	(1.33)	126.78	84.80	0.61	6.84	(10.60)	207.10
Cost as at March 31, 2021	**2,652.24**	**2,222.73**	**8,553.14**	**14.41**	**206.42**	**329.28**	**13,978.22**
Accumulated impairment as at April 1, 2020	24.03	84.87	16.56	-	-	-	125.46
Charge for the year	(24.03)	4.99	(12.44)	0.24	4.15	-	(27.09)
Disposals	-	(24.93)	(7.20)	-	-	-	(32.13)
Other re-classifications	-	-	2.64	-	-	-	2.64
Exchange differences on consolidation	-	4.65	0.44	-	(0.04)	-	5.05
Accumulated impairment as at March 31, 2021	**-**	**69.58**	**-**	**0.24**	**4.11**	**-**	**73.93**
Accumulated depreciation as at April 1, 2020	107.44	382.31	3,100.30	3.18	42.32	101.60	3,737.15
Charge for the year	85.38	230.14	782.63	2.00	53.93	28.80	1,182.88
Disposals	(0.61)	(50.51)	(509.87)	(2.68)	(16.16)	-	(579.83)
Reclassified from held for sale	34.79	12.63	-	0.11	11.70	-	59.23
Other re-classifications	-	(0.24)	(0.11)	0.12	0.02	-	(0.21)
Exchange differences on consolidation	(0.04)	22.97	32.42	0.14	2.06	(3.43)	54.12
Accumulated depreciation as at March 31, 2021	**226.96**	**597.30**	**3,405.37**	**2.87**	**93.87**	**126.97**	**4,453.34**
Total accumulated depreciation and impairment as at March 31, 2021	**226.96**	**666.88**	**3,405.37**	**3.11**	**97.98**	**126.97**	**4,527.27**
Net carrying value as at April 1, 2020	2,112.72	1,617.34	4,459.23	16.08	106.13	238.28	8,549.78
Net carrying value as on March 31, 2021	**2,425.28**	**1,555.85**	**5,147.77**	**11.30**	**108.44**	**202.31**	**9,450.95**

(i) During the year ended March 31, 2022, the Group recognised an impairment of ₹**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.

During the year ended March 31, 2021, the Group recognised an impairment reversal of ₹27.09 crore against right-of-use assets contained within other Indian operations and European operations. Out of the impairment reversal, ₹24.03 crore is included within exceptional items and ₹3.06 crore is included within other expenses in the consolidated statement of profit and loss.

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forming part of the consolidated financial statements

4. Right-of-use assets (Contd.)

[Item No. I(c), Page 400]

(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, 2022, 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 ₹**25.95** crore (2020-21: ₹28.63 crore) and ₹**11.17** crore (2020- 21: ₹11.50 crore) respectively.

(ii) expense in respect of variable lease payments not included in the measurement of lease liabilities ₹**804.01** crore (2020-21: ₹612.68 crore).

(iii) income in respect of sub leases of right-of-use assets ₹**20.10** crore (2020-21: ₹46.83 crore).

During the year ended March 31, 2022, total cash outflow in respect of leases amounted to ₹**2,751.64** crore (2020-21: ₹2,571.07 crore).

As at March 31, 2022, commitments for leases not yet commenced was ₹**231.82** crore (March 31, 2021: ₹266.57 crore).

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forming part of the consolidated financial statements

5. Goodwill on consolidation

[Item No. I(d), Page 400]

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Cost as at beginning of the year	5,950.91	5,552.01
Addition relating to acquisitions	14.17	-
Exchange differences on consolidation	(65.53)	398.90
Cost as at end of the year	**5,899.55**	**5,950.91**
Impairment as at beginning of the year	1,606.22	1,497.48
Exchange differences on consolidation	(17.87)	108.74
Impairment as at end of the year	**1,588.35**	**1,606.22**
Net book value as at beginning of the year	**4,344.69**	**4,054.53**
Net book value as at end of the year	**4,311.20**	**4,344.69**

(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 **8.40**% p.a. (March 31, 2021: 8.10% 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.

5. Goodwill on consolidation (Contd.)

[Item No. I(d), Page 400]

Given the uncertainties around decarbonisation, the recoverable amount of Business Unit IJmuiden CGU has also been determined by considering an alternative fair value less costs to sell (FV) model that has been prepared to consider the potential impact of decarbonisation. The model focuses on the two key components of the future cash flows – the impact on capital expenditure and the impact on EBITDA. The key assumption in the impairment assessment is that decarbonisation will not reduce the profitability of the European steel industry and the transition to carbon free steel would only be feasible if the significant upfront costs were recovered from either national governments or the market (or a combination of both). The outcome of the fair value model is largely aligned to the value in use model.

For the value in use model a **Nil** growth rate (March 31, 2021: 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 **1.8**% growth rate is used on future cashflows into perpetuity. The pre-tax discount rate is derived from the 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 test as at March 31, 2022 for BU IJmuiden CGU resulted in no impairment of goodwill (2020-21: 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 value in use.

(ii) Addition to goodwill during the year ended March 31, 2022 relates to acquisition of Medica TS Hospital Private. Ltd. by the Company and Wire mill business of Usha Martin Limited by Tata Steel Long Products, a subsidiary of the Group. Detailed disclosure is respect of the acquisition is given in note 41, page 494.

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6. Other intangible assets

[Item No. I(e), Page 400]

(₹ 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
Addition 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 at April 1, 2021	8.08	0.11	398.04	1,799.50	770.31	2,976.04
Net carrying value as at March 31, 2022	**7.33**	**0.04**	**361.12**	**3,573.20**	**530.78**	**4,472.47**

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6. Other intangible assets (Contd.)

[Item No. I(e), Page 400]

(₹ crore)

	Patents and trademarks	Development costs	Software costs	Mining assets	Other intangible assets	Total
Cost/deemed cost as at April 1, 2020	29.26	286.40	904.11	2,839.98	680.02	4,739.77
Additions	1.49	8.67	76.05	487.60	240.55	814.36
Disposals	-	-	(1.66)	(97.31)	-	(98.97)
Reclassified from held for sale	-	-	28.03	-	-	28.03
Other re-classifications	-	-	13.82	-	-	13.82
Exchange differences on consolidation	2.32	10.11	21.71	(20.47)	(1.92)	11.75
Cost/deemed cost as at March 31, 2021	**33.07**	**305.18**	**1,042.06**	**3,209.80**	**918.65**	**5,508.76**
Accumulated impairment as at April 1, 2020	11.60	-	26.08	144.32	30.65	212.65
Charge for the year	-	7.69	-	(3.63)	-	4.06
Other re-classifications	-	0.86	-	-	-	0.86
Exchange differences on consolidation	0.88	0.31	1.50	(1.90)	-	0.79
Accumulated impairment as at March 31, 2021	**12.48**	**8.86**	**27.58**	**138.79**	**30.65**	**218.36**
Accumulated amortisation as at April 1, 2020	9.41	278.45	464.56	1,229.23	103.10	2,084.75
Charge for the year	0.64	8.31	121.95	139.32	14.59	284.81
Disposals	-	-	(1.66)	(97.04)	-	(98.70)
Reclassified from held for sale	-	-	21.76	-	-	21.76
Other re-classifications	-	-	0.23	-	-	0.23
Exchange differences on consolidation	2.46	9.45	9.60	-	-	21.51
Accumulated amortisation as at March 31, 2021	**12.51**	**296.21**	**616.44**	**1,271.51**	**117.69**	**2,314.36**
Total accumulated amortisation and impairment as at March 31, 2021	**24.99**	**305.07**	**644.02**	**1,410.30**	**148.34**	**2,532.72**
Net carrying value as on April 1, 2020	8.25	7.95	413.47	1,466.43	546.27	2,442.37
Net carrying value as on March 31, 2021	**8.08**	**0.11**	**398.04**	**1,799.50**	**770.31**	**2,976.04**

(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, 2022, the Group recognised net impairment charge of ₹**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.

During the year ended March 31, 2021, the Group recognised net impairment charge of ₹4.06 crore in respect of intangible assets in its European and Indian operations. The impairment recognised was included within other expenses in the consolidated statement of profit and loss.

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6. Other intangible assets (Contd.)
[Item No. I(f), Page 400]

(iii) Ageing of intangible assets under development is as below:

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	38.26	300.06	134.32	345.29	817.93
	38.26	**300.06**	**134.32**	**345.29**	**817.93**

As at March 31, 2021

(₹ 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	255.48	38.31	88.84	496.03	878.66
	255.48	**38.31**	**88.84**	**496.03**	**878.66**

(iv) The expected completion of the amounts lying in intangible assets under development which are delayed are as below:

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
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**

As at March 31, 2021

(₹ 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
Projects in progress:				
Tata Steel India:				
Sustenance projects	-	124.55	5.23	35.07
	-	**124.55**	**5.23**	**35.07**
Tata Steel Europe:				
Growth projects	248.14	155.17	36.66	-
	248.14	**155.17**	**36.66**	**-**
	248.14	**279.72**	**41.89**	**35.07**

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7. Equity accounted investments
[Item No. I(h), Page 400]

(a) Investment in associates:

(i) The Group has no material associates as at March 31, 2022. 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, 2022	As at March 31, 2021
Carrying value of Group's interest in associates*	**210.89**	**173.89**

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Group's share in profit/(loss) for the year of associates*	43.67	26.83
Group's share in total comprehensive income for the year of associates	**43.67**	**26.83**

(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, 2022 is ₹**50.44** crore (March 31, 2021: ₹31.92 crore). The carrying value of such investments is **Nil** (March 31, 2021: 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 ₹**11.90** crore for the year ended March 31, 2022 (2020-21: ₹33.08 crore). Cumulative share of unrecognised losses in respect of equity accounted associates as at March 31, 2022 amounted to ₹**185.13** crore (March 31, 2021: ₹173.23 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, 2022. 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, 2022	As at March 31, 2021
Carrying value of Group's interest in joint ventures*	**2,750.76**	**2,301.77**

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Group's share in profit/(loss) for the year of joint ventures*	605.49	300.51
Group's share in other comprehensive income for the year of joint ventures	(28.51)	19.77
Group's share in total comprehensive income for the year of joint ventures	**576.98**	**320.28**

(iii) Share of unrecognised losses in respect of equity accounted joint ventures amounted to ₹**0.14** crore for the year ended March 31, 2022 (2020-21: ₹229.84 crore). Cumulative share of unrecognised losses in respect of equity accounted joint ventures as at March 31, 2022 amounted to ₹**1,018.87** crore. (March 31, 2021: ₹1,551.38 crore).

(iv) During the year ended March 31, 2022, the Group has recognised an impairment of ₹**0.39** crore (2020-21: ₹0.26 crore) in respect of its equity accounted joint ventures.

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forming part of the consolidated financial statements

7. Equity accounted investments (Contd.)

[Item No. I(h), Page 400]

(c) Summary of carrying value of Group's interest in equity accounted investees:

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
Carrying value of immaterial associates	210.89	173.89
Carrying value of immaterial joint ventures	2,750.76	2,301.77
	2,961.65	**2,475.66**

(d) Summary of Group's share in profit/(loss) for the year of equity accounted investees:

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Share of profit/(loss) of immaterial associates	43.67	26.83
Share of profit/(loss) of immaterial joint ventures	605.49	300.51
	649.16	**327.34**

(e) Summary of Group's share in other comprehensive income for the year of equity accounted investees:

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
Share of other comprehensive income of immaterial joint ventures	(28.51)	19.77
	(28.51)	**19.77**

*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.

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8. Investments

[Item No. I(i)(i) and II(b)(i), Page 400]

A. Non-current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Investments carried at amortised cost:		
Investment in government or trust securities	15.60	15.39
Investment in preference shares	-	1.61
	15.60	**17.00**
(b) Investments carried at fair value through other comprehensive income:		
Investment in equity shares#	1,583.93	917.92
	1,583.93	**917.92**
(c) Investments carried at fair value through profit and loss:		
Investment in preference shares	13.72	-
Investment in equity shares	40.53	52.46
	54.25	**52.46**
	1,653.78	**987.38**

B. Current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Investments carried at fair value through profit and loss:		
Investment in mutual funds	8,524.42	7,218.89
	8,524.42	**7,218.89**

(i) Carrying value and market value of quoted and unquoted investments is as below:

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Investments in quoted instruments:		
Aggregate carrying value	1,189.07	544.13
Aggregate market value	1,189.07	544.13
(b) Investments in unquoted instruments:		
Aggregate carrying value	8,989.13	7,662.14

(ii) Cumulative gain on de-recognition of investments during the year which were carried at fair value through other comprehensive income amounted to ₹**9.99** crore (2020-21: loss ₹138.68 crore). Fair value of such investments as on the date of de-recognition was ₹**9.99** crore (2020-21: ₹0.00* crore).

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.

* represents value less than ₹0.01 crore.

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9. Loans

[Item No. I(i)(ii) and II(b)(v), Page 400]

A. Non-current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Loans to related parties		
Considered good - Unsecured	8.12	8.20
Credit impaired	206.31	208.75
Less: Allowance for credit losses	206.31	208.75
	8.12	**8.20**
(b) Other loans		
Considered good - Unsecured	64.32	83.73
Credit impaired	1,571.79	1,586.24
Less: Allowance for credit losses	1,571.79	1,586.24
	64.32	**83.73**
	72.44	**91.93**

B. Current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Loans to related parties		
Considered good - Unsecured	-	-
Credit impaired	1,010.60	877.19
Less: Allowance for credit losses	1,010.60	877.19
	-	**-**
(b) Other loans		
Considered good - Unsecured	5.84	5.59
Credit impaired	9.60	2.09
Less: Allowance for credit losses	9.60	2.09
	5.84	**5.59**
	5.84	**5.59**

(i) Non-current loans to related parties represents loan given to joint ventures ₹**206.31** crore (March 31, 2021: ₹208.75 crore) and associates ₹**8.12** crore (March 31, 2021: ₹8.20 crore). Out of loans given to joint ventures, ₹**206.31** crore (March 31, 2021: ₹208.75 crore) is impaired.

(ii) Current loans to related parties represent loans/advances given to joint ventures ₹**910.60** crore (March 31, 2021: ₹877.19 crore) and associates ₹**100.00** crore (March 31, 2021: Nil) out of which ₹**910.60** crore (2020-21: ₹877.19 crore) and ₹**100.00** crore (March 31, 2021: Nil) is impaired respectively.

(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.

(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.

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10. Other financial assets
[Item No. I(i)(iv) and II(b)(vii), Page 400]

A. Non-current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Security deposits		
Considered good - Unsecured	263.63	244.64
Credit impaired	88.58	9.14
Less: Allowance for credit losses	88.58	9.14
	263.63	**244.64**
(b) Interest accrued on deposits, loans and advances		
Considered good - Unsecured	1.21	1.02
Credit impaired	0.27	0.27
Less: Allowance for credit losses	0.27	0.27
	1.21	**1.02**
(c) Earmarked balances with banks	**89.23**	**71.68**
(d) Other balances with banks	**-**	**39.91**
(e) Others		
Considered good - Unsecured	88.57	102.32
Credit impaired	15.71	48.65
Less: Allowance for credit losses	15.71	48.65
	88.57	**102.32**
	442.64	**459.57**

B. Current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Security deposits		
Considered good - Unsecured	32.74	59.13
Credit impaired	0.23	102.08
Less: Allowance for credit losses	0.23	102.08
	32.74	**59.13**
(b) Interest accrued on deposits and loans		
Considered good - Unsecured	28.77	30.33
Credit impaired	-	19.89
Less: Allowance for credit losses	-	19.89
	28.77	**30.33**
(c) Others		
Considered good - Unsecured	1,950.11	1,390.64
Credit impaired	144.51	140.83
Less: Allowance for credit losses	144.51	140.83
	1,950.11	**1,390.64**
	2,011.62	**1,480.10**

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forming part of the consolidated financial statements

10. Other financial assets (Contd.)
[Item No. I(i)(iv) and II(b)(vii), Page 400]

(i) Security deposits are primarily in relation to public utility services and rental agreements. It includes deposit with Tata Sons Private Limited ₹**1.25** crore (March 31, 2021: ₹1.25 crore).

(ii) Non-current earmarked balances with banks represented deposits and balances in escrow account not due for realisation within 12 months from the balance sheet date. These were 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 ₹**171.30** crore (March 31, 2021: ₹92.84 crore) on account of retirement benefit obligations paid by the Group directly.

11. Retirement benefit assets and obligations
[Item No. I(j) and II(c), V(c) and VI(c), Page 400 and 401]

(I) Retirement benefit assets

A. Non-current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Pension	20,397.42	20,018.75
(b) Retiring gratuities	0.54	0.72
	20,397.96	**20,019.47**

B. Current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Retiring gratuities	**1.25**	**0.42**

(II) Retirement benefit obligations

A. Non-current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Pension	839.72	1,097.88
(b) Retiring gratuities	421.80	361.47
(c) Post-retirement medical benefits	1,642.78	1,578.46
(d) Other defined benefits	509.41	461.98
	3,413.71	**3,499.79**

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forming part of the consolidated financial statements

11. Retirement benefit assets and obligations (Contd.)
[Item No. I(j) and II(c), V(c) and VI(c), Page 400 and 401]

B. Current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Pension	11.09	12.71
(b) Retiring gratuities	13.00	14.29
(c) Post-retirement medical benefits	98.21	103.78
(d) Other defined benefits	35.92	36.06
	158.22	**166.84**

(i) Detailed disclosure in respect of post-retirement defined benefit schemes is provided in note 37, page 476.

(ii) Other defined benefits include post-retirement lumpsum benefits, long service awards, packing and transportation, farewell gifts etc.

12. Income taxes
[Item No. I(l), V(e) and IX, Page 400, 401 and 402]

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 have 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.

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, 2022	Year ended March 31, 2021
Profit/(loss) before tax	**50,226.87**	**13,843.69**
Income tax expense at tax rates applicable to individual entities	**12,764.70**	**3,276.38**
(a) Additional tax benefit for capital investment including research and development expenditures	(0.02)	(0.41)
(b) Income exempt from tax/items not deductible	575.59	(512.21)
(c) Undistributed earning of subsidiaries, joint ventures and equity accounted investees	54.95	39.94
(d) Deferred tax assets not recognised because realisation is not probable	436.77	3,194.40
(e) Adjustments to taxes in respect of prior periods	(22.84)	(11.57)
(f) Utilisation/credit of unrecognised tax losses, unabsorbed depreciation and other tax benefits	(5,166.91)	(176.27)
(g) Impact of changes in tax rates[i]	(164.69)	(156.36)
Tax expense as reported	**8,477.55**	**5,653.90**

NOTES

forming part of the consolidated financial statements

12. Income taxes (Contd.)

[Item No. I(l), V(e) and IX, Page 400, 401 and 402]

(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 new tax rate regime.

B. Deferred tax assets/(liabilities)

(i) 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	Additions 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)**

NOTES
forming part of the consolidated financial statements

12. Income taxes (Contd.)

[Item No. I(l), V(e) and IX, Page 400, 401 and 402]

Components of deferred tax assets and liabilities as at March 31, 2021 is as below:

(₹ crore)

	Balance as at April 1, 2020	Recognised/ (reversed) in profit and loss during the year	Recognised/ (reversed) in other comprehensive Income during the year	Recognised/ (reversed) in equity during	Reclassified from held for sale during the year	Other movements during the year	Exchange differences on consolidation during the year	Balance as at March 31, 2021
Deferred tax assets:								
Tax-loss carry forwards	6,221.14	(785.46)	-	-	6.86	0.35	177.78	5,620.67
Expenses allowable for tax purposes when paid/written off	2,534.16	354.64	(1.73)	-	12.85	(0.10)	13.01	2,912.83
Others	729.16	(567.95)	(83.63)	-	(10.01)	(39.01)	44.47	73.03
	9,484.46	**(998.77)**	**(85.36)**	**-**	**9.70**	**(38.76)**	**235.26**	**8,606.53**
Deferred tax liabilities:								
Property, plant and equipment and Intangible assets	12,728.92	70.25	-	(3.75)	39.24	0.20	(121.72)	12,713.14
Retirement benefit assets/ obligations	4,744.48	309.56	(1,812.64)	-	(14.00)	-	324.50	3,551.90
Others	2.11	1.30	-	-	(0.17)	-	1.65	4.89
	17,475.51	**381.11**	**(1,812.64)**	**(3.75)**	**25.07**	**0.20**	**204.43**	**16,269.93**
Net deferred tax assets/ (liabilities)	**(7,991.05)**	**(1,379.88)**	**1,727.28**	**(3.75)**	**(15.37)**	**(38.96)**	**30.83**	**(7,663.40)**
Disclosed as:								
Deferred tax assets	**1,270.33**							**1,578.02**
Deferred tax liabilities	**9,261.38**							**9,241.42**
	(7,991.05)							**(7,663.40)**

(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 ₹**38,028.10** crore (March 31, 2021: ₹56,968.83 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, 2022
Within five years	654.00
Later than five years but less than ten years	490.53
Later than ten years but less than twenty years	2,259.67
No expiry	34,623.90
	38,028.10

NOTES
forming part of the consolidated financial statements

12. Income taxes (Contd.)

[Item No. I(l), V(e) and IX, Page 400, 401 and 402]

(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, 2022
Later than five years but less than ten years	0.54
Later than ten years but less than twenty years	384.60
No expiry	7,089.06
	7,474.20

(vi) As at March 31, 2022, aggregate amount of temporary difference associated with undistributed earnings of subsidiaries for which deferred tax liability has not been recognised is ₹**8,142.58** crore (March 31, 2021: ₹8,273.84 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 400]

A. Non-current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Capital advances		
Considered good - Unsecured	1,332.98	665.63
Considered doubtful- Unsecured	129.46	129.01
Less: Provision for doubtful advances	129.46	129.01
	1,332.98	**665.63**
(b) Advance with public bodies		
Considered good - Unsecured	2,070.56	1,909.95
Considered doubtfu l - Unsecured	333.67	414.52
Less: Provision for doubtful advances	333.67	414.52
	2,070.56	**1,909.95**
(c) Prepaid lease payments for operating leases	**0.32**	-
(d) Capital advances to related parties		
Considered good - Unsecured	**33.58**	**18.53**
(e) Others		
Considered good - Unsecured	252.61	278.59
Considered doubtful- Unsecured	46.56	3.40
Less: Provision for doubtful advances	46.56	3.40
	252.61	**278.59**
	3,690.05	**2,872.70**

NOTES
forming part of the consolidated financial statements

13. Other assets (Contd.)
[Item No. I(m) and II(e), Page 400]

B. Current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Advance with public bodies		
Considered good - Unsecured	2,221.69	1,136.03
Considered doubtful - Unsecured	3.63	2.96
Less: Provision for doubtful advances	3.63	2.96
	2,221.69	**1,136.03**
(b) Advances to related parties		
Considered good - Unsecured	**46.04**	**16.45**
(c) Others		
Considered good - Unsecured	1,241.09	1,000.96
Considered doubtful - Unsecured	123.54	106.05
Less: Provision for doubtful advances	123.54	106.05
	1,241.09	**1,000.96**
	3,508.82	**2,153.44**

(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 400]

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Raw materials	20,440.84	11,526.97
(b) Work-in-progress	6,602.37	4,562.98
(c) Finished and semi-finished goods	16,075.72	11,940.89
(d) Stock-in-trade	55.47	50.97
(e) Stores and spares	5,649.99	5,194.57
	48,824.39	**33,276.38**
Included above, goods-in-transit:		
(i) Raw materials	3,084.51	2,823.74
(ii) Finished and semi-finished goods	259.10	408.58
(iii) Stock-in-trade	1.57	0.73
(iv) Stores and spares	148.97	88.87
	3,494.15	**3,321.92**

Value of inventories above is stated after provisions (net of reversal) for slow-moving and obsolete items and write-downs to net realisable value ₹**615.64** crore (March 31, 2021: ₹698.25 crore).

NOTES

forming part of the consolidated financial statements

15. Trade receivables

[Item No. II(b)(ii), Page 400]

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
Considered good - Unsecured	12,340.62	9,691.16
Credit impaired	170.35	208.18
	12,510.97	**9,899.34**
Less: Allowance for credit losses	264.54	359.50
	12,246.43	**9,539.84**

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, 2022	Year ended March 31, 2021
Balance at the beginning of the year	359.50	308.74
Charge/(released) during the year	36.59	35.30
Utilised during the year	(182.11)	(24.25)
Addition relating to acquisitions	0.72	-
Disposal of group undertakings	40.14	-
Classified as held for sale	10.98	-
Reclassified from held for sale	-	27.95
Exchange differences on consolidation	(1.28)	11.76
Balance at the end of the year	**264.54**	**359.50**

(ii) Ageing of trade receivables and credit risk arising therefrom is as below:

As at March 31, 2022

(₹ crore)

	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months -1 years	1-2 years	2-3 years	More than 3 years	Total
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**
Unbilled trade receivables							103.31
Less: Allowance for credit losses							264.54
Total trade receivables							**12,246.43**

NOTES
forming part of the consolidated financial statements

15. Trade receivables (Contd.)
[Item No. II(b)(ii), Page 400]

As at March 31, 2021

(₹ crore)

	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months -1 years	1-2 years	2-3 years	More than 3 years	Total
Undisputed – considered good	7,990.36	1,222.34	193.53	64.00	5.33	44.72	9,520.28
Undisputed – credit impaired	-	5.73	0.64	2.93	0.21	38.70	48.21
Disputed – considered good	-	17.09	2.38	25.83	0.32	82.91	128.53
Disputed – credit impaired	-	1.41	7.70	0.48	4.86	145.52	159.97
	7,990.36	**1,246.57**	**204.25**	**93.24**	**10.72**	**311.85**	**9,856.99**
Unbilled trade receivables							42.35
Less: Allowance for credit losses							359.50
Total trade receivables							**9,539.84**

(iii) The Group considers its maximum exposure to credit risk with respect to customers as at March 31, 2022 to be ₹**5,441.98** crore (March 31, 2021: ₹5,183.08 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, 2022 ₹**6,804.45** crore (March 31, 2021: ₹4,356.76 crore).

The Group's exposure to customers is diversified and there is no concentration of credit risk with respect to any particular customer.

16. Cash and cash equivalents
[Item No. II(b)(iii), Page 400]

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Cash on hand	1.39	1.45
(b) Cheques, drafts on hand	0.75	1.79
(c) Remittances in-transit	47.10	43.97
(d) Unrestricted balances with banks	15,555.44	5,484.87
	15,604.68	**5,532.08**

NOTES

forming part of the consolidated financial statements

16. Cash and cash equivalents (Contd.)

[Item No. II(b)(iii), Page 400]

(i) Currency profile of cash and cash equivalents is as below:

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
INR	8,505.32	3,131.79
GBP	948.96	1,220.24
EURO	4,209.66	643.75
USD	1,269.61	(102.92)
Others	671.13	639.22
	15,604.68	**5,532.08**

INR-Indian Rupees, GBP- Great Britain Pound, USD-United States Dollars. Others primarily include SGD-Singapore Dollars, CAD- Canadian Dollars and THB- Thai Baht.

17. Other balances with banks

[Item No. II(b)(iv), Page 400]

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
Earmarked balances with banks	294.25	250.10
	294.25	**250.10**

(i) Currency profile of earmarked balances with banks is as below:

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
INR	294.05	250.10
	294.05	**250.10**

INR-Indian rupees.

(ii) Earmarked balances with banks represent balances held for unpaid dividends, margin money/fixed deposits against issue of bank guarantees and deposits made against contract performance.

NOTES
forming part of the consolidated financial statements

18. Assets and liabilities held for sale

[Item No. III and VII, Page 400 and 401]

(i) 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. The major classes of assets and liabilities classified as held for sale as on reporting date are set out below:

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
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 financial assets	14.07	-
	318.74	**-**
Fair value adjustments	**(92.66)**	**-**
Total assets held for sale	**240.77**	**-**
Non-current liabilities		
Retirement benefit obligations	8.99	
	8.99	**-**
Current liabilities		
Trade payables	140.21	-
Other financial liabilities	2.33	-
Provisions	22.53	-
Other liabilities	17.05	-
	182.12	**-**
Total liabilities held for sale	**191.11**	**-**

(ii) Within Thailand businesses, certain property, plant and equipment have 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, 2022, the carrying value of such assets is ₹**59.74** crore (March 31, 2021: ₹80.20 crore). The Group has also recognised an impairment charge of ₹**18.46** crore in respect of these assets which is included within exceptional items in the consolidated statement of profit and loss.

(iii) Certain property, plant and equipment are classified as held for sale as the Group no longer expects to recover the carrying value of these assets principally through sale. As at March 31, 2022 these assets have a carrying value of ₹**0.03** crore (March 31, 2021: ₹0.06 crore).

(iv) As on March 31, 2021, certain property, plant and equipment (including capital work-in-progress) having carrying value of ₹19.27 crore had been classified as held for sale in respect of one of the Indian subsidiaries, as the Group expected to recover the carrying value of these assets principally through sale.

NOTES
forming part of the consolidated financial statements

19. Equity share capital
[Item No. IV(a), Page 401]

(₹ crore)

		As at March 31, 2022	As at March 31, 2021
Authorised:			
1,75,00,00,000	Ordinary Shares of ₹10 each (March 31, 2021: 1,75,00,00,000 Ordinary Shares of ₹10 each)	1,750.00	1,750.00
35,00,00,000	'A' Ordinary Shares of ₹10 each* (March 31, 2021: 35,00,00,000 'A' Ordinary Shares of ₹10 each)	350.00	350.00
2,50,00,000	Cumulative Redeemable Preference Shares of ₹100 each* (March 31, 2021: 2,50,00,000 Shares of ₹100 each)	250.00	250.00
60,00,00,000	Cumulative Convertible Preference Shares of ₹100 each* (March 31, 2021: 60,00,00,000 Shares of ₹100 each)	6,000.00	6,000.00
		8,350.00	**8,350.00**
Issued:			
1,22,32,18,367	Ordinary Shares of ₹10 each (March 31, 2021: 1,19,78,30,303 Ordinary Shares of ₹10 each)	1,223.22	1,197.83
2,23,288	Ordinary Shares of ₹10 each (partly paid-up, ₹2.504 each paid-up) (March 31, 2021: 73,87,547 Ordinary Shares of ₹10 each, ₹2.504 each paid-up)	0.22	7.39
		1,223.44	**1,205.22**
Subscribed and paid-up:			
1,22,09,53,649**	Ordinary Shares of ₹10 each fully paid-up	1,220.96	1,195.56
	(March 31, 2021: 1,19,55,57,559 Ordinary Shares of ₹10 each)		
2,23,288	Ordinary Shares of ₹10 each (Partly Paid-up, ₹2.504 each paid-up) (March 31, 2021: 73,87,547 Ordinary Shares of ₹10 each, ₹2.504 each paid-up)	0.05	1.85
	Amount paid-up on 3,89,516 Ordinary Shares of ₹10 each forfeited (March 31, 2021: 3,89,516 Shares of ₹10 each)	0.20	0.20
		1,221.21	**1,197.61**

* 'A' Ordinary Shares and Preference Shares included within authorised share capital are for disclosure purposes and have not yet been issued.

** Includes 3,078 Ordinary shares on which first and final call money has been received and the partly paid-up equity shares have been converted to fully paid-up equity shares but are pending final listing and trading approval under the fully paid-up shares with ISIN INE081A01012, and hence, continue to be listed under the partly paid-up ISIN IN9081A01010 as on March 31, 2022.

(i) Subscribed and paid-up capital excludes **11,68,393** (March 31, 2021: 11,68,393) Ordinary Shares of face value ₹10 each fully paid-up, held by Rujuvalika Investments Limited, wholly-owned subsidiary of the Company.

Further, erstwhile Tata Steel BSL Limited held 13,500 Ordinary Shares in the Company as on March 31, 2021. Pursuant to the composite Scheme of Amalgamation of Tata Steel BSL Limited (TSBSL) and Bamnipal Steel Limited into and with Tata Steel Limited as sanctioned and approved by the Hon'ble National Company Law Tribunal, Mumbai Bench vide Order dated October 29, 2021, TSBSL merged with the Company. Accordingly, the crossholding of TSBSL in the Company aggregating to 13,500 Ordinary Shares stands cancelled and extinguished and the subscribed and paid-up share capital of the Company stands reduced by 13,500 Ordinary Shares as on March 31, 2022.

NOTES
forming part of the consolidated financial statements

19. Equity share capital (Contd.)

[Item No. IV(a), Page 401]

(ii) Details of movement in subscribed and paid-up share capital is as below:

	Year ended March 31, 2022		Year ended March 31, 2021	
	No. of shares	₹ crore	No. of shares	₹ crore
Ordinary Shares of ₹10 each				
Balance at the beginning of the year	1,20,29,45,106	1,197.41	1,20,29,45,106	1,144.75
Fully paid shares allotted during the year[(a)]	1,82,31,167	18.23	-	-
Partly paid shares allotted during the year[(b)]	664	0.00*	-	-
Partly paid shares converted to fully paid-up shares during the year[(c)]	-	5.37	-	52.66
Balance at the end of the year	**1,22,11,76,937**	**1,221.01**	**1,20,29,45,106**	**1,197.41**

* Represents value less than ₹0.01 crore.

(a) **182,23,805** Ordinary Shares of face value ₹10 each were allotted to eligible shareholders of Tata Steel BSL Limited as on the record date of November 16, 2021, in share entitlement ratio of 1:15, pursuant to the composite Scheme of Amalgamation of Tata Steel BSL Limited and Bamnipal Steel Limited into and with Tata Steel Limited as sanctioned and approved by Hon'ble National Company Law Tribunal, Mumbai Bench vide Order dated October 29, 2021.

3,450 Ordinary Shares of face value ₹10 each were allotted at a premium of ₹290 per share to the shareholders whose shares were kept in abeyance in the Rights Issue of 2007.

2,584 Ordinary Shares of face value ₹10 each were allotted at a premium of ₹590 per share in lieu of Cumulative Convertible Preference Shares of ₹100 each to the shareholders whose shares were kept in abeyance in the Rights Issue of 2007.

1,328 Fully Paid Ordinary Shares of face value ₹10 each were allotted at a premium of ₹500 per share to the shareholders whose shares were kept in abeyance in the Rights Issue of 2018.

(b) **664** Partly Paid Ordinary Shares of face value ₹10 each (₹2.504 paid-up) were allotted at a premium of ₹605 (₹151.496 paid-up) per share to the shareholders whose shares were kept in abeyance in the Rights Issue of 2018.

(c) During the year ended March 31, 2022, the Company has sent several Reminder-cum-Forfeiture Notice to the holders of partly paid-up equity shares on which the first and final call money remains unpaid. As on March 31, 2022, the Company has converted **71,64,259** partly paid-up shares into fully paid-up shares of the Company.

(iii) As at March 31, 2022, **2,92,785** Ordinary Shares of face value ₹10 each (March 31, 2021: 2,98,822 Ordinary Shares) are kept in abeyance in respect of Rights issue of 2007.

As at March 31, 2022, **1,19,965** fully paid Ordinary Shares of face value ₹10 each (March 31, 2021: 1,21,293 fully paid Ordinary Shares) are kept in abeyance in respect of Rights Issue of 2018.

As at March 31, 2022, **59,828** Ordinary Shares of face value ₹10 each (March 31, 2021: 60,492 Ordinary shares) are kept in abeyance in respect of Rights Issue of 2018. Pursuant to the first and final call on the partly paid-up equity shares, the right on 59,828 Partly Paid Ordinary Shares formerly kept in abeyance will now be 59,828 Ordinary Shares kept in abeyance.

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forming part of the consolidated financial statements

19. Equity share capital (Contd.)

[Item No. IV(a), Page 401]

(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, 2022 and March 31, 2021 have been utilised in the following manner:

(₹ crore)

	Utilised in FY 2020-21	Unutilised in FY 2020-21	Utilised in FY 2021-22*	To be utilised during FY 2022-23*
Repayments of loan	2,670.60	13.38	53.27	-
Expenses towards general corporate purpose	32.26	520.89	807.43	2.72
Issue expense	1.36	-	1.12	-
	2,704.22	**534.27**	**861.82**	**2.72**

* Includes proceeds of ₹330.27 crore from right issue during the year.

(v) Details of shareholders holding more than 5% shares in the Company is as below:

	As at March 31, 2022		As at March 31, 2021	
	No. of Ordinary Shares	% held	No. of Ordinary Shares	% held
Name of shareholders				
(a) Tata Sons Private Limited	39,65,08,142	32.46	39,65,08,142	32.93
(b) Life Insurance Corporation of India	7,90,89,965	6.47	10,67,23,335	8.86

(vi) Details of promoters' shareholding percentage in the Company is as below:

	As at March 31, 2022		As at March 31, 2021	
	No. of Ordinary Shares	% held	No. of Ordinary Shares	% held
Name of promoter				
(a) Tata Sons Private Limited#	39,65,08,142	32.46	39,65,08,142	32.93
Name of promoter group				
(a) Tata Motors Limited#	54,96,295	0.45	54,96,295	0.46
(b) Tata Investment Corporation Limited#	41,98,494	0.34	41,98,494	0.35
(c) Tata Chemicals Ltd#	30,90,051	0.25	30,90,051	0.26
(d) Ewart Investments Limited	22,25,975	0.18	22,25,975	0.18
(e) Rujuvalika Investments Limited*	11,68,393	0.10	11,68,393	0.10
(f) Tata Industries Limited	10,42,545	0.09	10,42,545	0.09
(g) Tata Motors Finance Limited	6,09,511	0.05	6,09,511	0.05
(h) Tata Capital Ltd	16,740	0.00	16,740	0.00
(i) Titan Company Limited	2,511	0.00	2,511	0.00
(j) Sir Dorabji Tata Trust^	-	-	-	-
(k) Sir Ratan Tata Trust^	-	-	-	-

* 11,68,393 Ordinary Shares held by Rujuvalika Investments Limited (a wholly-owned subsidiary of Tata Steel Limited), do not carry any voting rights.

#Change in shareholding is on account of allotment of additional shares to the non-controlling equity holders of erstwhile Tata Steel BSL Limited ("TSBSL") pursuant to the scheme of amalgamation of TSBSL and Bamnipal Steel Limited (BNPL) with and into the Company.

^During the year ended March 31, 2019, Sir Dorabji Tata Trust and Sir Ratan Tata Trust had sold their entire holdings in the Company.

(vii) **96,95,642** shares (March 31, 2021: 1,00,14,395 shares) of face value of ₹10 per share represent the shares underlying GDRs which were issued during 1994 and 2009. Each GDR represents one underlying Ordinary share.

NOTES
forming part of the consolidated financial statements

19. Equity share capital (Contd.)

[Item No. IV(a), Page 401]

(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 ₹10 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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forming part of the consolidated financial statements

20. Hybrid perpetual securities

[Item No. IV(b), Page 401]

The details of movement in hybrid perpetual securities is as below:

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	775.00	2,275.00
Repayments during the year	(775.00)	(1,500.00)
Balance at the end of the year	**-**	**775.00**

The Company had issued hybrid perpetual securities of ₹775.00 crore and ₹1,500.00 crore in May 2011 and March 2011 respectively. These securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. The distribution on these securities are 11.50% p.a. and 11.80% p.a. respectively, with a step up provision if the securities are not called after 10 years. The distribution on the securities may be deferred at the option of the Company if in the six months preceding the relevant distribution payment date, the Company has not made payment on, or repurchased or redeemed, any securities ranking *pari passu* with, or junior to the instrument. As these securities are perpetual in nature and the Company does not have any redemption obligation, these have been classified as equity.

During the year, the Company has exercised its call option and redeemed the perpetual securities worth ₹775.00 crore issued during May 2011.

21. Other equity

[Item No. IV(c), Page 401]

A. Retained earnings

The details of movement in retained earnings is as below:

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	16,476.70	18,127.82
Profit for the year	40,153.93	7,490.22
Remeasurement of post-employment defined employee benefit plans	490.45	(9,417.74)
Tax on remeasurement of post-employment defined employee benefit plans	(124.06)	1,790.48
Equity issue expenses written off	-	(1.96)
Dividend	(3,004.16)	(1,144.75)
Distribution on hybrid perpetual securities[(i)]	(1.46)	(242.34)
Tax on distribution on hybrid perpetual securities	0.37	60.99
Transfers within equity[(ii)]	8.97	(139.39)
Adjustment for changes in ownership interests	1,647.05	(46.63)
Balance at the end of the year	**55,647.79**	**16,476.70**

(i) During the year ended March 31, 2022, distribution of ₹**8.30** crore (2020-21: ₹16.97 crore) post exercise of the call option on hybrid perpetual securities has been recognised in the consolidated 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.

NOTES
forming part of the consolidated financial statements

21. Other equity (Contd.)

[Item No. IV(c), Page 401]

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, 2022	Year ended March 31, 2021
Balance at the beginning of the year	113.32	(167.02)
Other comprehensive income recognised during the year	701.94	280.34
Balance at the end of the year	**815.26**	**113.32**

(i) The details of other comprehensive income recognised during the year is as below:

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Fair value changes recognised during the year	1,395.47	295.10
Fair value changes reclassified to the consolidated statement of profit and loss/cost of hedged items	(499.72)	59.21
Tax impact on above	(193.81)	(73.97)
	701.94	**280.34**

During the year, ineffective portion of cash flow hedges recognised in the consolidated statement of profit and loss amounted to **Nil** (2020- 21: 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: gain of ₹**793.15** crore (2020-21 : ₹139.25 crore).
- later than one year: gain of ₹**22.11** crore (2020-21: loss of ₹25.93 crore).

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forming part of the consolidated financial statements

21. Other equity (Contd.)

[Item No. IV(c), Page 401]

(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 reverse 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, 2022	Year ended March 31, 2021
Balance at the beginning of the year	306.60	(173.31)
Other comprehensive income recognised during the year	679.13	351.74
Tax impact on above	(78.96)	(10.51)
Transfers within equity	(9.99)	138.68
Balance at the end of the year	**896.78**	**306.60**

(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, 2022	Year ended March 31, 2021
Balance at the beginning of the year	7,753.04	7,956.24
Other comprehensive income recognised during the year	(354.03)	(203.20)
Balance at the end of the year	**7,399.01**	**7,753.04**

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, 2022	Year ended March 31, 2021
Balance at the beginning of the year	30,962.60	27,778.12
Received/transfer on issue of Ordinary Shares during the year	325.25	3,185.84
Equity issue expenses written (off)/back during the year	(1.12)	(1.36)
Balance at the end of the year	**31,286.73**	**30,962.60**

NOTES
forming part of the consolidated financial statements

21. Other equity (Contd.)
[Item No. IV(c), Page 401]

(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 in a public issue or on a private placement basis, out of 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 the 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, 2022	Year ended March 31, 2021
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, 2022	Year ended March 31, 2021
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, 2022	Year ended March 31, 2021
Balance at the beginning of the year	133.11	133.11
Balance at the end of the year	**133.11**	**133.11**

NOTES

forming part of the consolidated financial statements

21. Other equity (Contd.)

[Item No. IV(c), Page 401]

(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, 2022	Year ended March 31, 2021
Balance at the beginning of the year	10.48	10.06
Transfer within equity	0.74	0.42
Balance at the end of the year	**11.22**	**10.48**

(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, 2022	Year ended March 31, 2021
Balance at the beginning of the year	2,020.62	2,020.62
Adjustment for changes in ownership interest	(1,236.34)	-
Balance at the end of the year	**784.28**	**2,020.62**

(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 during the year is as below:

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	72.04	57.13
Additions	-	14.91
Adjustment for changes in ownership interest[(i)]	1,761.46	-
Balance at the end of the year	**1,833.50**	**72.04**

(i) The amount comprises 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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forming part of the consolidated financial statements

21. Other equity (Contd.)

[Item No. IV(c), Page 401]

(h) Others

Others primarily represent amounts appropriated out of the statement of profit or loss for unforeseen contingencies. Such appropriations are free in nature.

The details of movement in others is as below:

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	186.71	186.42
Transfers within equity	0.28	0.29
Balance at the end of the year	**186.99**	**186.71**

D. Share application money pending allotment

The details of movement in share application money pending allotment is as below:

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	3.78	-
Received during the year	326.85	3.78
Allotted during the year	(330.63)	-
Balance at the end of the year	**-**	**3.78**

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)

	Year ended March 31, 2022	Year ended March 31, 2021
Non-controlling interests	2,655.42	3,269.68

(i) The Company, through its wholly-owned subsidiary, T Steel Global Holdings Pte. Ltd. via TSMUK Limited holds 82.00% (March 31, 2021: 82.00%) equity stake in Tata Steel Minerals Canada Limited.

(ii) The Company holds as at March 31, 2022, 74.91% (March 31, 2021: 74.91%) equity stake in Tata Steel Long Products Limited. During the year ended March 31, 2021, the Company sold 4,51,000 shares to comply with minimum pubic shareholding requirement.

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forming part of the consolidated financial statements

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, 2022	% of non-controlling interests as at March 31, 2021	Profit/(loss) attributable to non-controlling interests for the year ended March 31, 2022	Profit/(loss) attributable to non-controlling interests for the year ended March 31, 2021	Non- controlling interests as at March 31, 2022	Non- controlling interests as at March 31, 2021
Tata Steel Minerals Canada Limited	Canada	18.00%	18.00%	(122.55)	(295.18)	6.80	127.14
Tata Steel BSL Limited*	India	-	27.35%	1,182.73	688.02	-	1,023.08
Tata Steel Long Products Limited	India	25.09%	25.09%	158.44	142.08	803.24	649.90

The tables below provides summarised information in respect of consolidated balance sheet as at March 31, 2022, consolidated statement of profit and loss and consolidated statement of cash flows for the year ended March 31, 2022, in respect of the above-mentioned entities:

Summarised balance sheet information

₹ crore)

Particulars	Tata Steel Minerals Canada Limited		Tata Steel BSL Limited*		Tata Steel Long Products Limited	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Non-current assets	6,060.86	6,297.46	-	30,191.44	5,423.50	4,432.14
Current assets	789.09	523.25	-	6,957.20	14,373.89	1,457.78
Total assets (A)	**6,849.95**	**6,820.71**	**-**	**37,148.64**	**19,797.39**	**5,889.92**
Non-current liabilities	5,837.50	4,597.61	-	10,560.41	13,667.82	1,483.56
Current liabilities	1,111.60	1,516.77	-	5,551.14	2,940.98	1,827.03
Total liabilities (B)	**6,949.10**	**6,114.38**	**-**	**16,111.55**	**16,608.80**	**3,310.59**
Net assets (A-B)[(i)]	**(99.15)**	**706.33**	**-**	**21,037.09**	**3,188.59**	**2,579.33**

(i) Net assets of Tata Steel BSL Limited as at March 31, 2021, includes equity portion of preference shares ₹17,295.82 crore issued by Tata Steel BSL Limited to the Company.

NOTES
forming part of the consolidated financial statements

22. Non-controlling interests (Contd.)

Summarised profit and loss information

(₹ crore)

Particulars	Tata Steel Minerals Canada Limited		Tata Steel BSL Limited*		Tata Steel Long Products Limited	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Total income	739.47	782.56	16,207.21	21,509.67	6,923.69	4,815.37
Profit/(loss) for the year	(815.05)	(1,510.41)	4,325.01	2,515.99	629.62	572.01
Total comprehensive income for the year	(815.05)	(1,510.41)	4,308.81	2,516.50	631.81	574.84

Summarised cash flow information

(₹ crore)

Particulars	Tata Steel Minerals Canada Limited		Tata Steel BSL Limited*		Tata Steel Long Products Limited	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Net cash from/ (used in) operating activities	(610.76)	(391.09)	-	8,160.46	1,761.01	1,689.72
Net cash from/ (used in) investing activities	97.87	10.24	-	(662.96)	(9,404.79)	91.07
Net cash from/ (used in) financing activities	524.41	392.53	-	(7,484.13)	11,923.29	(1,559.42)
Effect of exchange rate on cash and cash equivalents	0.77	(0.29)	-	-	-	-
Cash and cash equivalents at the beginning of the year	14.78	3.39	-	724.83	279.40	58.03
Cash and cash equivalents at the end of the year	27.07	14.78	-	738.20	4,558.91	279.40

* Tata Steel BSL Limited got merged with the Company vide order passed by the Hon'ble National Company Law Tribunal on October 29, 2021. As per the scheme of amalgamation, the existing shareholders of Tata Steel BSL Limited were issued equity shares of the Company in lieu of their shareholding.

NOTES
forming part of the consolidated financial statements

23. Borrowings
[Item No. V(a)(i) and VI(a)(i), Page 401]

A. Non-current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Secured		
(i) Loan from Joint Plant Committee - Steel Development Fund	2,714.29	2,677.40
(ii) Term loans from banks/financial institutions	4,632.20	22,362.64
(iii) Other loans	283.05	337.98
	7,629.54	**25,378.02**
(b) Unsecured		
(i) Bonds and debentures	29,953.67	31,936.51
(ii) Term loans from banks/financial institutions	7,173.33	8,376.38
(iii) Deferred payment liabilities	7.44	7.01
(iv) Other loans	0.09	0.09
	37,134.53	**40,319.99**
	44,764.07	**65,698.01**

B. Current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Secured		
(i) Loans from banks/financial institutions	1,652.26	99.75
(ii) Repayable on demand from banks/financial institutions	165.88	322.10
(iii) Current maturities of long-term borrowings	21.83	81.42
(iv) Other Loans	69.50	-
	1,909.47	**503.27**
(b) Unsecured		
(i) Preference shares	-	1.00
(ii) Loans from banks/financial institutions	14,801.52	9,021.05
(iii) Current maturities of long-term borrowings	2,855.74	5,395.44
(iv) Commercial papers	4,328.07	-
(v) Other loans	169.81	48.21
	22,155.14	**14,465.70**
	24,064.61	**14,968.97**

(i) As at March 31, 2022, ₹**9,539.01** crore (March 31, 2021: ₹25,881.29 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 consolidated financial statements

(ii) The security details of major borrowings as at March 31, 2022 is as below:

(a) Loans 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 Tube Division, Bearing 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 has filed a writ petition before the High Court at Kolkata in February 2006 claiming waiver of the outstanding loan and interest and refund of the balance lying with Steel Development Fund and the matter is subjudice.

The loan includes funded interest ₹**1,074.96** crore (March 31, 2021: ₹1,038.07 crore).

It includes ₹**1,639.33** crore (March 31, 2021: ₹1,639.33 crore) representing repayments and interest on earlier loans for which applications of funding are awaiting sanction and is not secured by charge on movable assets of the Company.

(b) Loans from banks/financial institutions

(i) Rupee term loans as on 31 March 2021, amounting to ₹6,949.03 crore were secured by a charge on immovable & movable properties including movable machinery, spares, tools & accessories, ranking pari passu inter-se. The term loan were originally payable across 18 half yearly instalments starting from March 2022. The interest rate on such term loans was 0.55% spread over MCLR (Marginal Cost of funds based Lending Rate). During the year ended 31 March 2022, the Company has repaid such loans.

(ii) Working capital facilities from banks as at March 31, 2021 amounting to ₹250.00 crore was secured by a first pari passu charge on the stock of raw materials, finished goods, stock in process, consumable stores and book debts of the Company.

(iii) The borrowings in Tata Steel Europe relate to the senior facility arrangement (SFA) which was refinanced in February 2020. 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, 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) . Following the early repayment, the SFA at March 31, 2022 comprises of the following term loans:

Facility A: **Nil** (March 31, 2021: EURO 410 million equivalent to ₹3,516.74 crore).

Facility B: EURO **470** million bullet term loan facility equivalent to ₹**3,953.08** crore (March 31, 2021: EURO 1,340 million equivalent to ₹11,493.73 crore), repayable in February 2026.

NOTES

forming part of the consolidated financial statements

23. Borrowings (Contd.)

[Item No. V(a)(i) and VI(a)(i), Page 401]

(iii) The details of major unsecured borrowings as at March 31, 2022 is as below:

(a) Bonds and debentures

(I) Non-convertible Debentures

The details of debentures issued by the Company is as below:

(i) 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.

(ii) 8.15% p.a. interest bearing 10,000 debentures of face value ₹10,00,000 each are redeemable at par on October 1, 2026.

(iii) 7.70% p.a. interest bearing 6,700 debentures of face value ₹10,00,000 each are redeemable at par on March 13, 2025.

(iv) 7.95% p.a. interest bearing 5,000 debentures of face value ₹10,00,000 each are redeemable at par on October 30, 2023.

(v) 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.

(vi) 8.25% p.a. interest bearing 10,000 debentures of face value ₹10,00,000 each are redeemable at par on May 19, 2023.

(vii) 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.

(viii) 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.

(ix) 7.85% p.a. interest bearing 5,100 debentures of face value ₹10,00,000 each are redeemable at par on April 21, 2023.

(x) 7.85% p.a. interest bearing 10,250 debentures of face value ₹10,00,000 each are redeemable at par on April 17, 2023.

(xi) 2.00% p.a. interest bearing 15,000 debentures of face value ₹10,00,000 each are redeemable at a premium of 85.03% of the face value on April 22, 2022.

(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)		Interest rate	Redeemable on
				As at March 31, 2022	As at March 31, 2021		
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

NOTES
forming part of the consolidated financial statements

23. Borrowings (Contd.)
[Item No. V(a)(i) and VI(a)(i), Page 401]

(b) Loans from banks/financial institutions

(I) The details of loans from banks and financial institutions availed by the Company is as below:

(i) Rupee loan amounting ₹**1,320.00** crore (March 31, 2021: ₹2,600.00 crore) is repayable in 3 semi-annual instalments, the next instalment is due on August 31, 2029.

(ii) Rupee loan amounting ₹**595.00** crore (March 31, 2021: ₹595.00 crore) is repayable in 4 semi-annual instalments, the next instalment is due on October 16, 2026.

(iii) Rupee loan amounting ₹**520.00** crore (March 31, 2021: ₹520.00 crore) is repayable in 5 semi-annual instalments, the next instalment is due on June 30, 2025.

(iv) Rupee loan amounting ₹**930.42** crore (March 31, 2021: ₹990.00 crore) is repayable in 14 semi-annual instalments, the next instalment is due on November 15, 2023

(v) USD **440** million equivalent to ₹**3,335.09** crore (March 31, 2021: USD 440.00 million equivalent to ₹3,217.06 crore) loan is repayable in 3 equal annual instalments commencing from September 9, 2023.

(vi) Euro **9.55** million equivalent to ₹**80.37** crore (March 31, 2021: Euro 28.66 million equivalent to ₹245.87 crore) loan is repayable in 1 semi-annual instalment, the next instalment is due on April 30, 2022.

(vii) USD loan amounting to 66.67 million equivalent to ₹487.83 crore as on March 31, 2021 due for repayment on February 16, 2022 has been repaid during the year.

(viii) Rupee loan amounting ₹400.00 crore as on March 31, 2021 repayable in 3 semi-annual instalments, has been fully pre-paid during the year.

(II) The details of loans from banks/financial institutions availed by NatSteel Asia Pte Limited a subsidiary of the Company as at March 31, 2021 was as below:

(i) USD 459.97 million equivalent to ₹3,362.61 crore, fully repaid on April 22, 2021.

(ii) EUR 167.06 million equivalent to ₹1,432.94 crore, fully repaid on April 22, 2021.

(III) Short-term finance ₹**7,456.75** crore (March 31, 2021: ₹4,594.09 crore) with maturity less than a year.

(c) Commercial papers raised by the Group are short-term in nature ranging between twenty days to six months.

(iv) Currency and interest exposure of borrowings including current maturities is as below:

(₹ crore)

	As at March 31, 2022			As at March 31, 2021		
	Fixed rate	Floating rate	Total	Fixed rate	Floating rate	Total
INR	16,163.76	13,874.65	30,038.41	12,091.59	18,578.71	30,670.30
GBP	9.72	2,473.62	2,483.34	9.84	1,974.12	1,983.96
EURO	91.03	4,206.64	4,297.67	235.42	15,441.82	15,677.24
USD	24,835.44	4,563.38	29,398.82	21,270.48	8,789.08	30,059.56
Others	2,577.25	33.19	2,610.44	2,148.09	127.83	2,275.92
	43,677.20	**25,151.48**	**68,828.68**	**35,755.42**	**44,911.56**	**80,666.98**

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 and debentures bearing interest rates based on LIBOR, EURIBOR or local official rates. Of the total floating rate borrowings, as at March 31, 2022, ₹**3,335.09** crore (March 31, 2021: ₹3,703.27 crore) has been hedged using interest rate swaps and interest rate cap and collars, with contracts covering a period of more than one year.

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forming part of the consolidated financial statements

23. Borrowings (Contd.)

[Item No. V(a)(i) and VI(a)(i), Page 401]

(v) Maturity profile of borrowings including current maturities is as below:

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
Not later than one year or on demand	24,065.73	14,971.51
Later than one year but not two years	10,112.51	3,053.40
Later than two years but not three years	10,018.87	10,019.92
Later than three years but not four years	5,412.57	12,567.79
Later than four years but not five years	1,923.87	12,150.76
More than five years	17,921.06	28,609.38
	69,454.61	**81,372.76**
Less: Capitalisation of transaction costs	625.93	705.78
	68,828.68	**80,666.98**

(vi) 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.

24. Other financial liabilities

[Item No. V(a)(iv) and VI(a)(v), Page 401]

A. Non-current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Creditors for other liabilities	989.57	522.70
	989.57	**522.70**

B. Current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Interest accrued but not due	860.10	941.25
(b) Unclaimed dividends	84.18	79.45
(c) Creditors for other liabilities	7,437.13	6,781.90
	8,381.41	**7,802.60**

(i) Non-current and current creditors for other liabilities include:

(a) creditors for capital supplies and services of ₹**3,732.92** crore (March 31, 2021: ₹3,222.61 crore).

(b) liability for employee family benefit scheme ₹**227.43** crore (March 31, 2021: ₹209.07 crore).

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25. Provisions

[Item No. V(b) and VI(b), Page 401]

A. Non-current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Employee benefits	3,150.54	3,106.63
(b) Insurance provisions	340.92	573.39
(c) Others	1,334.52	1,011.90
	4,825.98	**4,691.92**

B. Current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Employee benefits	473.28	409.16
(b) Others	2,295.21	4,316.16
	2,768.49	**4,725.32**

(i) Non-current and current provision for employee benefits include provision for leave salaries ₹**1,377.85** crore (March 31, 2021: ₹1,406.70 crore) and provision for early separation, disability and other long-term employee benefits ₹**2,166.70** crore (March 31, 2021: ₹2,026.78 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 ₹**2,964.73** crore (March 31, 2021: ₹4,790.84 crore). These amounts become payable upon closure of the mines/sites and are expected to be incurred over a period of 1 to 45 years.

(b) provision in respect of onerous leases contracts amounting to ₹**124.76** crore (March 31, 2021: ₹132.86 crore).

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25. Provisions (Contd.)

[Item No. V(b) and VI(b), Page 401]

(v) The details of movement in provision balances is as below:

Year ended March 31, 2022

(₹ crore)

	Insurance Provision	Others	Total
Balance at the beginning of the year	573.39	5,328.06	5,901.45
Recognised/(released) during the year[(i)]	(122.17)	1,590.32	1,468.15
Utilised during the year	(108.05)	(3,001.19)	(3,109.24)
Other re-classifications	-	(241.48)	(241.48)
Classified as held for sale	-	(23.45)	(23.45)
Exchange differences on consolidation	(2.25)	(22.53)	(24.78)
Balance at the end of the year	**340.92**	**3,629.73**	**3,970.65**

Year ended March 31, 2021

(₹ crore)

	Insurance Provision	Others	Total
Balance at the beginning of the year	566.80	2,204.10	2,770.90
Recognised/(released) during the year[(i)]	(1.79)	3,526.62	3,524.83
Utilised during the year	(33.36)	(517.42)	(550.78)
Other re-classifications	-	15.50	15.50
Reclassified from held for sale	-	0.25	0.25
Exchange differences on consolidation	41.74	99.01	140.75
Balance at the end of the year	**573.39**	**5,328.06**	**5,901.45**

(i) Includes provisions capitalised during the year in respect of restoration obligations.

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26. Deferred income
[Item No. V(d) and VI(d), Page 401]

A. Non-current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Grants relating to property, plant and equipment	27.27	36.17
(b) Revenue grants	11.91	17.55
(c) Others	97.98	90.54
	137.16	**144.26**

B. Current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Grants relating to property, plant and equipment	56.24	21.03
(b) Others	74.21	42.95
	130.45	**63.98**

27. Other liabilities
[Item No. V(f) and VI(f), Page 401]

A. Non-current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Advances received from customers	3,562.63	4,974.49
(b) Statutory dues	696.36	576.37
(c) Other credit balances	1,337.07	980.48
	5,596.06	**6,531.34**

B. Current

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Advances received from customers	3,216.40	2,363.94
(b) Employee recoveries and employer contributions	146.69	183.51
(c) Statutory dues	12,113.25	8,531.53
(d) Other credit balances	36.68	34.85
	15,513.02	**11,113.83**

(i) Non-current and current advance from customers include an interest-bearing advance of ₹**4,972.83** crore (March 31, 2021: ₹6,304.69 crore) which would be adjusted over a period of 4 years against export of steel products. Out of the amount outstanding, ₹**1,410.20** crore (2020-21: ₹1,322,87 crore) is expected to be adjusted by March 31, 2023 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.

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28. Trade Payables
[Item No. VI(a)(iii), Page 401]

A. Total outstanding dues of micro and small enterprises

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
Dues of micro and small enterprises	897.50	484.66
	897.50	**484.66**

B. Total outstanding dues of creditors other than micro and small enterprises

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
(a) Creditors for supplies and services	30,171.17	21,331.24
(b) Creditors for accrued wages and salaries	5,696.20	4,151.59
	35,867.37	**25,482.83**

(i) Ageing schedule of trade payable is as below:

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.

As at March 31, 2021

(₹ 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	316.67	54.23	1.02	0.52	1.97	374.41
Undisputed dues - Others	15,896.20	5,766.23	107.64	16.66	89.67	21,876.40
Disputed dues - MSME	-	-	-	-	0.01	0.01
Disputed dues - Others	-	0.75	0.69	19.50	19.95	40.89
	16,212.87	**5,821.21**	**109.35**	**36.68**	**111.60**	**22,291.71**
Add: Unbilled dues*						3,675.78
Total trade payables						**25,967.49**

* Includes dues of micro, small and medium enterprises (MSME) of ₹110.24 crore.

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29. Revenue from Operations

[Item No. I, Page 402]

(₹ crore)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Sale of products	2,40,560.16	1,53,109.78
(b)	Sale of power and water	1,717.97	1,529.77
(c)	Income from services	48.74	79.73
(d)	Other operating revenues(ii)	1,632.30	1,758.12
		2,43,959.17	**1,56,477.40**

(i) Revenue from contracts with customers disaggregated on the basis of geographical regions and major businesses is as below:

(₹ crore)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	India	1,19,729.67	74,899.30
(b)	Outside India	1,22,597.20	79,819.98
		2,42,326.87	**1,54,719.28**

(₹ crore)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Steel	2,26,461.69	1,45,293.65
(b)	Power and water	1,717.97	1,529.77
(c)	Others	14,147.21	7,895.86
		2,42,326.87	**1,54,719.28**

Revenue outside India includes Asia excluding India ₹**27,784.29** crore (2020-21: ₹20,135.38 crore), UK ₹**20,096.84** crore (2020-21: ₹11,745.40 crore) and other European countries ₹**60,784.32** crore (2020-21: ₹37,792.85 crore).

(ii) Other operating revenues include income from export and other incentive schemes.

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30. Other income

[Item No. II, Page 402]

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
(a) Dividend income	35.30	42.03
(b) Interest income	243.77	280.43
(c) Net gain/(loss) on sale/fair value changes of mutual funds	201.49	226.98
(d) Net gain/(loss) on sale of non-current investments	0.22	0.27
(e) Gain/(loss) on sale of property, plant and equipment including intangible assets (net of loss on assets scrapped/written off)	95.33	148.03
(f) Gain/(loss) on cancellation of forwards, swaps and options	34.20	69.92
(g) Other miscellaneous income	174.58	127.94
	784.89	**895.60**

(i) Dividend income includes income from investments carried at fair value through other comprehensive income of ₹**25.42** crore (2020- 21: ₹19.48 crore)

(ii) Interest income includes:

(a) income from financial assets carried at amortised cost of ₹**198.80** crore (2020-21: ₹265.47 crore).

(b) income from financial assets carried at fair value through profit and loss ₹**44.97** crore (2020-21: ₹14.96 crore).

31. Employee benefits expense

[Item No. IV(d), Page 402]

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
(a) Salaries and wages	19,239.94	16,476.38
(b) Contribution to provident and other funds	3,273.23	2,900.36
(c) Staff welfare expenses	750.93	532.07
	23,264.10	**19,908.81**

During the year ended March 31, 2022, the Company has recognised an amount of ₹**40.52** crore (2020-21: ₹34.28 crore) as remuneration to key managerial personnel. The details of such remuneration is as below:

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
(a) Short-term employee benefits	34.67	28.19
(b) Post-employment benefits	5.85	5.82
(c) Other long-term employee benefits	-	0.27
	40.52	**34.28**

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32. Finance Costs

[Item No. IV(e), Page 402]

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense on:		
(a) Bonds, debentures, bank borrowings and others	5,007.46	7,090.14
(b) Lease obligations	636.08	676.47
	5,643.54	**7,766.61**
Less: Interest capitalised	181.34	159.90
	5,462.20	**7,606.71**

33. Depreciation and amortisation expense

[Item No. IV(f), Page 402]

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on tangible and amortisation of intangible assets	8,007.25	8,103.38
Depreciation on right-of-use assets	1,102.63	1,215.10
Less: Transferred to capital accounts	1.01	73.70
Less: Amount released from grants received	8.00	11.14
	9,100.87	**9,233.64**

34. Other expenses

[Item No. IV(g), Page 402]

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
(a) Consumption of stores and spares	15,958.90	10,868.31
(b) Repairs to buildings	116.93	123.29
(c) Repairs to machinery	9,571.68	7,399.24
(d) Relining expenses	320.49	241.90
(e) Fuel oil consumed	1,057.18	708.94
(f) Purchase of power	6,971.11	4,999.48
(g) Conversion charges	2,866.06	2,112.19
(h) Freight and handling charges	12,138.61	9,353.48
(i) Rent	2,672.26	2,248.49
(j) Royalty	9,311.36	3,483.67
(k) Rates and taxes	2,517.24	1,610.43
(l) Insurance charges	480.66	509.46
(m) Commission, discounts and rebates	325.54	304.24
(n) Allowance for credit losses/provision for advances	83.34	85.41
(o) Others	12,224.92	7,163.91
	76,616.28	**51,212.44**

(i) Others include net foreign exchange loss ₹**1,331.59** crore (2020-21: gain ₹1,895.17 crore).

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34. Other expenses (Contd.)

[Item No. IV(g), Page 402]

(ii) During the year ended March 31, 2022, the Company has recognised an amount of ₹**9.76** crore (2020-21: ₹8.29 crore) as payment to non-executive directors. The details are as below:

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
(a) Short-term benefits	9.30	7.80
(b) Sitting fees	0.46	0.49
	9.76	**8.29**

(iii) Revenue expenditure charged to the consolidated statement of profit and loss in respect of research and development activities undertaken during the year is ₹**783.36** crore (2020-21: ₹738.31 crore)

35. Exceptional items

[Item No. VII, Page 402]

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 ₹**724.84** crore on disposal of offshore subsidiaries forming part of the Group's South East Asian operations (2020-21: includes profit of ₹25.57 crore on realisation of deferred consideration on sale of a joint venture and loss of ₹9.76 crore on liquidation of subsidiaries).

(b) Profit on sale of non-current assets ₹**30.83** crore represents profit on sale of land by one of the subsidiaries of the Group.

(c) Provision for impairment of investments/doubtful advances ₹**100.00** crore (2020-21: ₹70.23 crore primarily includes impairment reversal in one of the associates of the Group) 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 an joint venture of the Group (subsidiary as at the Balance Sheet date).

(d) Provision for impairment of non-current assets includes:

a. For the year ended March 31, 2022, impairment recognised in respect of property, plant and equipment (including capital work- in-progress), right-of-use assets and other assets ₹**252.68** crore (2020-21: ₹1,953.69 crore) . The impairment recognised is 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.

b. For the year ended March 31, 2021, ₹1,230.28 crore represents fair value loss on reclassification from held for sale, that was earlier recognised for South East Asian operations.

(e) Employee separation compensation ₹**330.81** crore (2020-21: ₹443.55 crore) relates to provisions recognised in respect of early separation of employee within Indian operations.

(f) Restructuring and other provisions ₹**256.24** primarily include provision recognised for benefits payable to the dependents of employees who lost their lives due to COVID-19. For the year ended March 31, 2021, restructuring and other provisions ₹87.50 crore primarily includes reversal of provision in European operations.

(g) Gain/(loss) on non-current investments classified as fair value through profit and loss ₹**49.74** crore (2020-21: loss ₹49.74 crore) represents gain on investments in debentures held of an erstwhile joint venture (subsidiary as at balance sheet date).

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36. Earnings per share
[Item No. XV, Page 403]

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, 2022	Year ended March 31, 2021
(a)	Profit after tax	40,153.93	7,490.22
	Less: Distribution on hybrid perpetual securities (net of tax)	1.09	181.35
	Profit attributable to ordinary shareholders- for basic and diluted EPS	**40,152.84**	**7,308.87**
		Nos.	Nos.
(b)	Weighted average number of ordinary shares for basic EPS	1,20,81,42,859	1,14,59,02,736
	Add: Adjustment for shares held in abeyance and un-called portion on partly paid-up shares	9,43,074	1,08,181
	Weighted average number of ordinary shares and potential ordinary shares for diluted EPS	**1,20,90,85,933**	**1,14,60,10,917**
(c)	Nominal value of Ordinary Share (₹)	10.00	10.00
(d)	Basic earnings per Ordinary Share (₹)	332.35	63.78
(e)	Diluted earnings per Ordinary Share (₹)	332.09	63.78

(i) During the year ended March 31, 2021, 5,70,42,370 options in respect of partly paid and 1,22,619 options in respect of fully paid shares were excluded from weighted average number of Ordinary Shares for the computation of diluted earnings per share as these were anti- dilutive.

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 ₹**1,580.09** crore (2020-21: ₹1,553.37 crore).

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37. Employee benefits (Contd.)

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 amounts provided during the year in respect of two Indian subsidiaries ₹**15.89** crore (2020-21: ₹19.32 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.

Key assumptions used for actuarial valuation are as below:

	Year ended March 31, 2022	Year ended March 31, 2021
Discount rate	6.75% - 7.20%	6.50% - 6.80%
Guaranteed rate of return	8.10%	8.00% - 8.50%
Expected rate of return on investment	7.50% - 8.10%	7.50 % - 8.00%

(b) Retiring gratuity

The Company and its Indian subsidiaries have an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. 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

37. Employee benefits (Contd.)

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 69,000 members of which 81% 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 new scheme is therefore well positioned to pay benefits securely on a low risk basis without recourse 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), and legal risks (for example changes in legislation that may increase liabilities). 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. Measures taken by the Trustee to manage risk include the use of asset-liability matching techniques to reduce interest rate risk, and investment in assets that are expected to be correlated to future inflation in the longer term to mitigate inflation risk. In particular, the scheme's investment policy has regard for the maturity and nature of the scheme's liabilities and seeks to match a large part of the scheme's liabilities with secure bonds, whilst achieving a higher long-term return on a small proportion of equity and other investments. 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 "Employee Benefits" 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 TSUK 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. TSUK also remains in ongoing discussions with the BSPS Trustee, on the possibility of entering a buy-in arrangement for some or all of the remaining scheme liabilities.

The buy-in involved a purchase of annuities with an external insurer with a value of the order of ₹4,975.34 crore. Following the buy-in 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.

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, 2022 (March 31, 2021: Nil) for its interest in TSUK.

At March 31, 2022 the new scheme had an Ind AS 19 surplus of ₹**19,504.71** crore (March 31, 2021: ₹18,860.16 crore). TSE has recognised 100% (March 31, 2021: 100%) of the surplus as it has an unconditional right to a refund of the surplus. The new scheme is fully funded on a low-risk technical provisions ('TP') basis and TSUK is working with the Trustee to explore options to increase security for members and to work towards an ultimate winding up of the scheme in which all benefits are fully secured with one or more insurance companies. Following the buy-in transaction in the current year TSUK is continuing to investigate with the BSPS Trustee options to further buy-in some or all of the scheme's liabilities with an insurer. TSUK retains the sole power to decide whether to subsequently proceed to wind-up 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.

Even though the buy-in of a small portion of the scheme liabilities happened during the year, it is considered the chance of achieving the required pricing level is currently not probable, hence no adjustments have been made to the IND AS 19 "Employee Benefits" valuation of the BSPS at March 31, 2022 with the assumption of pension payouts being retained at 100%.

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forming part of the consolidated financial statements

37. Employee benefits (Contd.)

The March 31, 2021 valuation was agreed between TSUK and the BSPS Trustee on January 21, 2022. This was a surplus of ₹4,895.73 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 TSE.

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 the conclusion of the 2021 AV it has been confirmed that the conditions for an increase have been met. As such an allowance of ₹577.14 crore has been included in the IND AS 19, March 31, 2022 liability calculation representing the amount of the actual restoration payment due to members in the second half of financial year 2021-22.

The weighted average duration of the scheme's liabilities at March 31, 2022 was **13.5** years (March 31, 2021: 14.5 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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forming part of the consolidated financial statements

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, 2022	Year ended March 31, 2021
Change in defined benefit obligations:		
Obligation at the beginning of the year	3,234.75	3,331.04
Addition relating to acquisitions	1.39	-
Current service cost	180.51	188.15
Past service cost	0.06	14.92
Interest cost	193.03	205.42
Benefits paid	(362.58)	(387.54)
Remeasurement (gain)/loss	(35.17)	(118.86)
Adjustment for arrear wage settlement	-	1.62
Obligation at the end of the year	**3,211.99**	**3,234.75**

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Change in plan assets:		
Fair value of plan assets at the beginning of the year	2,860.13	2,687.02
Addition relating to acquisitions	0.07	-
Interest income	176.29	173.81
Remeasurement gain/(loss) excluding amount included within employee benefit expense	8.13	13.37
Employers' contribution	96.21	370.77
Benefits paid	(361.85)	(384.84)
Fair value of plan assets at the end of the year	**2,778.98**	**2,860.13**

Amounts recognised in the consolidated balance sheet consist of:

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets	2,778.98	2,860.13
Present value of obligation	3,211.99	3,234.75
	(433.01)	**(374.62)**
Recognised as:		
Retirement benefit assets - Non-current	0.54	0.72
Retirement benefit assets - Current	1.25	0.42
Retirement benefit obligations - Non-current	(421.80)	(361.47)
Retirement benefit obligations - Current	(13.00)	(14.29)
	(433.01)	**(374.62)**

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forming part of the consolidated financial statements

37. Employee benefits (Contd.)

Expense/(gain) recognised in the consolidated statement of profit and loss consists of:

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Employee benefits expense:		
Current service cost	180.51	188.15
Past service cost	0.06	14.92
Net interest expense	16.74	31.61
	197.31	**234.68**
Other comprehensive income:		
Return on plan assets excluding amount included in employee benefits expense	(8.13)	(13.37)
Actuarial (gain)/loss arising from changes in demographic assumptions	(0.62)	(5.59)
Actuarial (gain)/loss arising from changes in financial assumptions	(54.85)	(31.28)
Actuarial (gain)/loss arising from changes in experience adjustments	20.30	(81.99)
	(43.30)	**(132.23)**
Expense/(gain) recognised in the consolidated statement of profit and loss	**154.01**	**102.45**

(ii) Fair value of plan assets by category of investments is as below:

	As at March 31, 2022	As at March 31, 2021
Assets category (%)		
Quoted		
Equity instruments	1.03	0.32
Debt instruments	22.91	19.99
	23.94	**20.31**
Unquoted		
Debt instruments	0.42	0.79
Insurance products	73.42	75.13
Others	2.22	3.77
	76.06	**79.69**
	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 is as below:

	As at March 31, 2022	As at March 31, 2021
Discount rate	6.50 - 7.35%	6.00 - 7.00 %
Rate of escalation in salary	5.00 - 10.50%	5.00 - 12.00 %

(iv) Weighted average duration of the retiring gratuity obligation ranges between **6 to 22** years (March 31, 2021: 6 to 20 years).

(v) The Group expects to contribute ₹**423.44** crore to the plan during the financial year 2022-23.

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forming part of the consolidated financial statements

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, 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%	Increase by ₹268.23 crore, decrease by ₹238.46 crore

As at March 31, 2021

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹236.75 crore, increase by ₹272.35 crore
Rate of escalation in salary	Increase by 1%, decrease by 1%	Increase by ₹266.17 crore, decrease by ₹235.55 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, 2022	Year ended March 31, 2021
Change in defined benefit obligations:		
Obligation at the beginning of the year	86,209.70	74,192.91
Current service cost	122.76	184.47
Past service cost	(10.14)	-
Interest cost	1,724.28	1,825.31
Remeasurement (gain)/loss	(2,511.03)	9,255.53
Benefits paid	(4,939.56)	(4,971.04)
Classified as held for sale	(10.14)	-
Exchange differences on consolidation	(849.48)	5,722.52
Obligation at the end of the year	**79,736.39**	**86,209.70**

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Change in plan assets:		
Fair value of plan assets at the beginning of the year	1,05,069.86	1,00,260.27
Interest income	2,119.85	2,485.53
Remeasurement gain/(loss)	(2,018.43)	(252.44)
Employer's contribution	71.00	58.25
Benefits paid	(4,919.28)	(4,951.63)
Exchange differences on consolidation	(1,081.90)	7,469.88
Fair value of plan assets at the end of the year	**99,241.10**	**1,05,069.86**

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forming part of the consolidated financial statements

37. Employee benefits (Contd.)

Amounts recognised in the consolidated balance sheet consist of:

(₹ crore)

	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets	99,241.10	1,05,069.86
Present value of obligation	79,736.39	86,209.70
	19,504.71	**18,860.16**
Recognised as:		
Retirement benefit assets - Non-current	20,397.42	20,018.75
Retirement benefit obligations - Current	(11.09)	(12.71)
Retirement benefit obligations - Non-current	(881.62)	(1,145.88)
	19,504.71	**18,860.16**

Expense/(gain) recognised in the consolidated statement of profit and loss consists of:

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Employee benefits expense:		
Current service cost	122.76	184.47
Past service costs	(10.14)	-
Net interest expense/(income)	(395.57)	(660.22)
	(282.95)	**(475.75)**
Other comprehensive income:		
Return on plan assets excluding amount included in employee benefits expense	2,018.43	252.44
Actuarial (gain)/loss arising from changes in demographic assumptions	2,847.76	77.28
Actuarial (gain)/loss arising from changes in financial assumptions	(5,028.17)	9,834.01
Actuarial (gain)/loss arising from changes in experience adjustments	(330.62)	(655.76)
	(492.60)	**9,507.97**
Expense/(gain) recognised in the consolidated statement of profit and loss	**(775.55)**	**9,032.22**

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forming part of the consolidated financial statements

37. Employee benefits (Contd.)

(ii) Fair value of plan assets by category of investments is as below:

	As at March 31, 2022	As at March 31, 2021
Assets category (%)		
Quoted		
(a) Equity - UK entities	0.20	0.39
(b) Equity - Non-UK entities	5.00	4.09
(c) Bonds - Fixed rate	65.00	78.45
(d) Bonds - Indexed linked	25.14	15.75
(e) Others	0.28	0.42
	95.62	**99.10**
Unquoted		
(a) Property	12.52	11.64
(b) Derivatives	(16.43)	(13.38)
(c) Others	8.29	2.64
	4.38	**0.90**
	100.00	**100.00**

(iii) Key assumptions used in the measurement of pension benefits is as below:

	As at March 31, 2022		As at March 31, 2021	
	BSPS	Others	BSPS	Others
Discount rate	2.72%	0.50 - 4.00 %	2.05%	0.40-3.00%
Rate of escalation in salary	N.A.	1.00 - 2.00%	N.A	1.00 - 2.00%
Inflation rate	3.07%	1.00 - 3.10%	3.20%	1.00-3.00%

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, 2022 use the Self-Administered Pension Schemes 3 (SAPS 3) base tables (2020-21 Self-Administered Pension Schemes 2 (SAPS 2) base tables), S3PMA_M/S3PFA/S3DFA with the 2020 CMI projections with a **1.25**% p.a. (2020-21: 1.50% p.a.) long-term trend applied from 2013 to 2021 (adjusted by a multiplier of **1.03** p.a. (2020-21: 1.15 p.a.) for males, **1.03** p.a. (2020-21: 1.21 p.a.) for females and **1.04** p.a. for female dependents (2020-21: N/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 (2020-21: 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 (2020-21: 87) of age.

(iv) Weighted average duration of the pension obligations is **13.5** years (March 31, 2021: 14.5 years).

(v) The Group expects to contribute **Nil** to the plan during the financial year 2022-23.

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forming part of the consolidated financial statements

37. Employee benefits (Contd.)

(vi) The table below outlines the effect on pension obligations in the event of a decrease/increase of 10 bps in the assumptions used.

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%

As at March 31, 2021

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 10 bps, decrease by 10 bps	Decrease by 1.4%, increase by 1.4%
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 1.0%, decrease by 1.0%
Mortality rate	One year increase/decrease in life expectancy	Increase by 2.8%, decrease by 2.8%

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.

(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, 2022		Year ended March 31, 2021	
	Medical	Others	Medical	Others
Change in defined benefit obligations:				
Obligation at the beginning of the year	1,682.24	432.70	1,586.39	297.94
Current service cost	26.89	37.44	26.57	52.77
Interest cost	106.86	22.22	100.51	20.01
Remeasurement (gain)/loss				
(i) Actuarial (gain)/losses arising from changes in demographic assumptions	240.22	18.41	(11.90)	(0.41)
(ii) Actuarial (gain)/losses arising from changes in financial assumptions	(140.11)	(12.41)	(0.83)	(0.38)
(iii) Actuarial (gain)/losses arising from changes in experience adjustments	(96.21)	39.97	61.33	(4.38)
Benefits paid	(78.90)	(46.56)	(79.83)	(38.66)
Settlements	-	-	-	1.45
Obligations of companies disposed	-	(0.35)	-	-
Reclassified from held for sale	-	-	-	106.11
Past service cost	-	2.86	-	-
Exchange differences on consolidation	-	(3.17)	-	(1.75)
Obligation at the end of the year	**1,740.99**	**491.11**	**1,682.24**	**432.70**

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forming part of the consolidated financial statements

37. Employee benefits (Contd.)

Amounts recognised in the consolidated balance sheet consist of:

(₹ crore)

	As at March 31, 2022		As at March 31, 2021	
	Medical	Others	Medical	Others
Present value of obligations	1,740.99	491.11	1,682.24	432.70
Recognised as:				
(a) Retirement benefit obligations - Current	98.21	23.60	103.78	18.71
(b) Retirement benefit obligations - Non-current	1,642.78	467.51	1,578.46	413.99
	1,740.99	**491.11**	**1,682.24**	**432.70**

Expense/(gain) recognised in the consolidated statement of profit and loss consists of:

(₹ crore)

	Year ended March 31, 2022		Year ended March 31, 2021	
	Medical	Others	Medical	Others
Employee benefits expense:				
Current service cost	26.89	37.44	26.57	52.77
Past service cost	-	2.86	-	-
Interest cost	106.86	22.22	100.51	20.01
	133.75	**62.52**	**127.08**	**72.78**
Other comprehensive income:				
Actuarial (gain)/loss arising from changes in demographic assumptions	240.22	18.41	(11.90)	(0.41)
Actuarial (gain)/loss arising from changes in financial assumption	(140.11)	(12.41)	(0.83)	(0.38)
Actuarial (gain)/loss arising from changes in experience adjustments	(96.21)	39.97	61.33	(4.38)
	3.90	**45.97**	**48.60**	**(5.17)**
Expense/(gain) recognised in the consolidated statement of profit and loss	**137.65**	**108.49**	**175.68**	**67.61**

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forming part of the consolidated financial statements

37. Employee benefits (Contd.)

(ii) Key assumptions used in the measurement of post-retirement medical and other defined benefits is as below:

	As at March 31, 2022		As at March 31, 2021	
	Medical	Others	Medical	Others
Discount rate	6.80 - 7.10%	2.24 -7.35%	6.50-7.00%	0.51 - 6.96%
Rate of escalation in salary	N.A	3.50 - 15.00%	N.A	3.50 - 15.00%
Inflation rate	5.00 - 20.00%	5.00 - 6.00%	5.00-20.00%	5.00-6.00%

(iii) Weighted average duration of post-retirement medical benefit obligations ranges between **7 to 14** years (March 31, 2021: 7 to 13 years). Weighted average duration of other defined benefit obligations ranges between **6 to 24** years (March 31, 2021: 2.9 to 35 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:

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

As at March 31, 2021

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹225.41 crore, increase by ₹290.98 crore
Medical cost inflation rate	Increase by 1%, decrease by 1%	Increase by ₹269.54 crore, decrease by ₹213.71 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, 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

As at March 31, 2021

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹29.48 crore, increase by ₹34.44 crore
Rate of escalation in salary	Increase by 1%, decrease by 1%	Increase by ₹17.33 crore, decrease by ₹15.19 crore
Inflation rate	Increase by 1%, decrease by 1%	Increase by ₹8.29 crore, decrease by ₹7.26 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 deductions 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, 2022, there are matters and/or disputes pending in appeal amounting to ₹**3,645.67** crore (March 31, 2021: ₹2,461.62 crore) which includes ₹**10.06** crore (March 31, 2021: ₹8.38 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, 2021: ₹1,551.10 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, 2021: ₹170.54 crore)

In respect of above demands, the Company has deposited an amount of ₹**1,255.63** crore (March 31, 2021: ₹1,250.54 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 GST

As at March 31, 2022, there were pending litigation for various matters relating to customs, excise duty, service tax and GST involving demands of ₹**595.52** crore (March 31, 2021: ₹542.04 crore), which includes ₹**90.83** crore (March 31, 2021: ₹37.32 crore) in respect of equity accounted investees.

Sales tax /VAT

The total sales tax demands that are being contested by the Group amounted to ₹**912.85** crore (March 31, 2021: ₹998.87 crore), which includes ₹**40.74** crore (March 31, 2021: ₹76.33 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 amount involved for various assessment years beginning 2011-2012 to 2016-2017 as on March 31, 2022 is amounting to ₹**142.00** crore (March 31, 2021: ₹188.65 crore).

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forming part of the consolidated financial statements

38. Contingencies and commitments (Contd.)

Other taxes, dues and claims

Other amounts for which the Group may contingently be liable aggregate to ₹**16,725.25** crore (March 31, 2021: ₹14,354.82 crore), which includes ₹**101.64** crore (March 31, 2021: ₹93.59 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 ₹**195.79** crore (March 31, 2021: ₹195.79 crore). The Company has not acknowledged this claim and has instead filed a claim of ₹**141.23** crore (March 31, 2021: ₹141.23 crore) on the party. The matter is pending before the Calcutta High Court.

(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, 2022 is ₹**11,023.93** crore (March 31, 2021: ₹9,709.73 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 India 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 and to grant refund of royalty paid in excess by the Company. Mines Tribunal has granted stay on the total demand with directive to Government of Odisha not to take any coercive action for realisation of this 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.

Likely demand of royalty on fines at sized ore rates as on March 31, 2022, is ₹**2,859.97** crore (March 31, 2021: ₹2,207.31 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.

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38. Contingencies and commitments (Contd.)

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. Demand amount of ₹**132.91** crore (March 31, 2021: ₹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 has challenged the demand and obtained a stay on the matter from the Revisionary Authority, Mines Tribunal, New Delhi. Demand of ₹234.74 crore has been provided and the show cause notice of ₹694.02 crore is not considered as a 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, 2021: ₹727.41 crore) is considered as 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 the water meter. 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 water charges against which the Company filed writ petitions before the Hon'ble High Court of Odisha. The Company received a demand of ₹183.46 crore for the period starting January 1996 to November 2020 in this regard.

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.

The potential exposure as on March 31, 2022 is ₹**262.13** crore (March 31, 2021: ₹206.63 crore) is considered as contingent.

B. Commitments

(a) The Group has entered into various contracts with suppliers and contractors for acquisition of plant and machinery, equipment and various civil contracts of capital nature amounting to ₹**10,947.02** crore, which includes ₹**45.53** crore in respect of equity accounted investees (March 31, 2021: ₹8,438.53 crore which includes ₹63.25 crore in respect of equity accounted investees). Other commitment as at March 31, 2022 amounts to ₹**0.01** crore which includes **Nil** in respect of equity

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38. Contingencies and commitments (Contd.)

accounted investees (March 31, 2021: ₹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 have 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 has 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, has 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 **4,41,55,800** (March 31, 2021: 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 and the pledge is in the process of being released.

(e) The Group has given guarantees aggregating ₹**178.40** crore (March 31, 2021: ₹178.40 crore) details of which are as below:

(i) in favour of Commissioner of Customs for ₹**1.07** crore (March 31, 2021: ₹1.07 crore) given on behalf of Timken India Limited in respect of goods imported.

(ii) in favour of The President of India for ₹**177.18** crore (March 31, 2021: ₹177.18 crore) against performance of export obligations under various bonds executed by a joint venture Jamshedpur Continuous Annealing and Processing Company Private Limited.

(iii) in favour of President of India for ₹**0.15** crore (March 31, 2021: ₹0.15 crore) against advance license.

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, 2021: ₹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 an interpretation of Goa 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

39. Other significant litigations (Contd.)

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 installments. The Company on March 20, 2015 replied that since the lease has been extended by application of law till March 31, 2030, the above demand is not tenable. The Company has 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 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 has 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 has 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 has 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 has been informed that New Patrapara Coal Mine has 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 has directed SCCL to pay aforesaid compensation to TSBSL (entity merged with the Company).

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40. Disposal of subsidiaries

During the year ended March 31, 2022, T S Global Holdings Pte. Ltd., an indirect wholly-owned subsidiary of the Company divested its entire stake in a subsidiary NatSteel Holdings Pte. Ltd.

A profit of ₹**724.84** 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.

(i) Details of net assets disposed off and profit/(loss) on disposal is as below:

(₹ crore)

	As at March 31, 2022
Non-current assets	
Property, plant and equipment	220.38
Capital work-in-progress	9.36
Right-of-use assets	141.14
Other financial assets	0.70
	371.58
Current assets	
Inventories	863.01
Trade receivables	374.29
Cash and bank balances	97.21
Other financial assets	256.44
Derivative assets	11.45
Current tax assets	2.53
Other non-financial assets	3.32
	1,608.25
Non-current liabilities	
Borrowings	128.53
Retirement benefit obligations	0.76
Deferred tax liabilites	24.15
	153.44
Current liabilities	
Derivative liabilities	0.01
Trade payables	524.97
Other financial liabilities	409.14
Retirement benefit obligations	0.29
Current tax liabilities	49.28
Other non-financial liabilities	12.97
	996.66
Carrying value of net assets disposed off	**829.73**

(₹ crore)

	Year ended March 31, 2022
Sale consideration	1,305.79
Foreign exchange recycled to profit/(loss) on disposal	248.78
Carrying value of net assets disposed off	(829.73)
Profit /(loss) on disposal	**724.84**

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40. Disposal of subsidiaries (Contd.)

(ii) Details of net cash flow arising on disposal is as below:

(₹ crore)

	Year ended March 31, 2022
Consideration received in cash and cash equivalents	1,305.79
Cash and cash equivalents disposed of	(97.21)
Net cash flow arising on disposal	**1,208.58**

41. Acquisition of subsidiaries

(i) Pursuant to the Transfer Agreement ('Agreement') entered into between the Tata Steel Long Products ('TSLP"), a subsidiary of the Company and Usha Martin Limited ('UML') on December 14, 2020, TSLP acquired the Wire Mill from UML on June 30, 2021. In terms of the Agreement, the TSLP purchased Wire Mill business through exchange of the bright bar assets acquired from UML originally upon acquisition of steel business on April 8, 2019.

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	6.45
	6.45
Current assets	
Inventories	0.47
	0.47
Total assets [A]	**6.92**
Non-current liabilities	
Provisions	0.10
Retirement benefit obligations	0.67
	0.77
Current liabilities	
Total liabilities [B]	**0.77**
Fair value of identifiable net assets acquired [C=A-B]	**6.15**

(₹ crore)

	Fair value as on acquisition date
Discharged by exchange of assets held for sale	7.43
Consideration discharged in cash	(0.77)
Total consideration paid [D]	**6.66**
Goodwill [D-C]	**0.51**

(ii) On January 7, 2022 the Company acquired further 26% interest, raising its stake to 51% in Medica TS Hospital Pvt. Ltd., an erstwhile joint venture of the Group.

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41. Acquisition of subsidiaries (Contd.)

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	40.50
Right of use assets	2.51
Other intangible assets	0.02
Financial assets	0.20
Non-current tax assets	4.04
	47.27
Current assets	
Inventories	0.70
Trade receivables	3.09
Cash and cash equivalents	0.70
Other financial assets	0.06
Other assets	0.09
	4.64
Total assets [A]	**51.91**
Non-current liabilities	
Lease liabilities	0.21
Provisions	0.51
Deferred tax liabilities	0.52
	1.24
Current liabilities	
Lease liabilities	0.00*
Trade payables	2.79
Other financial liabilities	0.38
Provisions	0.39
Other liabilities	0.15
	3.71
Total liabilities [B]	**4.95**
Fair value of identifiable net assets [C=A-B]	**46.96**
Non-controlling interest [D]	**(10.62)**
Fair value of identifiable net assets acquired [E=C-D]	**36.34**

(₹ crore)

	Fair value as on acquisition date
Consideration paid	50.00
Total consideration paid [F]	**50.00**
Goodwill [F-E]	**13.66**

* represents value less than ₹0.01 crore.

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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 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 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, 2022	As at March 31, 2021
Equity share capital	1,221.21	1,197.61
Hybrid perpetual securities	-	775.00
Other equity	1,13,221.83	72,266.16
Equity attributable to shareholders of the Company	**1,14,443.04**	**74,238.77**
Non-controlling interests	2,655.42	3,269.68
Total equity (A)	**1,17,098.46**	**77,508.45**
Non-current borrowings	44,764.07	65,698.01
Non-current lease obligations	5,696.46	6,710.78
Current borrowings	24,064.61	14,968.97
Current lease obligations	1,036.21	1,123.65
Gross debt (B)	**75,561.35**	**88,501.41**
Total capital (A+B)	**1,92,659.81**	**1,66,009.86**
Gross debt as above	75,561.35	88,501.41
Less: Current investments	8,524.42	7,218.89
Less: Cash and cash equivalents	15,604.68	5,532.08
Less: Other balances with banks (including non-current earmarked balances)	383.48	361.69
Net debt (C)	**51,048.77**	**75,388.75**
Net debt to equity[(i)]	**0.52**	**0.98**

(i) Net debt to equity ratio as at March 31, 2022 and March 31, 2021 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 415 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, 2022 and March 31, 2021.

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 and other 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**

43. Disclosures on financial instruments (Contd.)

As at March 31, 2021

(₹ 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	5,893.77	-	-	-	-	5,893.77	5,893.77
Trade receivables	9,539.84	-	-	-	-	9,539.84	9,539.84
Investments	17.00	917.92	-	-	7,271.35	8,206.27	8,206.27
Derivatives	-	-	359.17	302.28	-	661.45	661.45
Loans	97.52	-	-	-	-	97.52	97.52
Other financial assets	1,828.08	-	-	-	-	1,828.08	1,828.08
	17,376.21	**917.92**	**359.17**	**302.28**	**7,271.35**	**26,226.93**	**26,226.93**
Financial liabilities:							
Trade payables	25,967.49	-	-	-	-	25,967.49	25,967.49
Borrowings other than lease obligations	80,666.98	-	-	-	-	80,666.98	81,901.52
Derivatives	-	-	440.39	141.03	-	581.42	581.42
Other financial liabilities	8,325.30	-	-	-	-	8,325.30	8,325.30
	1,14,959.77	**-**	**440.39**	**141.03**	**-**	**1,15,541.19**	**1,16,775.73**

(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.

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43. Disclosures on financial instruments (Contd.)

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.

(₹ 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**

(₹ crore)

	As at March 31, 2021			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Investments in mutual funds	7,218.89	-	-	7,218.89
Investments in equity shares	544.13	-	426.25	970.38
Derivative financial assets	-	661.45	-	661.45
	7,763.02	**661.45**	**426.25**	**8,850.72**
Financial liabilities:				
Derivative financial liabilities	-	581.42	-	581.42
	-	**581.42**	**-**	**581.42**

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.

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43. Disclosures on financial instruments (Contd.)

(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.

(vi) There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2022 and March 31, 2021.

(vii) Reconciliation of Level 3 fair value measurement is as below:

(₹ crore)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	426.25	344.17
Additions during the year	57.49	30.99
Disposals	(54.62)	(0.68)
Fair value changes during the year	22.26	14.42
Reclassified from held for sale	-	34.84
Re-clasification during the year*	(0.69)	-
Exchange rate differences on consolidation	(1.58)	2.51
Balance at the end of the year	**449.11**	**426.25**

* 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 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 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, 2022		As at March 31, 2021	
	Assets	Liabilities	Assets	Liabilities
(a) Foreign currency forwards, futures, swaps and options	501.86	196.04	495.54	516.30
(b) Commodity futures and options	378.40	11.22	150.53	0.50
(c) Interest rate swaps and collars	115.03	-	15.38	64.62
(d) Other derivatives	495.60	-	-	-
	1,490.89	**207.26**	**661.45**	**581.42**
Classfied as:				
Non-current	318.15	10.35	162.66	71.41
Current	1,172.74	196.91	498.79	510.01

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43. Disclosures on financial instruments (Contd.)

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, 2022	As at March 31, 2021
(i) Foreign currency forwards, futures, swaps and options	8,390.48	7,698.86
(ii) Commodity futures and options	784.82	217.47
(iii) Interest rate swaps and collars	550.94	618.09
	9,726.24	**8,534.42**

(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, 2022 and March 31, 2021, 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.

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

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43. Disclosures on financial instruments (Contd.)

₹**1,092.32** crore for the year ended March 31, 2022, (2020-21 ₹1,191.46 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 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, 2022 and March 31, 2021 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, 2022 and March 31, 2021 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 ₹**221.37** crore for the year ended March 31, 2022 (2020-21: ₹420.54 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, 2022 and March 31, 2021 was ₹**1,189.07** crore and ₹544.13 crore respectively.

A 10% change in equity prices of such securities held as at March 31, 2022 and March 31, 2021 would result in an impact of ₹**118.91** crore and ₹54.41 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.

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

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43. Disclosures on financial instruments (Contd.)

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 ₹**33,916.48** crore and ₹20,898.34 crore, as at March 31, 2022 and March 31, 2021 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 447.

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, 2022 and March 31, 2021.

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, 2022, 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, 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 obligations 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**	**-**

(₹ crore)

	As at March 31, 2021				
	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 obligations including interest obligations	81,577.29	1,03,480.55	18,918.74	49,486.11	35,075.70
Lease obligations including interest obligations	7,865.37	12,079.00	1,702.58	5,033.26	5,343.16
Trade payables	25,967.49	25,967.49	25,967.49	-	-
Other financial liabilities	7,384.05	7,437.89	6,861.35	313.81	262.73
	1,22,794.20	**1,48,964.93**	**53,450.16**	**54,833.18**	**40,681.59**
Derivative financial liabilities	**581.42**	**581.42**	**510.01**	**71.41**	**-**

(f) The details of financial assets and liabilities held by the Group as per amendments on account of interest rate benchmark reforms which are indexed to Interbank offered rates (IBOR) as on March 31, 2022 is as below:

(₹ crore)

	Carrying value at March 31, 2022		Of which: Have yet to transition to an alternative benchmark interest rate 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	**1,16,868.15**	**6,046.30**	**16,509.91**	**89,811.59**	**2,874.64**	**11,109.24**	**739.34**		**2,43,959.17**
	76,504.87	*4,175.09*	*8,366.61*	*55,885.04*	*1,882.91*	*8,860.79*	*802.09*		*1,56,477.40*
Intersegment revenue	**12,153.20**	**755.33**	**4,764.99**	**211.37**	**57,249.27**	**372.57**	**0.04**	**(75,506.77)**	**-**
	7,628.05	*574.78*	*2,273.95*	*165.89*	*27,461.25*	*450.28*	*-*	*(38,554.20)*	*-*
Total Revenue	**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**
	84,132.92	*4,749.87*	*10,640.56*	*56,050.93*	*29,344.16*	*9,311.07*	*802.09*	*(38,554.20)*	*1,56,477.40*
Segment results before exceptional items, interest, tax and depreciation:	**51,456.30**	**1,288.31**	**546.79**	**12,163.85**	**39.40**	**1,255.26**	**(382.98)**	**(2,537.35)**	**63,829.58**
	27,339.69	*1,154.25*	*1,150.20*	*(618.39)*	*3,076.93*	*548.87*	*(499.51)*	*(1,260.20)*	*30,891.84*
Reconciliation to profit/(loss) for the year:									
Add: Finance income									**445.26**
									508.02
Less: Finance costs									**5,462.20**
									7,606.71
Less: Depreciation and amortisation									**9,100.87**
									9,233.64
Add: Share of profit/(loss) of joint ventures and associates									**649.16**
									327.34
Profit before exceptional items and tax									**50,360.93**
									14,886.85
Add: Exceptional items (refer note 35, page 475)									**(134.06)**
									(1,043.16)
Profit before tax									**50,226.87**
									13,843.69
Less: Tax expense									**8,477.55**
									5,653.90
Net profit/(loss) for the year									**41,749.32**
									8,189.79
Segment assets	**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**
	1,51,017.31	*5,870.65*	*13,564.85*	*73,827.18*	*21,635.98*	*4,656.49*	*6,852.60*	*(32,037.38)*	*2,45,387.68*
Assets held for sale									**300.54**
									99.53
Total assets									**2,85,445.60**

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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
									2,45,487.21
Segment assets include:									
Equity accounted investments	**820.39**	**0.80**	**1,677.17**	**451.08**	**12.21**	**-**	**-**	**-**	**2,961.65**
	961.34	*0.80*	*1,162.02*	*339.36*	*12.14*	-	-	-	*2,475.66*
Segment liabilities	**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**
	88,825.47	*3,310.58*	*4,867.92*	*51,725.62*	*40,489.84*	*2,288.87*	*7,273.87*	*(30,803.41)*	*1,67,978.76*
Liabilities held for sale									**191.11**
									-
Total liabilities									**1,68,347.14**
									1,67,978.76
Addition to non-current assets	**5,954.83**	**98.67**	**594.63**	**3,903.00**	**2.74**	**40.37**	**46.56**	**-**	**10,640.80**
	3,823.67	*57.80*	*616.37*	*4,905.67*	-	*22.05*	*74.56*	-	*9,500.12*

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, 2022	Year ended March 31, 2021
Steel	2,28,599.32	1,45,374.14
Others	15,359.85	11,103.26
	2,43,959.17	**1,56,477.40**

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, 2022	Year ended March 31, 2021
India	1,21,352.35	76,439.77
Outside India	1,22,606.82	80,037.63
	2,43,959.17	**1,56,477.40**

Revenue outside India includes: Asia excluding India ₹**27,788.53** crore (2020-21 : ₹20,325.66 crore), UK ₹**20,097.64** crore (2020-21: ₹11,761.27 crore) and other European countries ₹**60,789.21** crore (2020-21: ₹37,803.83 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)

	As at March 31, 2022	As at March 31, 2021
India	1,18,236.66	1,17,307.90
Outside India	37,096.72	37,474.68
	1,55,333.38	**1,54,782.58**

Non-current assets outside India include: Asia excluding India ₹**959.16** crore (March 31, 2021: ₹1,470.72 crore), UK ₹**9,627.88** crore (March 31, 2021: ₹9,257.77 crore) and other European countries ₹**20,300.14** crore (March 31, 2021: ₹20,426.88 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, 2022 and March 31, 2021.

(iii) The accounting policies of the reportable segments are the same as of the Group's accounting policies.

(iv) Pursuant to the Scheme of Amalgamation of Bamnipal Steel Limited and Tata Steel BSL Limited into and with the Company, Bamnipal Steel (including Tata Steel BSL) is no longer presented as a separate segment and its steel business included in Tata Steel India segment with previous periods restated accordingly.

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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, 2022 and March 31, 2021:

(₹ crore)

	Associates	Joint venture	Tata Sons Private Limited, its subsidiaries and joint ventures	Total
Purchase of goods	**33.14**	**425.04**	**1,001.00**	**1,459.18**
	21.76	*223.07*	*381.28*	*626.11*
Sale of goods	**2,223.63**	**4,490.21**	**1,038.59**	**7,752.43**
	910.57	*2,408.71*	*906.53*	*4,225.81*
Services received	**418.38**	**1,594.32**	**1,299.07**	**3,311.77**
	317.57	*1,999.72*	*879.20*	*3,196.49*
Services rendered	**2.14**	**973.40**	**37.24**	**1,012.78**
	2.75	*586.48*	*17.81*	*607.04*
Sale of fixed assets	**-**	**-**	**-**	**-**
	-	*2.01*	-	*2.01*
Interest income recognised	**-**	**0.02**	**-**	**0.02**
	-	*2.75*	-	*2.75*
Interest expenses recognised	**-**	**-**	**0.65**	**0.65**
	-	*6.69*	*9.24*	*15.93*
Dividend paid(vi)	**-**	**-**	**1,011.07**	**1,011.07**
	-	-	*379.06*	*379.06*
Dividend received	**3.07**	**117.81**	**12.54**	**133.42**
	20.05	*74.17*	*12.92*	*107.14*
Provision/(reversal) recognised for receivables during the year	**99.95**	**(0.71)**	**-**	**99.24**
	0.02	*1.52*	*0.02*	*1.56*
Management contracts	**5.43**	**8.18**	**185.73**	**199.34**
	5.32	*3.00*	*173.06*	*181.38*
Finance provided during the year (net of repayments)	**100.00**	**0.46**	**-**	**100.46**
	-	*13.20*	*23.61*	*36.81*

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45. Related party transactions (Contd.)

(₹ crore)

	Associates	Joint venture	Tata Sons Private Limited, its subsidiaries and joint ventures	Total
Outstanding loans and receivables	**334.45**	**1,266.48**	**73.05**	**1,673.98**
	141.03	*1,547.80*	*17.52*	*1,706.35*
Provision for outstanding loans and receivables	**100.03**	**1,087.59**	**0.05**	**1,187.67**
	0.08	*1,088.30*	*0.08*	*1,088.46*
Outstanding payables	**37.86**	**391.23**	**536.59**	**965.68**
	47.98	*451.91*	*420.07*	*919.96*
Guarantees provided outstanding	**-**	**177.18**	**-**	**177.18**
	-	*177.18*	-	*177.18*
Subscription to first and final call on partly paid-up equity shares(vi)	**-**	**-**	**-**	**-**
	-	-	*1,767.91*	*1,767.91*

Figures in italics represent comparative figures of previous year.

(i) The details of remuneration paid to the key managerial personnel and payments to non-executive directors are provided in note 31, page 473 and note 34, page 474 respectively.

During the year ended March 31, 2021, value of shares subscribed by key managerial personnel and their relatives under final call to rights issues was ₹1,12,484.00.

The Group paid dividend of ₹**84,950.00** (2020-21: ₹32,346.00) to key managerial personnel and ₹**16,475.00** (2020-21: ₹6,395.00) to relatives of key managerial personnel during the year ended March 31, 2022.

(ii) During the year ended March 31, 2022, the Group has contributed ₹**336.15** crore (2020-21: ₹581.73 crore) to post employment benefit plans.

As at March 31, 2022, amount receivable from post-employment benefit funds is ₹**171.30** crore (March 31, 2021: ₹92.84 crore) on account of retirement benefit obligations paid by the entities within the Group directly.

As at March 31, 2022, amount payable to post-employment benefit funds is ₹**4.90** crore (March 31, 2021: ₹2.12 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 7, page 436.

(iv) Commitments with respect to joint venture and associates are disclosed in note 38(B), page 490.

(v) Transactions with joint ventures have been disclosed at full value and not at their proportionate share.

(vi) Dividend paid includes ₹**991.27** crore (2020-21: ₹368.15 crore) paid to Tata Sons Private Limited.

(vii) Subscription to first and final call on partly paid-up equity shares includes **Nil** (2020-21: ₹1,744.00 crore) received from Tata Sons Private Limited.

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46. 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.

47. The Board of Directors of Tata Steel Limited, at its meeting held on April 25, 2019, had considered and approved a merger of Bamnipal Steel Limited ("BNPL") and Tata Steel BSL Limited (formerly Bhushan Steel Limited) ("TSBSL") into Tata Steel Limited by way of a composite scheme of amalgamation and had recommended a merger ratio of 1 equity share of ₹10/- each fully paid-up of Tata Steel Limited for every 15 equity shares of ₹2/- each fully paid-up held by the public shareholders of TSBSL. The Mumbai Bench of the National Company Law Tribunal (NCLT), through its order dated October 29, 2021 has approved the scheme with the appointed date of the merger being April 1, 2019.

Post the approval of the scheme, the erstwhile promoters of TSBSL holding 2,56,53,813 equity shares (of TSBSL) to receive ₹2/- for each shares held by them. Accordingly, on November 23, 2021, the Board of Directors approved allotment of 1,82,23,805 fully paid-up equity shares of the Company, of face value 10/- each, to eligible shareholders of TSBSL (as on the record date of November 16, 2021). Further, 1,63,847 fully paid-up equity shares of TSL (included within the aforementioned 1,82,23,805 fully paid-up equity shares) are allotted to 'TSL Fractional Share Entitlement Trust'(managed by Axis Trustee Services Limited), towards fractional entitlements of shareholders of TSBSL for the benefit of shareholders of TSBSL.

The consolidated financial statements include the impact of amalgamation accounting adjustments in accordance with the applicable Ind AS.

48. On March 10, 2022, the Company and Tata Steel Long Products Limited ('TSLP') executed a Share Sale and Purchase Agreement ('SPA') with MMTC Ltd, NMDC Ltd, MECON Ltd, Bharat Heavy Electricals Ltd, Industrial Promotion and Investment Corporation of Odisha Ltd, Odisha Mining Corporation Ltd., President of India, Government of Odisha and Neelachal Ispat Nigam Limited ('NINL') for acquisition of 93.71% equity shares in NINL. The acquisition will be done through TSLP, a listed subsidiary of the Company. The Company has also invested ₹12,700 crore in Non-Convertible Redeemable Preference Shares ('NCRPS') of TSLP to assist TSLP in funding its growth plans including the acquisition of and/or subscription to shares of NINL. Pursuant to execution of the SPA, TSLP has deposited of ₹1,210.00 crore in the escrow account, representing 10% of the bid amount. The same has been presented as "Advance against equity" in the Consolidated balance sheet considering that in future this advance will lead to a strategic nature of an investment.

49. 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 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'). The Company has made an equity investment in TSML of ₹625 crore on April 11, 2022 to finance the acquisition.

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50. 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, 2022 amounts to ₹**22.33** crore (March 31, 2021: ₹20.06 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 ₹**201.21** crore (2020-21: ₹110.03 crore) as an income (refer note 29, page 472) on account of such scheme.

51. The net worth of TRF Limited (TRF), an associate of the Company, has been fully eroded. The carrying value of the share of investment in consolidated financial statements is Nil. The financial statements of TRF have been prepared on a going concern basis as it is transitioning to a sustainable business model whereby going forward it would operate as a captive service provider to the Company. The Company is also expected to provide the necessary financial support to TRF, if required, to meet its past and future obligations.

52. The Board of Directors in meeting on May 3, 2022 has considered a proposal for 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 subject to regulatory/statutory approvals as may be required and the approval of the shareholders of the Company.

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 3, 2022, the Board of Directors of the Company have proposed a dividend of ₹**51.00** per Ordinary share of ₹10 each and ₹**12.75** per partly paid Ordinary share of ₹10 each (paid-up ₹2.504 per share) in respect of the year ended March 31, 2022 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of approximately ₹**6,227.15** crore.

54. Previous year figures have been recasted/restated wherever necessary including those as required in keeping with revised Schedule III amendments.

55. Statement of net assets and profit or loss attributable to owners and minority 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	109.60	1,25,433.76	82.21	33,011.18	52.87	694.90	81.28	33,706.08
B.	**Subsidiaries**									
a)	**Indian**									
1	Indian Steel & Wire Products Ltd	INR	0.12	142.05	0.05	19.85	(0.10)	(1.37)	0.04	18.48
2	Tata Steel Utilities and Infrastructure Services Limited	INR	0.87	994.29	0.22	86.47	0.07	0.98	0.21	87.45
3	Haldia Water Management Limited	INR	(0.04)	(50.69)	(0.00)	(0.01)	-	-	(0.00)	(0.01)
4	Kalimati Global Shared Services Limited	INR	0.01	6.74	0.01	2.25	0.00	0.01	0.01	2.26
5	Tata Steel Special Economic Zone Limited	INR	0.34	389.94	0.04	15.01	0.00	0.00	0.04	15.01
6	The Tata Pigments Limited	INR	0.03	36.88	0.01	5.38	(0.02)	(0.28)	0.01	5.10
7	Adityapur Toll Bridge Company Limited	INR	0.05	55.14	0.01	2.26	-	-	0.01	2.26
8	Mohar Export Services Pvt. Ltd	INR	(0.00)	(0.04)	(0.00)	(0.00)	-	-	(0.00)	(0.00)
9	Rujuvalika Investments Limited	INR	0.14	158.34	0.01	3.74	3.90	51.23	0.13	54.97
10	Tata Steel Mining Limited (formerly known as T S Alloys Limited)	INR	0.06	71.51	(2.20)	(883.03)	(0.03)	(0.40)	(2.13)	(883.43)
11	Tata Korf Engineering Services Ltd	INR	-	-	-	-	-	-	-	-
12	Tata Metaliks Ltd.	INR	1.33	1,525.27	0.59	237.45	0.03	0.40	0.57	237.85
13	Tata Steel Long Products Limited (formerly Tata Sponge Iron Limited)	INR	2.80	3,200.47	1.57	629.87	(0.06)	(0.74)	1.52	629.13
14	TSIL Energy Limited	INR	-	-	-	-	-	-	-	-
15	Tata Steel International (India) Limited	INR	0.03	30.78	(0.00)	(0.15)	-	-	(0.00)	(0.15)
16	Tata Steel Downstream Products Limited	INR	2.80	3,209.15	0.36	143.88	0.05	0.61	0.35	144.49
17	Tata Steel Advanced Materials Limited (formerly Tata Steel Odisha Limited)	INR	0.00	2.93	(0.00)	(0.02)	-	-	(0.00)	(0.02)
18	Ceramat Private Limited	INR	(0.00)	(0.11)	(0.00)	(0.12)	-	-	(0.00)	(0.12)
19	Tayo Rolls Limited	INR	-	-	-	-	-	-	-	-
20	The Tinplate Company of India Limited	INR	1.02	1,170.97	0.88	352.91	(0.54)	(7.10)	0.83	345.81
21	Tata Steel Foundation	INR	0.01	5.85	0.00	0.45	-	-	0.00	0.45
22	Jamshedpur Football and Sporting Private Limited	INR	0.03	31.89	0.02	7.71	-	-	0.02	7.71
23	Bhubaneshwar Power Private Limited	INR	0.32	362.31	0.10	38.60	(0.00)	(0.04)	0.09	38.56
24	Bamnipal Steel Limited	INR	-	-	-	-	-	-	-	-
25	Tata Steel BSL Limited	INR	-	-	-	-	-	-	-	-
26	Angul Energy Limited	INR	0.77	884.45	0.13	53.10	(0.03)	(0.41)	0.13	52.69
27	Tata Steel Support Services Limited (formerly Bhushan Steel (Orissa) Ltd.)	INR	0.00	1.03	0.01	3.15	(0.23)	(2.97)	0.00	0.18
28	Bhushan Steel (South) Ltd.	INR	0.00	0.19	(0.00)	(0.02)	-	-	(0.00)	(0.02)
29	Tata Steel Technical Services Limited (formerly Bhushan Steel (Madhya Bharat) Ltd.)	INR	0.00	2.33	0.01	5.40	(0.38)	(4.99)	0.00	0.41
30	Medica TS Hospital Pvt. Ltd.	INR	0.04	47.12	0.00	0.24	(0.01)	(0.08)	0.00	0.16
31	Creative Port Development Private Limited	INR	0.19	221.16	(0.01)	(3.79)	-	-	(0.01)	(3.79)
32	Subarnarekha Port Private Limited	INR	0.16	187.06	0.00	0.22	-	-	0.00	0.22
b)	**Foreign**									
1	ABJA Investment Co. Pte. Ltd.	USD	(0.08)	(91.28)	0.12	46.82	-	-	0.11	46.82
2	NatSteel Asia Pte. Ltd.	USD	0.89	1,019.61	0.47	190.03	-	-	0.46	190.03
3	T Steel Holdings Pte. Ltd.	GBP	19.39	22,185.52	(0.00)	(0.20)	-	-	(0.00)	(0.20)

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55. Statement of net assets and profit or loss attributable to owners and minority 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)
4	T S Global Holdings Pte Ltd.	GBP	15.66	17,916.10	(4.70)	(1,888.98)	-	-	(4.56)	(1,888.98)
5	Orchid Netherlands (No.1) B.V.	EUR	0.00	0.06	(0.00)	(0.34)	-	-	(0.00)	(0.34)
6	NatSteel Holdings Pte. Ltd.@	SGD	-	-	0.38	152.81	0.67	8.86	0.39	161.67
7	NatSteel Recycling Pte Ltd.@	SGD	-	-	0.00	1.66	-	-	0.00	1.66
8	NatSteel Trade International Pte. Ltd.@	USD	-	-	(0.00)	(0.02)	-	-	(0.00)	(0.02)
9	Easteel Services (M) Sdn. Bhd.@	MYR	-	-	(0.01)	(3.86)	-	-	(0.01)	(3.86)
10	The Siam Industrial Wire Company Ltd.	THB	1.35	1,545.16	0.53	210.93	0.02	0.21	0.51	211.14
11	Eastern Steel Fabricators Philippines, Inc.	SGD	(0.01)	(10.31)	-	-	-	-	-	-
12	TSN Wires Co., Ltd.	THB	0.03	31.54	0.02	9.64	(0.06)	(0.77)	0.02	8.87
13	Tata Steel Europe Limited	GBP	45.41	51,970.20	1.01	405.08	-	-	0.98	405.08
14	Apollo Metals Limited	USD	0.21	239.31	0.10	38.37	0.18	2.30	0.10	40.67
15	British Steel Corporation Limited	GBP	0.34	392.96	-	-	-	-	-	-
16	British Steel Directors (Nominees) Limited	GBP	0.00	0.00	-	-	-	-	-	-
17	British Steel Nederland International B.V.	EUR	0.34	392.14	0.37	148.65	-	-	0.36	148.65
18	C V Benine	EUR	0.02	18.21	-	-	-	-	-	-
19	Catnic GmbH	EUR	0.06	70.47	0.01	4.75	-	-	0.01	4.75
20	Catnic Limited	GBP	(0.00)	(0.61)	-	-	-	-	-	-
21	Tata Steel Mexico SA de CV	USD	0.00	1.39	0.00	0.19	-	-	0.00	0.19
22	Cogent Power Inc	USD	-	-	(0.00)	(0.35)	-	-	(0.00)	(0.35)
23	Cogent Power Limited	GBP	0.23	265.28	0.03	13.97	-	-	0.03	13.97
24	Corbeil Les Rives SCI	EUR	0.01	10.34	-	-	-	-	-	-
25	Corby (Northants) & District Water Company Limited	GBP	0.01	6.07	(0.00)	(0.00)	-	-	(0.00)	(0.00)
26	Corus CNBV Investments	GBP	0.00	0.00	-	-	-	-	-	-
27	Corus Engineering Steels (UK) Limited	GBP	0.00	0.00	-	-	-	-	-	-
28	Corus Engineering Steels Limited	GBP	0.00	0.00	-	-	-	-	-	-
29	Corus Group Limited	GBP	9.66	11,050.47	2.03	815.22	-	-	1.97	815.22
30	Corus Holdings Limited	GBP	0.01	7.74	-	-	-	-	-	-
31	Corus International (Overseas Holdings) Limited	GBP	4.53	5,179.67	0.29	115.62	-	-	0.28	115.62
32	Corus International Limited	GBP	2.66	3,045.76	0.01	2.49	-	-	0.01	2.49
33	Corus International Romania SRL.	RON	0.00	5.00	0.01	2.51	-	-	0.01	2.51
34	Corus Investments Limited	GBP	0.20	225.68	-	-	-	-	-	-
35	Corus Ireland Limited	EUR	0.01	7.80	0.02	6.32	-	-	0.02	6.32
36	Corus Liaison Services (India) Limited	GBP	(0.02)	(25.57)	(0.00)	(1.78)	-	-	(0.00)	(1.78)
37	Corus Management Limited	GBP	0.35	402.38	-	-	-	-	-	-
38	Corus Property	GBP	0.00	0.00	-	-	-	-	-	-
39	Corus UK Healthcare Trustee Limited	GBP	0.00	0.00	-	-	-	-	-	-
40	Crucible Insurance Company Limited	GBP	0.25	286.53	0.01	2.02	-	-	0.00	2.02
41	Degels GmbH	EUR	0.02	23.71	0.00	1.77	0.37	4.90	0.02	6.67
42	Demka B.V.	EUR	0.06	73.63	(0.00)	(0.02)	-	-	(0.00)	(0.02)
43	00026466 Limited (Formerly known as Firsteel Group Limited)	GBP	0.00	0.95	-	-	-	-	-	-

@ Consolidated till the date of disposal

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55. Statement of net assets and profit or loss attributable to owners and minority 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)
44	Fischer Profil GmbH	EUR	0.06	66.37	0.03	14.05	1.85	24.25	0.09	38.30
45	Gamble Simms Metals Limited	EUR	-	-	-	-	-	-	-	-
46	H E Samson Limited	GBP	0.00	0.00	-	-	-	-	-	-
47	Hadfields Holdings Limited	GBP	(0.01)	(12.44)	-	-	-	-	-	-
48	Halmstad Steel Service Centre AB	SEK	0.14	161.12	0.17	68.97	-	-	0.17	68.97
49	Hille & Muller GmbH	EUR	0.18	206.06	0.06	22.11	1.69	22.28	0.11	44.39
50	Hille & Muller USA Inc.	USD	0.10	108.83	0.01	5.43	-	-	0.01	5.43
51	Hoogovens USA Inc.	USD	0.52	593.02	(0.00)	(0.17)	-	-	(0.00)	(0.17)
52	Huizenbezit "Breesaap" B.V.	EUR	(0.01)	(8.71)	0.00	0.08	-	-	0.00	0.08
53	Inter Metal Distribution SAS	EUR	0.05	51.60	0.03	10.25	0.13	1.70	0.03	11.95
54	Layde Steel S.L.	EUR	0.14	159.60	0.11	44.07	-	-	0.11	44.07
55	London Works Steel Company Limited	GBP	(0.09)	(102.55)	-	-	-	-	-	-
56	Montana Bausysteme AG	CHF	0.11	131.09	0.11	44.18	0.83	10.96	0.13	55.14
57	Naantali Steel Service Centre OY	EUR	0.07	77.36	0.12	49.94	-	-	0.12	49.94
58	Norsk Stal Tynnplater AS	NOK	0.03	39.81	0.01	5.34	-	-	0.01	5.34
59	Norsk Stal Tynnplater AB	NOK	0.02	25.47	0.01	3.45	-	-	0.01	3.45
60	Orb Electrical Steels Limited	GBP	0.00	0.00	-	-	-	-	-	-
61	Oremco Inc.	USD	-	-	-	-	-	-	-	-
62	Rafferty-Brown Steel Co Inc Of Conn.	USD	0.02	24.00	(0.01)	(2.21)	-	-	(0.01)	(2.21)
63	S A B Profiel B.V.	EUR	0.34	388.11	0.18	73.79	-	-	0.18	73.79
64	S A B Profil GmbH	EUR	0.12	140.00	(0.01)	(2.48)	-	-	(0.01)	(2.48)
65	Service Center Gelsenkirchen GmbH	EUR	0.17	199.39	0.00	1.47	0.59	7.75	0.02	9.22
66	Service Centre Maastricht B.V.	EUR	0.27	304.22	0.38	150.75	-	-	0.36	150.75
67	Societe Europeenne De Galvanisation (Segal) Sa	EUR	0.24	274.84	0.03	12.31	-	-	0.03	12.31
68	Staalverwerking en Handel B.V.	EUR	0.42	486.26	(0.01)	(3.18)	-	-	(0.01)	(3.18)
69	Surahammar Bruks AB	SEK	0.05	61.05	(0.00)	(0.04)	(0.16)	(2.15)	(0.01)	(2.19)
70	Swinden Housing Association Limited	GBP	0.01	13.64	0.00	0.27	-	-	0.00	0.27
71	Tata Steel Belgium Packaging Steels N.V.	EUR	0.15	168.63	0.02	7.22	-	-	0.02	7.22
72	Tata Steel Belgium Services N.V.	EUR	0.20	226.92	0.00	0.54	-	-	0.00	0.54
73	Tata Steel France Batiment et Systemes SAS	EUR	0.12	141.67	(0.09)	(36.17)	-	-	(0.09)	(36.17)
74	Tata Steel France Holdings SAS	EUR	0.70	800.37	(1.43)	(574.81)	0.10	1.30	(1.38)	(573.51)
75	Tata Steel Germany GmbH	EUR	0.64	735.78	0.69	278.73	0.83	10.96	0.70	289.69
76	Tata Steel IJmuiden BV	EUR	22.66	25,937.53	13.20	5,300.62	8.78	115.44	13.06	5,416.06
77	Tata Steel International (Americas) Holdings Inc	USD	(0.47)	(535.47)	0.18	70.93	-	-	0.17	70.93
78	Tata Steel International (Americas) Inc	USD	0.97	1,109.26	0.32	129.82	0.01	0.12	0.31	129.94
79	Tata Steel International (Czech Republic) S.R.O	CZK	0.02	18.75	0.04	14.53	-	-	0.04	14.53
80	Tata Steel International (France) SAS	EUR	0.05	58.93	0.01	5.63	-	-	0.01	5.63
81	Tata Steel International (Germany) GmbH	EUR	0.01	10.16	(0.00)	(1.41)	0.59	7.76	0.02	6.35
82	Tata Steel International (South America) Representações LTDA	USD	0.00	2.33	0.00	0.29	-	-	0.00	0.29
83	Tata Steel International (Italia) SRL	EUR	0.03	31.90	0.04	14.43	-	-	0.03	14.43
84	Tata Steel International (Middle East) FZE	AED	0.10	117.41	0.04	16.30	-	-	0.04	16.30

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55. Statement of net assets and profit or loss attributable to owners and minority 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)
85	Tata Steel International Limited	NGN	-	-	-	-	-	-	-	-
86	Tata Steel International (Poland) sp Zoo	PLZ	0.03	28.63	0.03	11.83	-	-	0.03	11.83
87	Tata Steel International (Sweden) AB	SEK	0.05	53.52	0.10	41.76	-	-	0.10	41.76
88	Tata Steel International Iberica SA	EUR	0.04	42.46	0.10	39.38	-	-	0.09	39.38
89	Tata Steel Istanbul Metal Sanayi ve Ticaret AS	USD	0.04	49.64	0.00	1.61	-	-	0.00	1.61
90	Tata Steel Maubeuge SAS	EUR	0.43	488.58	0.66	263.88	0.72	9.45	0.66	273.33
91	Tata Steel Nederland BV	EUR	11.70	13,386.20	(0.06)	(23.18)	-	-	(0.06)	(23.18)
92	Tata Steel Nederland Consulting & Technical Services BV	EUR	0.02	25.09	(0.00)	(0.17)	-	-	(0.00)	(0.17)
93	Tata Steel Nederland Services BV	EUR	(0.07)	(81.17)	(0.28)	(114.24)	-	-	(0.28)	(114.24)
94	Tata Steel Nederland Technology BV	EUR	0.57	657.81	0.06	23.44	-	-	0.06	23.44
95	Tata Steel Nederland Tubes BV	EUR	0.17	190.83	0.08	30.81	-	-	0.07	30.81
96	Tata Steel Netherlands Holdings B.V.	EUR	31.78	36,366.45	0.98	392.70	-	-	0.95	392.70
97	Tata Steel Norway Byggsystemer A/S	NOK	0.09	107.17	0.09	37.38	-	-	0.09	37.38
98	Tata Steel UK Consulting Limited	GBP	(0.01)	(6.43)	-	-	-	-	-	-
99	Tata Steel UK Holdings Limited	GBP	42.09	48,170.95	(0.10)	(39.23)	-	-	(0.09)	(39.23)
100	Tata Steel UK Limited	GBP	19.34	22,133.32	4.78	1,920.77	54.19	712.30	6.35	2,633.07
101	Tata Steel USA Inc.	USD	0.05	61.32	(0.00)	(0.48)	-	-	(0.00)	(0.48)
102	The Newport And South Wales Tube Company Ltd.	GBP	0.00	0.35	-	-	-	-	-	-
103	Thomas Processing Company	USD	0.14	160.03	(0.01)	(4.70)	-	-	(0.01)	(4.70)
104	Thomas Steel Strip Corp.	USD	(0.10)	(111.83)	0.09	35.46	3.66	48.06	0.20	83.52
105	TS South Africa Sales Office Proprietary Limited	ZAR	0.00	4.04	0.00	1.13	-	-	0.00	1.13
106	Tulip UK Holdings (No.2) Limited	GBP	46.56	53,279.94	-	-	-	-	-	-
107	Tulip UK Holdings (No.3) Limited	GBP	46.66	53,398.36	-	-	-	-	-	-
108	UK Steel Enterprise Limited	GBP	0.19	217.71	0.09	34.69	-	-	0.08	34.69
109	Unitol SAS	EUR	0.09	106.69	0.32	128.20	(0.03)	(0.34)	0.31	127.86
110	Fischer Profil Produktions -und-Vertriebs - GmbH	EUR	0.00	0.21	(0.00)	(0.00)	-	-	(0.00)	(0.00)
111	Al Rimal Mining LLC	OMR	0.01	6.19	(0.00)	(0.89)	-	-	(0.00)	(0.89)
112	TSMUK Limited	USD	3.59	4,111.53	(0.00)	(0.25)	-	-	(0.00)	(0.25)
113	T S Canada Capital Ltd	USD	0.03	33.24	(0.00)	(0.09)	-	-	(0.00)	(0.09)
114	Tata Steel Minerals Canada Limited	USD	(0.09)	(99.15)	(2.07)	(831.33)	-	-	(2.00)	(831.33)
115	Tata Steel (Thailand) Public Company Limited	THB	2.69	3,074.40	0.01	5.53	0.19	2.55	0.02	8.08
116	Tata Steel Manufacturing (Thailand) Public Company Limited (formerly N.T.S Steel Group Public Limited Company)	THB	2.21	2,533.00	1.47	588.69	1.42	18.67	1.46	607.36
117	T S Global Procurement Company Pte. Ltd.	USD	1.36	1,561.18	0.85	341.88	-	-	0.82	341.88
118	Tata Steel International (Shanghai) Ltd.	CNY	0.00	5.56	(0.00)	(0.70)	-	-	(0.00)	(0.70)
119	Tata Steel International (Asia) Limited	HKD	-	-	(0.01)	(2.98)	-	-	(0.01)	(2.98)
120	TS Asia (Hong Kong) Ltd.	USD	0.00	5.37	0.00	1.59	-	-	0.00	1.59
121	Bhushan Steel (Australia) PTY Ltd.	AUD	0.00	4.41	(0.01)	(2.11)	-	-	(0.01)	(2.11)
122	Bowen Energy PTY Ltd.	AUD	0.00	0.00	0.07	26.55	-	-	0.06	26.55
123	Bowen Coal PTY Ltd.	AUD	0.00	0.00	-	-	-	-	-	-
124	Bowen Consolidated PTY Ltd.	AUD	0.00	0.00	-	-	-	-	-	-

55. Statement of net assets and profit or loss attributable to owners and minority 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)
C.	**Joint Ventures**									
a)	**Indian**									
1	mjunction services limited	INR	0.11	123.63	0.09	35.13	0.03	0.38	0.09	35.51
2	S & T Mining Company Limited	INR	(0.00)	(0.39)	-	-	-	-	-	-
3	Tata NYK Shipping (India) Pvt. Ltd.	INR	0.00	2.92	0.00	0.29	-	-	0.00	0.29
4	TM International Logistics Limited	INR	0.20	234.28	0.07	29.78	(0.04)	(0.53)	0.07	29.25
5	TKM Global Logistics Limited	INR	0.03	30.95	0.01	3.65	0.01	0.10	0.01	3.75
6	Industrial Energy Limited	INR	0.24	277.57	0.14	57.46	(0.01)	(0.08)	0.14	57.38
7	Andal East Coal Company Pvt. Ltd.	INR	-	-	-	-	-	-	-	-
8	Naba Diganta Water Management Limited	INR	0.02	24.09	0.01	5.19	-	-	0.01	5.19
9	Jamipol Ltd.	INR	0.07	79.65	0.03	12.99	0.07	0.97	0.03	13.96
10	Nicco Jubilee Park Limited	INR	-	-	-	-	-	-	-	-
11	Himalaya Steel Mills Services Private Limited	INR	0.01	7.23	0.01	2.32	0.00	0.01	0.01	2.33
12	Tata BlueScope Steel Private Limited	INR	0.63	721.39	0.35	140.62	(0.01)	(0.07)	0.34	140.55
13	Jamshedpur Continuous Annealing & Processing Company Private Limited	INR	0.68	777.16	0.50	202.54	(0.01)	(0.11)	0.49	202.43
b)	**Foreign**									
1	Tata NYK Shipping Pte Ltd.	USD	0.13	149.61	0.17	68.17	(2.71)	(35.57)	0.08	32.60
2	International Shipping and Logistics FZE	USD	0.27	310.59	0.09	38.06	(0.00)	(0.06)	0.09	38.00
3	TKM Global China Ltd	CNY	0.01	5.99	0.00	1.10	-	-	0.00	1.10
4	TKM Global GmbH	EUR	0.17	195.95	0.02	6.41	-	-	0.02	6.41
5	Air Products Llanwern Limited	GBP	0.01	11.68	(0.00)	(0.92)	-	-	(0.00)	(0.92)
6	Laura Metaal Holding B.V.	EUR	0.19	214.97	0.17	69.77	-	-	0.17	69.77
7	Ravenscraig Limited	GBP	(0.06)	(73.79)	0.00	1.55	-	-	0.00	1.55
8	Tata Steel Ticaret AS	TRY	0.01	8.33	0.03	10.10	-	-	0.02	10.10
9	Texturing Technology Limited	GBP	0.02	20.10	0.01	5.73	-	-	0.01	5.73
10	Hoogovens Court Roll Service Technologies VOF	EUR	0.02	19.31	0.00	1.20	-	-	0.00	1.20
11	Minas De Benga (Mauritius) Limited	USD	(0.76)	(874.47)	0.26	105.96	-	-	0.26	105.96
12	BlueScope Lysaght Lanka (Pvt) Ltd	LKR	0.01	14.89	0.00	0.95	-	-	0.00	0.95
D.	**Associates**									
a)	**Indian**									
1	Kalinga Aquatics Ltd.	INR	-	-	-	-	-	-	-	-
2	Kumardhubi Fireclay & Silica Works Ltd.	INR	-	-	-	-	-	-	-	-
3	Kumardhubi Metal Casting and Engineering Limited	INR	-	-	-	-	-	-	-	-
4	Strategic Energy Technology Systems Private Limited	INR	-	-	-	-	-	-	-	-
5	Tata Construction & Projects Ltd.	INR	-	-	-	-	-	-	-	-
6	TRF Limited	INR	(0.00)	(98.76)	(0.00)	(6.94)	-	-	(0.00)	(6.94)
7	Malusha Travels Pvt Ltd.	INR	-	-	-	-	-	-	-	-
8	Bhushan Capital & Credit Services Private Limited	INR	-	-	-	-	-	-	-	-
9	Jawahar Credit & Holdings Private Limited	INR	-	-	-	-	-	-	-	-

NOTES
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55. Statement of net assets and profit or loss attributable to owners and minority 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	TRF Singapore Pte Limited	SGD	0.00	18.97	(0.00)	(2.04)	-	-	(0.00)	(2.04)
2	TRF Holding Pte Limited	USD	(0.00)	(0.14)	(0.00)	(0.05)	-	-	(0.00)	(0.05)
3	Dutch Lanka Trailer Manufacturers Limited	USD	0.00	12.65	(0.00)	(0.99)	(0.00)	(0.01)	(0.00)	(1.00)
4	Dutch Lanka Engineering (Private) Limited	LKR	(0.00)	(0.19)	(0.00)	(0.55)	(0.00)	(0.00)	(0.00)	(0.55)
5	European Profiles (M) Sdn. Bhd.	MYR	0.01	12.23	0.00	0.30	-	-	0.00	0.30
6	GietWalsOnderhoudCombinatie B.V.	EUR	0.02	25.33	0.01	2.80	-	-	0.01	2.80
7	Hoogovens Gan Multimedia S.A. De C.V.	MXN	-	-	-	-	-	-	-	-
8	ISSB Limited	GBP	-	-	-	-	-	-	-	-
9	Wupperman Staal Nederland B.V.	EUR	0.18	208.42	0.12	47.99	-	-	0.12	47.99
10	Fabsec Limited	GBP	-	-	-	-	-	-	-	-
11	9336-0634 Québec Inc	CAD	-	-	-	-	-	-	-	-
E.	**Adjustment due to consolidation**		(362.28)	(4,14,561.70)	(8.29)	(3,321.88)	(29.42)	(386.87)	(8.94)	(3,708.75)
	TOTAL		**100.00**	**1,14,443.04**	**100.00**	**40,153.93**	**100.00**	**1,314.47**	**100.00**	**41,468.40**
F.	**Minority interests in subsidiaries**									
a)	**Indian subsidiaries**									
1	The Tinplate Company of India Limited	INR		293.22		88.37		(1.78)		86.59
2	Indian Steel & Wire Products Ltd	INR		7.09		0.99		(0.07)		0.92
3	Tata Metaliks Ltd.	INR		609.60		94.90		0.16		95.06
4	Adityapur Toll Bridge Company Limited	INR		6.33		0.26		-		0.26
5	Tata Steel Long Products Limited (Formerly Tata Sponge Iron Limited)	INR		803.24		158.44		0.55		158.99
6	Creative Port Development Private Limited	INR		239.78		(3.22)		-		(3.22)
7	Mohar Export Services Pvt. Ltd	INR		(0.01)		-		-		-
8	Haldia Water Management Limited	INR		(20.27)		(0.00)		-		(0.00)
9	Ceramat Private Limited	INR		(0.01)		(0.01)		0.00		(0.01)
10	Medica TS Hospital Pvt. Ltd.	INR		24.03		0.11		(0.03)		0.08
11	Tata Steel BSL Limited*	INR		-		1,182.73		(4.46)		1,178.27
12	Angul Energy Limited	INR		0.09		0.07		(0.00)		0.07
b)	**Foreign subsidiaries**									
1	Tata Steel (Thailand) Public Company Limited	THB		663.36		191.29		(5.11)		186.18
2	Tata Steel Europe Limited	GBP		9.56		0.15		0.13		0.28
3	NatSteel Holdings Pte. Ltd.@	SGD		-		2.25		(0.68)		1.57
4	Tata Steel Minerals Canada Limited	USD		6.80		(122.55)		2.21		(120.34)
5	TSN Wires Co., Ltd.	THB		12.61		1.61		0.03		1.64
	Total non-controlling interests in subsidiaries			**2,655.42**		**1,595.39**		**(9.05)**		**1,586.34**
	Consolidated net assets/profit after tax			**1,17,098.46**		**41,749.32**		**1,305.42**		**43,054.74**

* Refer note 47, page 510

@ Consolidated till the date of disposal

55. Statement of net assets and profit or loss attributable to owners and minority interest (Contd.)

(i) List of subsidiaries, associates and joint ventures which have not been 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 not available
3	Blastmega Limited	Under liquidation
4	Corus Engineering Steels Holdings Limited	Under liquidation
5	Europressings Limited	Under liquidation
6	Grant Lyon Eagre Limited	Under liquidation
7	Hammermega Limited	Under liquidation
8	Lister Tubes Limited	Under liquidation
9	Plated Strip (International) Limited	Under liquidation
10	Runmega Limited	Under liquidation
11	Stewarts & Lloyds Of Ireland Limited	Under liquidation
12	Stewarts And Lloyds (Overseas) Limited	Under liquidation
13	Tata Steel Sweden Byggsystem AB	Under liquidation
14	U.E.S. Bright Bar Limited	Under liquidation
15	Walkersteelstock Ireland Limited	Under liquidation
16	British Steel Service Centres Limited	Under liquidation
17	DSRM Group Limited	Under liquidation
18	02727547 Limited (Formerly known as Firsteel Holdings Limited)	Under liquidation
19	Precoat International Limited	Under liquidation
20	Precoat Limited	Under liquidation
21	The Templeborough Rolling Mills Limited	Under liquidation
22	Toronto Industrial Fabrications Limited	Under liquidation
23	Westwood Steel Services Limited	Under liquidation
24	Tata Steel Denmark Byggsystemer A/S	Under liquidation
25	The Siam Construction Steel Company Limited	Under liquidation
26	The Siam Iron and Steel (2001) Company Limited	Under liquidation
27	Nicco Jubilee Park Limited	Financial information are not available
28	9336-0634 Québec Inc	Financial information are not available
29	Andal East Coal Company Pvt. Ltd.	Entity under liquidation
30	Kalinga Aquatics Ltd.	Financial information are not available

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forming part of the consolidated financial statements

55. Statement of net assets and profit or loss attributable to owners and minority interest (Contd.)

SL No.	Name	Reason
31	Kumardhubi Fireclay & Silica Works Ltd.	Entity under liquidation
32	Kumardhubi Metal Casting and Engineering Limited	Entity under liquidation
33	Tata Construction & Projects Ltd.	Entity under liquidation
34	Fabsec Limited	The operations of the companies are not significant and hence are immaterial for consolidation
35	Hoogovens Gan Multimedia S.A. De C.V.	The operations of the companies are not significant and hence are immaterial for consolidation
36	ISSB Limited	The operations of the companies are not significant and hence are immaterial for consolidation
37	Bhushan Capital & Credit Services Private Limited	Tata Steel BSL Limited (TSBSL) an erstwhile subsidiary merged with the Company was being shown 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 Bhushan Steel 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 companies. Neither the erstwhile TSBSL nor the Company ever exercised or currently exercises any influence on these entities, and hence, these are not being considered as Associates.
38	Jawahar Credit & Holdings Private Limited	

(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/-
Russell I Parera
Partner
Membership Number 042190

Mumbai, May 3, 2022

For and on behalf of the Board of Directors

sd/-
N. Chandrasekaran
Chairman
DIN: 00121863

sd/-
Noel Naval Tata
Vice-Chairman
DIN: 00024713

sd/-
Mallika Srinivasan
Independent Director
DIN: 00037022

sd/-
O. P. Bhatt
Independent Director
DIN: 00548091

sd/-
Farida Khambata
Independent Director
DIN: 06954123

sd/-
David W. Crane
Independent Director
DIN: 09354737

sd/-
V. K. Sharma
Independent Director
DIN: 02449088

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 115th Annual General Meeting of the Members of Tata Steel Limited will be held on Tuesday, June 28, 2022, 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, 2022 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, 2022 together with the Report of the Auditors thereon.

Item No. 3 - Declaration of Dividend

To declare dividend of:

- ₹51/- per fully paid-up Ordinary (equity) Share of face value ₹10/- each for the Financial Year 2021-22;
- ₹12.75 per partly paid-up Ordinary (equity) Share of face value ₹10/- each (paid-up ₹2.504 per share) for the Financial Year 2021-22 on which call money remains unpaid.

Item No. 4 - Re-appointment of a Director

To appoint a Director in the place of Mr. Koushik Chatterjee (DIN: 00004989), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, seeks re-appointment.

Item No. 5 - Re-appointment of a Statutory Auditor

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Messrs Price Waterhouse & Co Chartered Accountants LLP, Chartered Accountants having Firm Registration No. 304026E/E300009 be and is hereby re-appointed as the Statutory Auditors of the Company to hold office for a second term commencing from the conclusion of this Annual General Meeting till the conclusion of the 120th Annual General Meeting of the Company to be held in the year 2027, to examine and audit the accounts of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors.

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."

Special Business:

Item No. 6 - 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 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 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, 2023.

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. 7 - Sub-division of Ordinary (equity) Shares of the Company

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to Section 61(1)(d) 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) read with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and subject to the provisions of the Memorandum and Articles of Association of the Company and such other approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the appropriate statutory authority(ies), the approval of the Members of the Company be and is hereby accorded for sub-division of 1 (One) fully paid-up Ordinary (equity) Share and 1 (One) partly paid-up Ordinary (equity) Share of the Company having face value of ₹10/- (Rupees Ten) each, into 10 (Ten) fully paid-up Ordinary (equity) Shares and 10 (Ten) partly paid-up Ordinary (equity) Shares, respectively, having face value of ₹1/- (Rupee one) each, with effect from the 'Record Date' to be determined by the Board of Directors for this purpose.

RESOLVED FURTHER THAT the sub-divided Ordinary (equity) Shares having face value ₹1/- (Rupee one) each, shall rank *pari passu* in all respects with each other and carry the same rights as to the existing fully paid-up Ordinary (equity) Shares and partly paid-up Ordinary (equity) Shares of face value ₹10/- (Rupees Ten) each of the Company.

RESOLVED FURTHER THAT upon sub-division of the Ordinary (equity) Shares as aforesaid and with effect from the Record Date:

(a) for the Ordinary (equity) Shares held in physical form, the existing Share Certificate(s) in relation to the said Shares, shall be deemed to have been automatically cancelled and shall be of no effect and the Board, without requiring the Members to surrender their existing Share Certificate(s), shall issue new Share Certificate(s) of the Company; and

(b) for the Ordinary (equity) Shares held in dematerialized form, the sub-divided Ordinary (equity) Shares shall be credited proportionately into the respective beneficiary demat accounts of the Members held with Depository Participants, in lieu of the existing credits present in their respective beneficiary demat accounts.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things including to fix and announce the Record Date, to make appropriate adjustments on account of sub-division of Ordinary (equity) Shares, to accept and make any alteration(s), modification(s) to the terms and conditions as they may deem necessary, concerning any aspect of the sub-division of Ordinary (equity) Shares, in accordance with the statutory requirements as well as to delegate all or any of its/their powers herein conferred to any other Officer(s)/Authorised Representative(s) of the Company, to give such directions as may be necessary or desirable, to apply for necessary approvals, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as they may, in their absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters in relation or consequential to the sub-division of Ordinary (equity) Shares including execution and filing of all the relevant documents with the Registrar of Companies, Stock Exchanges, Depositories and other appropriate authorities, in due compliance of the applicable rules and regulations, without seeking any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

Item No. 8 – Alteration of Memorandum of Association of the Company

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to Section 13 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), the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause 5 with the following new Clause 5:

"5. The present authorized share capital of the Company is ₹8350,00,00,000 divided into 1750,00,00,000 Ordinary Shares of ₹1 each, 35,00,00,000 'A' Ordinary Shares of ₹10 each, 2,50,00,000 Cumulative Redeemable Preference Shares of ₹100 each and 60,00,00,000 Cumulative Convertible Preference Shares of ₹100 each."

RESOLVED FURTHER THAT the Board of Directors and/or any person authorised by the Board, be and is hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Item No. 9 – Alteration of Articles of Association of the Company

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to Section 14 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), the Articles of Association of the Company be and is hereby altered by substituting the existing Article 4 with the following:

"The present authorized share capital of the Company is ₹8350,00,00,000 divided into 1750,00,00,000 Ordinary Shares of ₹1 each, 35,00,00,000 'A' Ordinary Shares of ₹10 each, 2,50,00,000 Cumulative Redeemable Preference Shares of ₹100 each and 60,00,00,000 Cumulative Convertible Preference Shares of ₹100 each."

RESOLVED FURTHER THAT the Board of Directors and/or any person authorised by the Board, be and is hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Item No. 10 - Change in place of keeping Registers and Records

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

"**RESOLVED THAT** in supersession of all Resolutions passed earlier in this regard and pursuant to Section 94 and other applicable provisions, if any, of the Companies Act, 2013 ('**Act**') (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Management and Administration) Rules, 2014, consent of the Members of the Company be and is hereby accorded to keep the Registers as prescribed under Section 88 of the Act, and copies of all Annual Returns under Section 92 of the Act, together with the copies of certificates and documents required to be annexed thereto or any other documents as may be required, at the Registered Office of the Company and/or at the office of TSR Consultants Private Limited (formerly known as TSR Darashaw Consultants Private Limited), Registrars and Transfer Agents ('**RTA**') of the Company at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai 400083, Maharashtra, India and/or at such other place where the RTA may shift its office within Mumbai from time to time.

RESOLVED FURTHER THAT the Board of Directors and/or any person authorised by the Board, be and is hereby authorized to take all such actions and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this Resolution."

Item No. 11 - Material Related Party Transaction(s) with The Tata Power Company 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 Board of Directors of the 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 enter into, 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 explanatory statement with The Tata Power Company Limited ('**TPCL**'), an associate company of Tata Sons Private Limited (Promoter of Tata Steel Limited) and accordingly a related party of Tata Steel Limited under Regulation 2(1)(zb) of the SEBI Listing Regulations, on such terms and conditions as may be agreed between the Company and TPCL, for an aggregate value of up to ₹2,575 crore to be entered during FY 2022-23, 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 resolution(s), be and are hereby approved, ratified and confirmed in all respects."

Item No. 12 - Material Related Party Transaction(s) with Tata 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 Board of Directors of the 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 enter into, 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 explanatory statement with Tata Limited, a subsidiary company of Tata Sons Private Limited (Promoter of Tata Steel Limited) and accordingly a related party of Tata Steel Limited under Regulation 2(1)(zb) of the SEBI Listing

Regulations, on such terms and conditions as may be agreed between the Company and Tata Limited, for an aggregate value of up to ₹1,100 crore, to be entered during FY 2022-23, 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 resolution(s), be and are hereby approved, ratified and confirmed in all respects."

Item No. 13 - Material Related Party Transaction(s) between T S Global Procurement Company Pte. Ltd., wholly-owned subsidiary of Tata Steel Limited and Tata International Singapore Pte. Ltd., subsidiary of Tata Sons Private Limited

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to Regulation 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('**SEBI Listing Regulations**'), as amended 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 explanatory statement, proposed to be entered into between two related parties (in terms of Regulation 2(1)(zb) of the SEBI Listing Regulations) of Tata Steel Limited i.e. T S Global Procurement Company Pte. Ltd. ('**TSGPL**'), an indirect wholly-owned subsidiary of Tata Steel Limited and Tata International Singapore Pte. Ltd. ('**TISPL**'), a wholly-owned subsidiary of Tata International Limited, which is a subsidiary of Tata Sons Private Limited (Promoter of Tata Steel Limited), on such terms and conditions as may be agreed between TSGPL and TISPL, for an aggregate value of up to ₹3,150 crore, during FY 2022-23, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of TSGPL and TISPL."

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 13 forms part of this Notice. Additional information, pursuant to Regulation 36(3) and 36(5) 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 re-appointment at this Annual General Meeting ('**Meeting**' or '**AGM**') is furnished as an Annexure to the Notice.

(b) In view of the ongoing COVID-19 pandemic and pursuant to 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, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 21/2021 dated December 14, 2021 and all other relevant circulars issued by the Ministry of Corporate Affairs (collectively referred to as '**MCA Circulars**'), the Company is convening the 115th AGM through Video Conferencing ('**VC**') or Other Audio-Visual Means ('**OAVM**'), without the physical presence of the Members. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at Bombay House, 24, Homi Mody Street, Fort, Mumbai – 400 001, which shall be deemed venue of the AGM.

(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 and 15 minutes after 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

(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, the Member whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote at the meeting.

(h) In accordance with the aforesaid MCA Circulars, the Notice of the AGM along with the Integrated Report & Annual Accounts 2021-22 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 2021-22 to those Members who request the same at cosec@tatasteel.com mentioning their Folio No./DP ID and Client ID. The Notice convening the 115th AGM along with the Integrated Report & Annual Accounts 2021-22 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 (for both, fully paid-up and partly paid-up Ordinary (equity) Shares) will be closed from **Friday, June 17, 2022 to Tuesday, June 28, 2022 (both days inclusive)** for the purpose of payment of dividend and AGM for FY 2021-22.

The dividend of ₹51/- per fully paid-up Ordinary (equity) Share of ₹10/- each (510%) and ₹12.75 per partly paid-up Ordinary (equity) Share of ₹10/- each (paid-up ₹2.504 per share) (510%), in respect of the outstanding partly paid-up Ordinary (equity) Shares of the Company on which call money remains unpaid as on the date of book closure, if approved by the Members at the AGM, will be paid subject to deduction of income-tax at source ('**TDS**') on and from **Saturday, July 2, 2022** 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 close of business hours of **Thursday, June 16, 2022**.
- **In respect of Ordinary Shares held in electronic form:** To all beneficial owners of the shares, as of end of day on **Thursday, June 16, 2022**, as per details furnished by the Depositories for this purpose.

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 prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and the amendments thereof. In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential status, PAN, Category with their depository participants ('**DPs**') or in case shares are held in physical form, with the Company/Registrars and Transfer Agents by sending documents through e-mail on or before **Friday, June 10, 2022**. For the detailed process, please click here: 'Communication on Tax Deduction on Dividend'.

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, (formerly TSR Darashaw Consultants Private Limited) at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai -400 083, latest by **Friday, June 10, 2022:**

a) Form ISR-1 along with supporting documents. 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/home-KYC.html

b) Cancelled cheque in original, 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

c) Self-attested copy of the PAN Card of all the holders; and

d) Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the first holder 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 acede 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 **Friday, June 10, 2022**.

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.

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.

(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 nomination 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) The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 in Form ISR-1. The Form ISR-1 is also available on the website of the Company at https://www.tatasteel.com/investors/investor-information/forms/ Attention of the Members holding shares of the Company in physical form is invited to go through and submit the said Form ISR–1.

(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. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. 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.

(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 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 2021-22 in respect of unclaimed dividends and transfer of dividends/shares to the IEPF.

(n) Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, 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 prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021. Further, Members may note that SEBI has mandated the submission of PAN by every participant in 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 Depository Participant 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 explanatory 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

PROCESS FOR REGISTERING E-MAIL ADDRESS:

i. One-time registration of e-mail address with RTA for receiving the Integrated Report & Annual Accounts 2021-22 and to cast votes electronically: The Company has made special arrangements with RTA for registration of e-mail address of those Members (holding shares either in electronic or physical form) who wish to receive the Integrated Report & Annual Accounts for FY 2021-22 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 Tuesday, June 21, 2022.

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

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.

After successful submission of the e-mail address, NSDL will e-mail a copy of this AGM Notice and Integrated Report & Annual Accounts FY 2021-22 along with the e-Voting user ID and password. 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 writing to them at csg-unit@tcplindia.co.in 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 Tuesday, June 21, 2022 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. Tuesday, June 21, 2022**, 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.

   In case of Individual Shareholder holding securities in dematerialized mode and 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 **Friday, June 24, 2022 at 9.00 a.m. (IST) and ends on Monday, June 27, 2022 at 5.00 p.m. (IST)**. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members shall be in proportion to their share of the paid-up Ordinary (equity) Share Capital of the Company as on the **cut-off date i.e. Tuesday, June 21, 2022**.

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 General Meeting' menu against Company name. 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 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 email address at cosec@tatasteel.com before 3.00 p.m. (IST) on Tuesday, June 21, 2022.

3. 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 email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at cosec@tatasteel.com between June 22, 2022 (9:00 a.m. IST) to June 24, 2022 (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.

4. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/1800 1020 990/1800 224 430 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 & e-voting during the meeting.
	If you are not registered, 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 & e-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. App Store Google Play

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in 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 provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
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 or joining virtual meeting and e-voting during the meeting.

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 call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 022- 23058738 or 022-23058542-43

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 119813 for fully paid-up Ordinary (equity) shares then user ID is S1******** and, If, EVEN is 119814 for partly paid-up Ordinary (equity) shares then user ID is PV********

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 of fully paid-up Ordinary (equity) Shares–119813 and in case of partly paid-up Ordinary (equity) Shares–119814, 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 General 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.

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 the AGM and 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 the toll-free number: 1800 1020 990/1800 224 430 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 IDs: amitv@nsdl.co.in or pallavid@nsdl.co.in

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 Messrs Parikh & Associates, Practising Company Secretaries, as the Scrutinizer to scrutinise 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 48 hours of conclusion of the AGM, a consolidated Scrutinizer'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
May 3, 2022

Registered Office:
Bombay House, 24, Homi Mody Street,
Fort, Mumbai - 400 001
Tel: +91 22 6665 8282
CIN: L27100MH1907PLC000260
Website: www.tatasteel.com
Email: 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 13 mentioned in the accompanying Notice.

Item No. 5

At the 110th AGM of the Company held on August 8, 2017, the shareholders had approved the appointment of Messrs Price Waterhouse & Co Chartered Accountants LLP, Chartered Accountants ('**PW**') having Firm Registration No. 304026E/ E300009), as Statutory Auditors of the Company, to hold office till the conclusion of the 115th AGM of the Company to be held in the year 2022.

Considering PW's performance as auditors of the Company during their present tenure, the Audit Committee of the Company, after due deliberations and discussions, recommended to the Board re-appointment of PW as statutory auditors of the Company for a second term of 5 (five) years to hold office from the conclusion of 115th AGM till the conclusion of the 120th AGM of the Company to be held in the year 2027.

Based on recommendations of the Audit Committee, the Board of Directors at their meeting held on May 3, 2022, approved the re-appointment of PW, as the Statutory Auditors of the Company for a second term of 5 (five) years i.e. from the conclusion of 115th AGM till the conclusion of 120th AGM to be held in the year 2027. The re-appointment is subject to approval of the shareholders of the Company.

The Audit Committee and the Board of Directors considered the following factors in recommending the re-appointment of PW as the Statutory Auditors of the Company:

- Performance of PW as Statutory Auditors of the Company during their present tenure;
- Experience of the firm in handling audits of large global metals and mining corporations;
- Competence of the leadership and of the audit team of the firm in conducting the audit of the financial statements of the Company;
- Ability of the firm to seamlessly scale and understand the Company's operations, systems and processes; and
- Geographical presence and ability of the firm in servicing the Company and its subsidiaries at multiple locations.

PW has consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The proposed remuneration to be paid to PW, for FY 2022-23 is ₹10 crore (Rupees Ten crore) (plus applicable taxes and reimbursement of out-of-pocket expenses). The Audit Committee and the Board is of the view that ₹10 crore (Ruppes ten crore) is reasonable audit fee considering the size and scale of Tata Steel, particularly post the amalgamation of Bamnipal Steel Limited and Tata Steel BSL Limited into and with Tata Steel Limited vide Order of the Hon'ble National Company Law Tribunal, Mumbai Bench dated October 29, 2021 sanctioning the Composite Scheme.

The remuneration to be paid to Statutory Auditors for the remaining term i.e. from FY 2023-24 through FY 2026-27 (till the conclusion of the 120th AGM of the Company to be held in the year 2027), shall be mutually agreed between the Board of Directors and the Statutory Auditors, from time to time.

None of the Director(s) and Key Managerial Personnel of the Company 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 the approval of the Members.

Item No. 6:

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 3, 2022 considered the appointment of Messrs Shome & Banerjee, Cost Accountants (Firm Registration Number – 000001) as the Cost Auditors of the Company for FY 2022-23. 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 for FY 2022-23.

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. Further, the Audit Committee took note of the enhanced scope of work of Cost Auditors for FY 2022 -23 in light of the amalgamation of Bamnipal Steel Limited and Tata Steel BSL Limited into and with Tata Steel Limited. The Committee also noted that, the cost audit for FY 2022 - 23 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.

Accordingly, the Audit Committee recommended to the Board, the appointment of Messrs Shome & Banerjee, Cost Accountants (Firm Registration Number – 000001) as the Cost Auditors of the Company for FY 2022-23 at an enhanced remuneration of ₹30 lakh (Rupees thirty lakh) (plus applicable taxes and reimbursement of out-of-pocket expenses) as against the remuneration of ₹20 lakh (Rupees twenty lakh) (plus applicable taxes and reimbursement of out-of-pocket expenses) paid for FY 2021-22.

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 the FY 2022-23. The Board, also on the recommendations of the Audit Committee approved the remuneration of ₹30 lakh (Rupees thirty lakh) (excluding applicable taxes and reimbursement of out-of-pocket expenses) payable to Cost Auditors for FY 2022-23.

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. 6 of the Notice for ratification of the remuneration payable to the Cost Auditor of the Company for the Financial Year ending March 31, 2023.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the Resolution mentioned at Item No. 6 of the Notice.

The Board recommends the Resolution set forth in Item No. 6 for the approval of the Members.

Item Nos. 7, 8 and 9:

The Ordinary (equity) Shares of the Company are listed and traded on the National Stock Exchange of India Limited and BSE Limited. The Company's strong performance and faith of the investors has led to significant increase in the market price of its Ordinary (equity) Shares. In order to provide enhanced liquidity in the capital market through widening shareholder base and to make it more affordable for small investors, it is proposed to sub-divide, 1 (One) fully paid-up Ordinary (equity) Share and 1 (One) partly paid-up Ordinary (equity) Share of face value ₹10/- each into 10 (Ten) fully paid-up Ordinary (equity) Shares and 10 (Ten) partly paid-up Ordinary (equity) Shares, respectively, of face value of ₹1/- each pursuant to the provisions of Section 61(1)(d) of the Act, the rules made thereunder and other applicable provisions.

The Record Date for the aforesaid sub-division of Ordinary (equity) Shares shall be fixed by the Board (including any Committee thereof) after the approval of the Members is obtained for the proposed sub-division.

In the opinion of the Board, proposed sub-division of the Ordinary (equity) Shares is in the best interest of the Company and the investors and therefore the Board at its meeting held on May 3, 2022, approved the aforesaid sub-division subject to requisite approval of the shareholders. The proposed sub-division of fully paid-up Ordinary (equity) Shares and partly paid-up Ordinary (equity) Shares will not result in any change in the amount of Authorized, Issued, Subscribed and Paid-up Ordinary (equity) Share Capital of the Company.

The Pre and post Ordinary (equity) Share Capital of the Company will be as under:

Share Capital	PRE SUB - DIVISION		POST SUB - DIVISION	
	No. of shares	Amount (₹ In crore)	No. of shares	Amount (₹ In crore)
AUTHORIZED	175,00,00,000 Ordinary Shares of ₹10 each	1,750.00	1750,00,00,000 Ordinary Shares of ₹1 each	1,750.00
	*35,00,00,000 'A' Ordinary Shares of ₹10 each	350.00	*35,00,00,000 'A' Ordinary Shares of ₹10 each	350.00
	*2,50,00,000 Cumulative Redeemable Preference Shares of ₹100 each	250.00	*2,50,00,000 Cumulative Redeemable Preference Shares of ₹100 each	250.00
	*60,00,00,000 Cumulative Convertible Preference Shares of ₹100 each	6,000.00	*60,00,00,000 Cumulative Convertible Preference Shares of ₹100 each	6,000.00
ISSUED	122,32,18,367 fully paid-up Ordinary Shares of ₹10 each	1,223.22	1223,21,83,670 fully paid-up Ordinary Shares of ₹1 each	1,223.22
	2,23, 288 partly paid-up Ordinary Shares of ₹10 each (₹2.504) paid-up	0.22	22,32,880 partly paid-up Ordinary Shares of ₹1 each (₹0.25) paid-up	0.22
SUBSCRIBED & PAID-UP	122,21,22,042 fully paid-up Ordinary Shares of ₹10 each	1,222.12	1222,12,20,420 fully paid-up Ordinary Shares of ₹1 each	1,222.12
	2,23,288 partly paid-up Ordinary Shares of ₹10 each (₹2.504) paid-up	0.05	22,32,880 partly paid-up Ordinary Shares of ₹1 each (₹0.25) paid-up	0.05

*'A' Ordinary Shares and Preference Shares included within authorized share capital are for disclosure purposes and have not yet been issued.

The sub-division of Ordinary (equity) Shares proposed under Item No. 7 of this Notice shall also require consequential amendments to the existing Clause 5 (Capital Clause) of the Memorandum of Association of the Company and Article

4 (Amount of Capital) of the Articles of Association of the Company as set out in Item nos. 8 and 9, respectively, of this Notice to reflect change in the face value of Ordinary (equity) Shares of the Company.

Accordingly, the consent of the Members is sought for passing of: (a) Ordinary Resolution for sub-division of Ordinary (equity) Shares as mentioned at Item No.7; (b) Special Resolution for carrying out amendments to the Memorandum of Association of the Company as mentioned at Item No. 8; and (c) Special Resolution for carrying out amendments to the Articles of Association of the Company as mentioned at Item No. 9.

A draft copy of the modified Memorandum of Association and Articles of Association 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.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the Resolution mentioned at Item Nos. 7, 8 and 9 of the Notice.

The Board recommends the Resolutions set forth in Item Nos. 7, 8 and 9 for the approval of the Members.

Item No. 10

In accordance with Section 94 and other provisions of the Act, read with the Companies (Management and Administration) Rules, 2014, certain documents such as the Registers and Indexes of Members and Debenture holders and certain other registers, certificates, documents etc. ('**Registers and Records**'), are required to be kept at the Registered Office of the Company. However, these Registers and Records can be kept at any other place in India in which more than one-tenth of the total members entered in the register of members reside, if approved by a Special Resolution passed at a general meeting of the Company.

Similar provisions existed under Section 163 and other provisions of the erstwhile Companies Act, 1956 regarding keeping of Registers and Records at the Registered Office of the Company. Accordingly, at the 100th AGM of the Company held on August 29, 2007, the Members of the Company, by way of a Special Resolution, approved keeping of the requisite Registers and Records in accordance with the requirements of the erstwhile Companies Act, 1956, at the Registered Office of the Company and/or at the offices of TSR Darashaw Limited ('**TSRDL**'), the Registrars and Share Transfer Agents ('**RTA**') of the Company at 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E Moses Road, Mahalaxmi, Mumbai 400 011 and/or Pooja Apartments, Ground Floor, Near Vitrum Glass Factory, LBS Road, Vikhroli (W), Mumbai 400 079.

The registry business of TSRDL has been demerged into a new entity Messrs TSR Consultants Private Limited (formerly known as TSR Darashaw Consultants Private Limited) ('**TSR**') and TSR has shifted its registered and operating office situated at Mahalaxmi, Mumbai, to C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai 400083, Maharashtra, India. Owing to the shifting of the Registered Office of TSR, the approval of the Members is sought by a Special Resolution for keeping of the Registers and Records at the Registered Office of the Company and/or at the office of RTA situated at Vikhroli, Mumbai and/or at any such other place where the RTA may shift its office from time to time.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the Resolution mentioned at Item No. 10 of the Notice.

The Board recommends the Resolution set forth in Item No. 10 for the approval of the Members.

Context for Item Nos. 11 to 13:

Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('**SEBI Listing Regulations**'), as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, states that all Material Related Party Transaction ('**RPT**') with an aggregate value exceeding ₹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, shall require 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 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, regardless of whether a price is charged or not.

It is in the above context that Resolutions Nos. 11 to 13 are placed for the approval of the Shareholders of the Company.

Item No. 11:

Background, details and benefits of the transaction

The Tata Power Company Limited ('**TPCL**') is a listed associate company of Tata Sons Private Limited (Promoter of Tata Steel Limited) and consequently a related party of Tata Steel Limited. TPCL is one of India's largest integrated power companies, present across the entire power value chain of conventional & renewable energy, power services, and next-generation customer solutions including solar rooftop, EV charging stations, and home automation.

Tata Steel requires power for its manufacturing facilities at various locations. TPCL is in the business of generation and distribution of power hence Tata Steel purchases power from TPCL. TPCL requires coal by-products, gas & utilities for its power generating units. Tata Steel generates coal by-products and gas

& utilities which can be supplied to TPCL for power generation. Tata Steel also proposes to avail tolling services from TPCL whereby coal will be supplied by Tata Steel for conversion into power. As part of business operations, both the companies also enter into other business transactions such as medical, training, consultancy, leasing of premises and other services in the area where Tata Steel/TPCL has the requisite expertise.

Tata Steel and TPCL being part of the Tata Group, these transactions not only help smoothen business operations for both the companies, but also ensure consistent flow of desired quality and quantity of material and services without interruptions and generation of revenue and business for both the companies to cater to their business requirements. Further, as power generating units of TPCL are in close proximity to Tata Steel plants in Jharkhand and Odisha this reduces power cost for both the companies.

The Management has provided the Audit Committee with the relevant details, as required under law, 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 TPCL for an aggregate value of up to ₹ 2,575 crore to be entered during FY 2022-23. The Audit Committee has noted that the said transactions will be on an arms' length basis and in the ordinary course of business of the Company.

Accordingly, basis the review and approval of the Audit Committee, the Board of Directors recommend the resolution contained in Item No. 11 of the accompanying Notice to the shareholders for approval.

Details of the proposed transactions with TPCL, being a related party of the Company, are as follows:

Information pursuant to SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021

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)	The Tata Power Company Limited ('**TPCL**') is a listed associate company of Tata Sons Private Limited (Promoter of Tata Steel Limited) and consequently a related party of Tata Steel Limited. The Company, being a part of the Promoter Group of TPCL, holds 3,91,22,725 equity shares (1.22%) of TPCL as on date of this Notice.
b.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. N. Chandrasekaran, Chairman of the Company is also the Chairman of TPCL. Further, Mr. Saurabh Agrawal, Non-Executive Director of the Company is also a Non-Executive Director of TPCL as on date of this Notice.
c.	Nature, material terms, monetary value and particulars of contracts or arrangement	The transaction involves Purchase of goods (including power, stores, spares, export benefit license etc.), Sale of goods (including coal by-products, steel products, power, gas, utilities, stores, spares, consumables etc.), Rendering of service (including medical, consultancy, rental etc.), Receipt of service and other transactions for business purpose from/to TPCL during FY 2022-23, aggregating up to ₹2,575 crore.
d.	Value of Transaction	Up to ₹2,575 Crore
e.	Percentage of annual consolidated turnover considering FY 2021-22 as the immediately preceding financial year	1.06%
2.	Justification for the transaction	Please refer to "**Background, details and benefits of the transaction**" which forms part of the explanatory statement to the Item No. 11.
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	Not Applicable
	(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	

SN.	Description	Details
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 email 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. 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. 11.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the Resolution mentioned at Item No. 11 of the Notice.

The Board recommends the Resolution set forth at Item No. 11 for the approval of the Members.

Item No. 12:

Background, details and benefits of the transaction

Tata Limited is a foreign subsidiary company of Tata Sons Private Limited (Promoter of Tata Steel Limited) and consequently a related party of Tata Steel Limited. Tata Limited is based in United Kingdom and is engaged in the business of providing support services to businesses in areas of materials, services, energy, consumer products, chemical sectors etc.

Tata Steel requires various raw materials, stores, spares, capital goods for its manufacturing process and business operations. Tata Limited renders procurement related services to various companies. Tata Steel has appointed Tata Limited as its buying agent for procurement of raw materials, stores, spares and capital goods. Tata Steel reimburses cost incurred by Tata Limited on behalf of Tata Steel for supplying the goods and pays agency commission for their services.

Tata Steel enters into transaction with Tata Limited for purchasing of required goods for business operations, from time to time. Both Tata Steel and Tata Limited being part of the Tata Group, these transactions not only help smoothen business operations for both the companies, but also ensures consistent flow of desired quality and quantity of material and services without interruptions and generation of revenue and business for both the companies to cater to their business requirements.

The Management has provided the Audit Committee with the relevant details, as required under law, 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 Tata Limited for an aggregate value of up to ₹1,100 crore to be entered during FY 2022-23. The Audit Committee has noted that the said transactions will be on an arms' length basis and in the ordinary course of business of the Company.

Accordingly, basis the review and approval of the Audit Committee, the Board of Directors recommend the resolution contained in Item No. 12 of the accompanying Notice to the shareholders for approval.

Details of the proposed transactions with Tata Limited, being a related party of the Company, are as follows:

Information pursuant to SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021

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 Limited is a foreign subsidiary company of Tata Sons Private Limited (Promoter of Tata Steel Limited) and consequently a related party of Tata Steel Limited. Tata Steel does not holds any stake in Tata Limited as on date of this Notice.
b.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. N. Chandrasekaran, Chairman of the Company is also Chairman of Tata Limited as on date of this Notice.
c.	Nature, material terms, monetary value and particulars of contracts or arrangement	The transaction involves Purchase of Goods (including stores, spares, consumables etc.) and other transactions for business purpose from Tata Limited during FY 2022-23, aggregating up to ₹1,100 crore.
d.	Value of Transaction	Up to ₹1,100 crore
e.	Percentage of annual consolidated turnover considering FY 2021-22 as the immediately preceding financial year	0.45%
2.	Justification for the transaction	Please refer to "**Background, details and benefits of the transaction**" which forms part of the explanatory statement to the Item No. 12.
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	Not Applicable
	(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 email 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. 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. 12.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the Resolution mentioned at Item No. 12 of the Notice.

The Board recommends the Resolution set forth at Item No. 12 for the approval of the Members.

Item No. 13:

Background, details and benefits of the transaction

T S Global Procurement Company Pte. Ltd. ('**TSGPL**') is an indirect wholly-owned foreign subsidiary of Tata Steel Limited. Tata International Singapore Pte. Limited ('**TISPL**') is a wholly-owned subsidiary of Tata International Limited, which is a subsidiary of Tata Sons Private Limited (Promoter of Tata Steel Limited) and consequently a related party of Tata Steel Limited. Both TISPL and TSGPL are engaged in the business of trading in raw materials such as coal, iron ore etc. Based on market scenario, both these companies purchase/sell raw materials amongst themselves, from time to time.

To bring greater efficiency, synergies of centralisation, cost reduction and simplification, TSGPL procures raw materials (such as coal, iron ore etc.) from TISPL for further supply to Tata Steel and its group companies. Based on requirement, TSGPL also sells raw material to TISPL.

The proposed transaction value for FY 2022-23 is up to ₹3,150 crore. The transaction is at arm's length and in the ordinary course of business of the respective companies.

The Management has provided the Audit Committee with the relevant details, as required under law, 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 between TSGPL and TISPL for an aggregate value of up to ₹3,150 crore to be entered during FY 2022-23. The Audit Committee has noted that the said transactions will be on an arms' length basis and in the ordinary course of business of the Company.

Accordingly, basis the review and approval of the Audit Committee, the Board of Directors recommend the resolution contained in Item No. 13 of the accompanying Notice to the shareholders for approval.

Details of the proposed transactions between TSGPL and TISPL, being related parties of the Company are as follows:

Information pursuant to SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021

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)	T S Global Procurement Company Pte. Ltd. ('**TSGPL**') is an indirect wholly-owned foreign subsidiary of Tata Steel Limited. Tata International Singapore Pte. Limited is a wholly-owned subsidiary of Tata International Limited, which is a subsidiary of Tata Sons Private Limited (Promoter of Tata Steel Limited). Both companies are related parties of Tata Steel Limited as on 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 and Chief Financial Officer of the Company is Chairman of TSGPL. Further, Mr. Noel Naval Tata (Vice-Chairman) of the Company is the Director of Tata International Singapore Pte. Limited.
c.	Nature, material terms, monetary value and particulars of contracts or arrangement	The transaction involves sale of goods (including raw material in form of coal, iron ore etc.) and purchase of goods (including raw materials in form of coal, iron ore etc.) and materials between TSGPL and Tata International Singapore Pte. Limited during FY 2022-23, aggregating up to ₹3,150 crore.
d.	Value of Transaction	Up to ₹3,150 crore
e.	Percentage of annual consolidated turnover of Tata Steel Limited considering FY 2021-22 as the immediately preceding financial year	1.29%
f.	Percentage of annual turnover of TSGPL on standalone basis considering 2021-22 as the immediately preceding financial year	5.24%
2.	Justification for the transaction	Please refer to "**Background, details and benefits of the transaction**" which forms part of the explanatory statement to the Item No. 13.

SN.	Description	Details
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	Not Applicable
	(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 email 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. 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. 13.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the Resolution mentioned at Item No. 13 of the Notice.

The Board recommends the Resolution set forth at Item No. 13 for the approval of the Members.

By Order of the Board of Directors

Sd/-
Parvatheesam Kanchinadham
Company Secretary &
Chief Legal Officer (Corporate & Compliance)
Membership No. ACS: 15921

Mumbai
May 3, 2022

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Tel: +91 22 6665 8282
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Website: www.tatasteel.com
Email: cosec@tatasteel.com

Annexure to the Notice

Details of the Directors seeking re-appointment at the 115th Annual General Meeting

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and SS - 2 - Secretarial Standard on General Meetings]

Mr. Koushik Chatterjee

Executive Director and Chief Financial Officer

Mr. Chatterjee (53) completed his under graduation from University of Calcutta and is a Fellow Member of the Institute of Chartered Accountants of India. Mr. Chatterjee joined Tata Steel in 1995 in Corporate Finance and Planning Group. In 1999, he was transferred to the Group Executive Office (GEO) of Tata Sons the parent company of the Tata Group, where he worked with the Group Finance Director for 5 years till 2004 in the areas of M&A, new ventures and corporate restructuring.

In August 2004, at the age of 36 years, Mr. Chatterjee assumed the role of the Chief Financial Officer of the Company and was designated as the Vice President (Finance).

Mr. Chatterjee was appointed to the Board of Tata Steel in November 2012 as the Whole-Time Director with the responsibility for Finance function globally for Tata Steel.

As the Chief Financial Officer of Tata Steel, he leads the financial stewardship of the company including growth and M&A strategy, financing strategy and balance sheet management, investor relations, enterprise risk management, financial operations control and reporting, taxation, sustainable finance, finance academy and people development. Among his many milestone achievements, he has over the years led the transaction planning, structuring and execution planning for acquisitions and divestments of businesses with transactions value aggregating to more than US $25 billion in India, Europe, Canada, Africa, Thailand, Singapore and Australia. He has led the financing program of the Company for over US $60 billion including refinancing and also financing strategy for organic and inorganic growth. In 2016 and 2017, he led the complex multi-stakeholder negotiations with the consortium of Trade Unions in the UK, the Government of UK, the Pension Regulator and the British Steel Pension Scheme Trustees for structural de-risking and delinking of the £16 billion defined benefit pension scheme from the underlying business to ensure a sustainable future for both the employees and the Company. As part of the de-leveraging strategy in the recent years, more than ₹50,000 crore of net debt reduction has been undertaken and the Company has been rated investment grade based on robust financial fundamentals.

Mr. Chatterjee is on the Board of Tata Steel, Tata Steel Europe and several Tata Steel Group companies including as the Chairman of two publicly listed entities, viz. Tata Metaliks Ltd and Tinplate Company of India. He is also a member of the Board of World Steel Association, Brussels.

He is deeply involved in the issues on Sustainability, ESG and Sustainable Development Goals and also on public policy on sustainable finance and reporting and is currently a member of the following global thought leadership platforms:

- United Nations Global Compact CFO Taskforce on SDGs
- Member of the board of Value Reporting Foundation
- Member of the International Integrated Reporting Council (IIRC) London
- Member of the Task Force on Nature Related Financial Disclosures (TNFD)
- Member of the Task Force on Climate-Related Financial Disclosures (TCFD)
- IIF Washington DC sponsored Taskforce on Scaling Voluntary Carbon Markets
- Member of the Steering Committee on UK Voluntary Carbon Markets Forum, London
- Member of the International Advisory Council of Climate Impact X Singapore
- Member of the Carbon Disclosure Project India Board

Mr. Chatterjee has also been on the Global Preparers Forum, an advisory body of the International Accounting Standards Board, London and has been a member of several B20 Task Forces under the Chairmanship of Turkey, Germany and China on Energy, Climate & Resource efficiency and Responsible business. He has also been a member of several advisory committees of the Securities Exchange Board of India on primary capital markets and Takeover regulations.

Mr. Chatterjee was declared one of India's best CFOs by Business Today Magazine in 2005 and 2006 and by CNBC in 2007 and

2012. In 2009, he was awarded the best Indian Executive by Asia money and in 2015 was recognized as the Most Influential CFO of India by The Chartered Institute of Management Accountants, UK. In 2019, Financial Express, awarded him FE CFO Lifetime Achievement Award. Mr Chatterjee is a frequent public speaker at various conferences in India and abroad on Strategy, Financing, Sustainability and Climate Change, Corporate Governance and Financial Reporting.

Particulars of experience, expertise, attributes or skills that qualify Mr. Chatterjee for Board membership:

Mr. Koushik Chatterjee has valuable experience in managing the issues faced by large and complex corporations as a result of his services at Tata Sons Private Limited and Tata Steel Limited.

Mr. Chatterjee brings to the Board extensive experience in the areas of controllership, financial stewardship, business responsibility (including sustainability), business development (mergers, acquisitions, re-structuring, divestments and turnaround of large organisations), strategies relating to financing and raising of capital, strategic communication, risk management, crisis leadership, public affairs, advocacy, legal, compliance and governance.

Mr. Chatterjee's experience demonstrates his leadership capability, general business acumen and knowledge of complex financial and operational issues that large corporations face.

By virtue of his background and experience Mr. Chatterjee has an extraordinarily broad and deep knowledge of the steel industry. His experiences will enable him to provide the Board with valuable insights on a broad range of business, social and governance issues that are relevant to the Company.

Terms and conditions of re-appointment:

Mr. Chatterjee has been appointed as Executive Director and Chief Financial Officer for a period of 5 years, i.e from November 9, 2017 to November 8, 2022 and is liable to retire by rotation.

Board Meeting Attendance and Remuneration:

During FY 2021-22, Mr. Chatterjee attended all six Board Meetings that were held.

Mr. Chatterjee, being an Executive Director was not paid any sitting fees for attending the meetings of the Board/ Committees. Details of total compensation (salary & commission) for FY 2021-22 of Mr. Chatterjee are given 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. Koushik Chatterjee, other Members of the Board and Key Managerial Personnel of the Company.

Shareholding in the Company:

Mr. Chatterjee holds 1,636 Fully paid-up Equity Shares of the Company.

Bodies Corporate (other than Tata Steel Limited) in which Mr. Koushik Chatterjee holds Directorships and Committee positions:

Directorships

1. Tata Metaliks Limited
2. The Tinplate Company of India Ltd
3. Tata Steel Long Products Ltd
4. TRF Limited
5. Tata Steel Foundation (Section 8 Company)
6. Tata Steel Europe Limited
7. TS Global Procurement Co. Pte. Ltd.
8. Tata Steel UK Limited

Chairperson of Board Committees:

NIL

Member of Board Committees:

The Tinplate Company of India Ltd

Nomination & Remuneration Committee

Tata Metaliks Limited

Nomination & Remuneration Committee

Tata Steel Long Products Ltd

Audit Committee

Executive Committee of Board

TRF Limited

Audit Committee

Corporate Social Responsibility Committee

Tata Steel Europe Limited

Audit Committee

Board Pension Committee

Listed Entities from which Mr. Koushik Chatterjee has resigned as Director in past 3 years: NIL

TATA STEEL

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