

# TATA STEEL LIMITED

**Corporate Identification No. (CIN):** L27100MH1907PLC000260

**Registered Office:** Bombay House, 24, Homi Mody Street, Fort, Mumbai 400 001

**Tel:** +91 22 6665 8282 **E-mail:** [cosec@tatasteel.com](mailto:cosec@tatasteel.com) **Website:** [www.tatasteel.com](http://www.tatasteel.com)

## NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF TATA STEEL LIMITED PURSUANT TO THE ORDER DATED JUNE 14, 2023 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

Meeting Details	
<b>Day</b>	Thursday
<b>Date</b>	August 10, 2023
<b>Time</b>	12:00 Noon (IST)
<b>Mode of Meeting</b>	As per the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench, the Meeting shall be conducted through video conferencing/other audio-visual means.
<b>Cut-off date for sending notice to eligible shareholders</b>	Friday, June 30, 2023
<b>Cut-off date for e-voting</b>	Thursday, August 3, 2023
<b>Remote e-voting start date and time</b>	Sunday, August 6, 2023 at 9:00 a.m. (IST)
<b>Remote e-voting end date and time</b>	Wednesday, August 9, 2023 at 5:00 p.m. (IST)

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**The Notice of the Meeting, Statement pursuant to Section(s) 102, 230 to 232 and other applicable provisions of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 read with applicable SEBI Circulars and Annexure 1 to Annexure 16 (page nos. 36-220) constitute a single and complete set of documents and should be read in conjunction with each other, as they form an integral part of this document.**



**IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH  
CA (CAA)/137/MB-IV/2023**

Form No. CAA. 2

[Pursuant to Section 230(3) of the Companies Act, 2013 and  
Rule 6 and 7 of the Companies (Compromises, Arrangements and  
Amalgamations) Rules, 2016]

In the matter of Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;

And

In the matter of Scheme of Amalgamation amongst Tata Steel Limited ('**Transferee Company**' or '**Company**') and Tata Metaliks Limited ('**Transferor Company**') and their respective shareholders.

Tata Steel Limited (CIN: L27100MH1907PLC000260), a company incorporated under the Indian Companies Act, 1882 and a public limited company within the meaning of Companies Act, 2013 and having its Registered Office at Bombay House, 24, Homi Mody Street, Fort, Mumbai – 400 001.

..... **Transferee Company**

**NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF TATA STEEL LIMITED**

**To,  
The Equity Shareholders of  
Tata Steel Limited**

Notice is hereby given that, by an Order dated June 14, 2023 in the Company Scheme Application No. CA (CAA)/137/MB-IV/2023 ('**Order**'), the Hon'ble National Company Law Tribunal, Mumbai Bench ('**Hon'ble Tribunal**' or '**NCLT**') has directed, *inter alia*, that a meeting of the Equity Shareholders of the Transferee Company be convened and held on Thursday, August 10, 2023 through video-conferencing or other audio-visual means ('**VC/OAVM**') ('**Meeting**') to consider and if thought fit, to approve, with or without modification(s), the Scheme of Amalgamation amongst Tata Steel Limited and Tata Metaliks Limited and their respective shareholders ('**Scheme**'). Pursuant to the Order of the NCLT as directed therein, the Meeting of the Equity Shareholders of the Company will be held through VC/OAVM on **Thursday, August 10, 2023 at 12:00 Noon (IST)** in compliance with the provisions of the Companies Act, 2013 ('**Act**') read with the applicable general circulars issued by the Ministry of Corporate Affairs, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('**SEBI Listing Regulations**'), other applicable SEBI Circulars and Secretarial Standard on General Meetings as issued by the Institute of Company Secretaries of India ('**SS-2**').

The Scheme, if approved by the requisite majority of Equity Shareholders of the Company as per Section 230(6) of the Act read with SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ('**SEBI Scheme Circular**') and applicable SEBI Circulars, if any, will be subject to subsequent approval of the Hon'ble Tribunal and such other approvals, permissions and sanctions from any other regulatory or statutory authority(ies) as may be deemed necessary.

In compliance with the provisions of the Order of NCLT and Section 108, and other applicable provisions of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, Regulation 44 and other applicable provisions of the SEBI Listing Regulations read with SEBI Scheme Circular and other applicable SEBI circulars, SS-2, and in accordance with the requirements prescribed by the Ministry of Corporate Affairs ('**MCA**') for holding general meetings through e-voting vide General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23,

2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022 and 11/2022 dated December 28, 2022 (collectively the '**MCA Circulars**'). The Company has provided the facility of remote e-voting prior to the Meeting as well as e-voting during the Meeting, using the services of National Securities Depository Limited ('**NSDL**') so as to enable the equity shareholders to consider and if thought fit, approve, with or without modification(s), the Scheme by way of approval of the Resolution mentioned below. The equity shareholders may refer the 'Notes' to this Notice for further details on remote e-voting prior to the Meeting as well as e-voting during the Meeting.

As per the directions of the Hon'ble Tribunal, the Board of Directors ('**Board**') of the Transferee Company has appointed Mr. N. Chandrasekaran, Non-Executive Chairman of the Board or failing him, Mr. Deepak Kapoor, Independent Director of the Company or failing him, Mr. Vijay Kumar Sharma, Independent Director of the Company, as the Chairperson of the Meeting including for any adjournments thereof. The Hon'ble Tribunal has also appointed Mr. P. N. Parikh (Membership No. FCS 327 and CP No. 1228), or failing him, Ms. Jigyasa N. Ved (Membership No. FCS 6488 and CP No. 6018), or failing her, Mr. Mitesh Dhaliwala (Membership No. FCS 8331 and CP No. 9511) of M/s. Parikh & Associates, Practicing Company Secretaries as Scrutinizer for the Meeting, including any adjournments thereof, to scrutinize the process of remote e-voting prior to the Meeting as well as e-voting during the Meeting, to ensure that it is fair and transparent.

The voting rights of the equity shareholders shall be in proportion to their share(s) of the paid-up equity share capital of the Company as on the closure of business hours on **Thursday, August 3, 2023 ('Cut-Off Date')**. A person whose name is recorded in Register of Members maintained by the Company/Registrar and Transfer Agent ('**RTA**') or in the Register of Beneficial Owners maintained by Depositories as on the Cut-Off date only, shall be entitled to vote on the proposed resolution.

The Statement under Section(s) 102, 230 to 232 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, SEBI Listing Regulations and applicable SEBI circulars, along with a copy of the Scheme and other Annexures to the Statement are enclosed herewith. A copy of this Notice, Statement and the Annexures are available on the website of the Company at [www.tatasteel.com](http://www.tatasteel.com), the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) being the Depository appointed by the Company to provide remote e-voting/e-voting and other facilities for the Meeting, the website of the Stock Exchanges where the equity shares of the Company are listed, i.e., BSE Limited and the National Stock Exchange of India Limited viz. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in). A copy of the Notice together with the accompanying documents can be obtained free of charge on any day (except Saturday, Sunday and public holidays) from the Registered Office of Tata Steel Limited at Bombay House, 24, Homi Mody Street, Fort, Mumbai - 400 001, between Monday, July 10, 2023 and Wednesday, August 9, 2023 from 10:30 a.m. (IST) to 4:00 p.m. (IST). Alternatively, a written request in this regard, along with details of your shareholding in the Company, may be addressed to the Company Secretary at [cosec@tatasteel.com](mailto:cosec@tatasteel.com) and the Company will arrange to send the same to you at your registered address.

The equity shareholders are requested to consider, and if thought fit, pass with or without modification(s), the following Resolution with requisite majority:

**"RESOLVED THAT** in terms of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), applicable circulars and notifications issued by the Ministry of Corporate Affairs, Section 2(1B) of the Income-Tax Act, 1961, the Securities and Exchange Board of India Act, 1992 and the regulations thereunder including Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and other applicable SEBI Circulars, the Observation Letter(s) issued by BSE Limited and the National Stock Exchange of India Limited, respectively, both dated March 31, 2023, the Memorandum of Association and Articles of Association of Tata Steel Limited and subject to the approval of the Hon'ble National Company Law Tribunal, Mumbai bench (hereinafter referred to as '**Hon'ble Tribunal**' / '**NCLT**') and such other approvals, permissions and sanctions of any other regulatory or statutory authority(ies), as may be deemed necessary and subject to such conditions and modifications as may be prescribed or imposed by the Hon'ble Tribunal or any other regulatory or statutory authority(ies), while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the '**Board**', which term shall be deemed to mean and include one or more Committee(s) constituted/to

be constituted by the Board or any other person authorised by the Board to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the proposed Scheme of Amalgamation amongst Tata Steel Limited ('**Transferee Company**' or '**Company**') and Tata Metaliks Limited ('**Transferor Company**') and their respective shareholders ('**Scheme**'), as enclosed with this Notice of the NCLT convened Meeting of the equity shareholders, be and is hereby approved.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem desirable, appropriate or necessary, to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, at any time and for any reason whatsoever, which may be required and/or imposed by the Hon'ble Tribunal or its Appellate Authority(ies) while sanctioning the arrangement embodied in the Scheme or by any statutory/regulatory authority(ies), or as may be required for the purpose of resolving any doubts or difficulties that may arise including passing such accounting entries or making adjustments in the books of accounts of the Company as considered necessary, while giving effect to the Scheme, as the Board may deem fit and proper, without being required to seek any further approval of the shareholders and the shareholders shall be deemed to have given their approval thereto expressly by authority under this Resolution.

**RESOLVED FURTHER THAT** the Board may delegate all or any of its powers herein conferred to any Director(s) and/ or officer(s) of the Company, to give effect to this resolution, if required, as it may in its absolute discretion deem fit, necessary or desirable, without any further approval from shareholders of the Company."

Sd/-

**N. Chandrasekaran**

DIN: 00121863

Chairperson appointed for the Meeting

**Date:** July 6, 2023

**Place:** Mumbai

**Registered Office:**

Bombay House, 24, Homi Mody Street,

Fort, Mumbai – 400 001

**Tel:** +91 22 6665 8282

**E-mail:** [cosec@tatasteel.com](mailto:cosec@tatasteel.com) **Website:** [www.tatasteel.com](http://www.tatasteel.com)

**CIN:** L27100MH1907PLC000260

## NOTES:

1. Pursuant to the directions of the Hon'ble NCLT, Mumbai Bench vide its Order dated June 14, 2023, the Meeting of the equity shareholders of the Transferee Company is being conducted through video conferencing ('VC') / other audio visual means ('OAVM') facility to transact the business set out in the Notice convening this Meeting. The Meeting will be conducted in compliance with the provisions of the Act, SS-2, SEBI Listing Regulations, read with SEBI Scheme Circular and other applicable SEBI Circulars and the requirements prescribed by the Ministry of Corporate Affairs for holding general meetings through VC / OAVM and providing facility of e-voting vide General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022 and 11/2022 dated December 28, 2022 (collectively the 'MCA Circulars'). Accordingly, the meeting of the equity shareholders of the Company will be convened on **Thursday, August 10, 2023, at 12:00 Noon (IST)**, through VC/OAVM, for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme of Amalgamation amongst Tata Steel Limited and Tata Metaliks Limited and their respective shareholders.

The deemed venue for the Meeting shall be the Registered Office of the Transferee Company.

2. The Statement pursuant to Sections 102, 230 to 232 of the Act read with other applicable provisions of the Act, and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, read with SEBI Listing Regulations and other applicable SEBI Circulars in respect of the business set out in the Notice of the Meeting is annexed hereto. Further, additional information as required under the SEBI Scheme Circular and the observation letters of NSE and BSE dated March 31, 2023 are also annexed.
3. As per the directions provided in the Order of the NCLT, and in compliance with the MCA Circulars, the Notice of the Meeting and the accompanying documents mentioned in the Index are being sent only through electronic mode via e-mail to those equity shareholders whose e-mail addresses are registered with the Company/Registrar and Transfer Agent/Depository Participant(s) ('DP')/Depositories as on Friday, June 30, 2023. Physical copy of this Notice along with accompanying documents will be sent to those equity shareholders who request for the same.

The Notice convening the Meeting will be published through advertisement in (i) Business Standard in English language (All India Editions) and (ii) Navshakti in Marathi language (All India Editions and having wide circulation in Maharashtra i.e., the state where the Registered Office of the Company is situated).

4. The equity shareholders may note that the aforesaid documents are also available on the website of the Transferee Company at [www.tatasteel.com](http://www.tatasteel.com) and on the website of the Stock Exchanges where the equity shares of the Transferee Company are listed i.e., BSE Limited and the National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and that of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in)
5. The SEBI Scheme Circular, *inter alia*, provides that approval of Public Shareholders of the Transferee Company to the Scheme shall also be obtained by way of voting through e-voting. Since, the Transferee Company is seeking the approval of its Equity Shareholders (which includes Public Shareholders) to the Scheme by way of voting through e-voting, no separate procedure for voting through e-voting would be required to be carried out by the Transferee Company for seeking the approval to the Scheme by its Public Shareholders in terms of SEBI Scheme Circular. The aforesaid notice sent to the Equity Shareholders (which includes Public Shareholders) of the Transferee Company would be deemed to be the notice sent to the Public Shareholders of the Company. For this purpose, the term "Public" shall have the meaning assigned to it in Rule 2(d) of the Securities Contracts (Regulations) Rules, 1957 and the term "Public Shareholders" shall be construed accordingly. In terms of SEBI Scheme Circular, the Transferee Company has provided the facility of e-voting to its Public Shareholders.
6. Further, in accordance with the SEBI Scheme Circular, the Scheme shall be acted upon only if the number of votes cast by the Public Shareholders in favour of the aforesaid resolution for approval of the Scheme is more than the number of votes cast by the Public Shareholders against it.

7. **ONLY a person, whose name is recorded in the Register of Members maintained by the Transferee Company/ Registrar and Transfer Agent ('RTA') or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-Off Date (i.e., Thursday, August 3, 2023), shall be entitled to exercise his/her/its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an equity shareholder as on the cut-off date should treat the Notice for information purpose only.**
8. The voting rights of the shareholders shall be in proportion to their shareholding in the Company as on the close of business hours on the cut-off date as per the Register of Members furnished by the RTA or Register of Beneficial Owners furnished by NSDL/Central Depository Services (India) Limited ('CDSL') (collectively referred to as 'Depositories').
9. The voting period for remote e-voting (prior to the Meeting) shall commence on and from **Sunday, August 6, 2023, at 9.00 a.m. (IST)** and shall end on **Wednesday, August 9, 2023 at 5.00 p.m. (IST)**. The remote e-voting module shall be disabled by NSDL thereafter. The Company is additionally providing the facility of e-voting at the Meeting.
10. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS MEETING IS BEING HELD THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE AND HENCE THE PROXY FORM, ROUTE MAP AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.**
11. Facility to join the Meeting shall be opened thirty minutes before the scheduled time of the Meeting. The Members will be able to view the live proceedings of the Meeting on the NSDL's e-voting website at <https://www.evoting.nsdl.com>. The facility of participation at the Meeting through VC/OAVM will be made available to Members on a first come first served basis as per MCA Circulars.
12. Pursuant to the provisions of the Act, the Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send legible scan of certified true copy of its Board or governing body Resolution/Power of attorney/Authority letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to attend the Meeting through VC/OAVM on its behalf and vote at the Meeting. The said Resolution/Authorisation self-attested by the person so authorized to attend the meeting, shall be sent to the Transferee Company at [cosec@tatasteel.com](mailto:cosec@tatasteel.com) and to the scrutinizer appointed for the meeting at [tsl.scrutinizer@gmail.com](mailto:tsl.scrutinizer@gmail.com) at least forty eight (48) hours before the Meeting. A copy of the above e-mail should also be marked to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
13. Members attending the Meeting through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act and as per the terms of order of the NCLT. Further, the Order also directs that in case the required quorum for the Meeting is not present at the commencement of the Meeting, then the Meeting shall be adjourned by 30 minutes and thereafter, the persons present shall be deemed to constitute the quorum.
14. In case of joint holders attending the Meeting, 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.
15. It is clarified that casting of votes by remote e-voting (prior to the Meeting) does not disentitle Members from attending the Meeting. However, after exercising right to vote through remote e-voting prior to the Meeting, a Member shall not vote again at the Meeting. In case the shareholders cast their vote via both the modes i.e. remote e-voting prior to the Meeting as well as e-voting during the Meeting, then voting done through remote e-voting before the Meeting shall prevail, whether partially or otherwise. The shareholder shall not be allowed to change it subsequently.

**The shareholders are requested to carefully read all the Notes set out herein and in particular, instructions for joining the Meeting and manner of casting vote through remote e-voting prior to the Meeting or e-voting during the Meeting.**



## 16. Process for Registration of e-mail addresses:

### A. One-time registration of e-mail address with RTA for receiving the Notice and casting votes electronically:

To facilitate Members to receive this Notice electronically, the Company has made special arrangements with its Registrar and Transfer Agent, TSR Consultants Private Limited ('RTA') for registration of e-mail addresses. Eligible Members who have not registered their e-mail addresses with the RTA, are required to provide the same to the RTA, on or before **5.00 pm (IST) on Monday, July 31, 2023**.

### B. 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://tcplinkintime.co.in/EmailReg/Email\\_Register.html](https://tcplinkintime.co.in/EmailReg/Email_Register.html)
- b) Select the name of the Company from drop-down: Tata Steel Limited
- c) Enter details in respective fields such as DP ID and Client ID (if shares held in electronic form) / Folio no. and Certificate no. (if shares held in physical form), Shareholder name, PAN, mobile number and e-mail id
- d) System will send One Time Password ('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 Notice along with the e-Voting user ID and password. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained below i.e. Login method for e-voting for individual shareholders holding securities in demat mode. In case of any queries, Members may write to [csg-unit@tcplindia.co.in](mailto:csg-unit@tcplindia.co.in) or [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

### C. 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 in respect of physical holding, please visit <https://tcplindia.co.in/client-downloads.html> to know more about the registration process. 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.

## 17. Instructions for e-voting and joining the Meeting 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 Meeting. 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 Meeting 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 Thursday, August 3, 2023** may cast their vote by remote e-Voting. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. A person, whose name is recorded in the Register of Members including 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 Meeting as well as e-Voting during the Meeting.

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. Thursday, August 3, 2023** may obtain the User ID and Password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if a person is already registered with NSDL for remote



e-Voting then the Members can use their existing User ID and password for casting the vote. If a member has forgotten his/her/its password, the member can reset the password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call NSDL at 022 - 4886 7000 and 022 - 2499 7000.

In case of Individual Shareholder who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holds shares in demat mode as on the cut-off date may follow the steps mentioned under mentioned under "**Access NSDL e-voting system**" forming part of the 'Notes' to this Notice

3. The remote e-Voting period commences on **Sunday, August 6, 2023 at 9.00 a.m. (IST)** and ends on **Wednesday, August 9, 2023 at 5.00 p.m. (IST)**. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the Cut-Off Date i.e. **Thursday, August 3, 2023** may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date.
4. Members will be provided with the facility for voting through electronic voting system during the VC/OAVM proceedings at the Meeting and Members participating at the Meeting, who have not already cast their vote on the resolution by remote e-Voting will be eligible to exercise their right to vote on such resolution upon announcement by the Chairperson. Members who have cast their vote on resolution(s) by remote e-Voting prior to the Meeting will also be eligible to participate at the Meeting through VC/OAVM but shall not be entitled to cast their vote on such resolution again. The remote e-Voting module on the day of the Meeting shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.

**B. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE MEETING THROUGH VC/OAVM AND REMOTE E-VOTING (BEFORE AND DURING THE MEETING) ARE AS UNDER:**

1. Members will be able to attend the Meeting through VC/OAVM or view the live webcast of Meeting provided by NSDL at <https://www.evoting.nsdl.com> by following the steps mentioned under 'Access NSDL e-Voting system'. After successful login, Member(s) can click on link of 'VC/OAVM' placed under 'Join Meeting' menu against Company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of the Company will be displayed. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID/Password may retrieve the same by following the process as mentioned in paragraph titled "The instructions for remote e-Voting before/during the Meeting" in the Notice to avoid last minute rush.
2. Members are encouraged to submit their questions in advance with respect to the Scheme. 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](mailto:cosec@tatasteel.com) before 3:00 p.m. (IST) on Thursday, August 3, 2023.
3. Members who would like to express their views or ask questions during the Meeting 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](mailto:cosec@tatasteel.com) between Thursday, August 3, 2023 9:00 a.m. (IST) to Sunday, August 6, 2023, 2023 5:00 p.m. (IST). The Company reserves the right to restrict the number of questions and speakers depending on the availability of time for the Meeting. 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 Meeting, can contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/ 022 - 4886 7000 and 022 - 2499 7000 or contact Mr. Sanjeev Yadav, Assistant Manager–NSDL at [sanjeevy@nsdl.co.in](mailto:sanjeevy@nsdl.co.in)

**THE INSTRUCTIONS FOR REMOTE E-VOTING BEFORE/DURING THE MEETING**

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 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.	<p><b>A. NSDL IDeAS facility</b></p> <p>If you are already registered, follow the below steps:</p> <ol style="list-style-type: none"> <li>1. Visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a personal computer or on a mobile.</li> <li>2. Once the home page of e-Services is launched, click on the '<b>Beneficial Owner</b>' icon under '<b>Login</b>' which is available under '<b>IDeAS</b>' section.</li> <li>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.</li> <li>4. Click on '<b>Access to e-voting</b>' appearing on the left-hand side under e-voting services and you will be able to see e-voting page.</li> <li>5. Click on options available against Company name or <b>e-voting service provider – NSDL</b> 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 &amp; voting during the meeting.</li> </ol> <p>If you are not registered, follow the below steps:</p> <ol style="list-style-type: none"> <li>a. Option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>b. Select '<b>Register Online for IDeAS</b>' Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>c. Please follow steps given in points 1-5</li> </ol>

Type of shareholders	Login Method
	<p><b>B. e-voting website of NSDL</b></p> <ol style="list-style-type: none"> <li>1. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a personal computer or on a mobile phone.</li> <li>2. Once the home page of e-voting system is launched, click on the icon ‘<b>Login</b>’ which is available under ‘Shareholder/Member’ section.</li> <li>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.</li> <li>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 <b>e-voting service provider - NSDL</b> 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 &amp; voting during the meeting.</li> </ol> <p><b>C.</b> Shareholders/Members can also download NSDL Mobile App ‘<b>NSDL Speede</b>’ facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; gap: 40px; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; e-mail as recorded in the demat account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	<ol style="list-style-type: none"> <li>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>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.</li> <li>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.</li> </ol>

**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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 22 55 33

**B. Login Method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode**

**How to Log-in to NSDL e-Voting website?**

- 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.
- Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholder / Member' section.
- 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.

- 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 124359 for Ordinary (equity) shares then user ID is 124359 S1*****

- 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](http://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](http://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](mailto: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 Meeting is in active status.
2. Select 'EVEN' of the Company, in case Ordinary (Equity) Shares – 124359 for which you wish to cast your vote during the remote e-Voting period and casting your vote during the Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting"
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
5. Upon confirmation, the message 'Vote cast successfully' will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**The instructions for e-Voting during the Meeting are as under:**

1. The procedure for remote e-Voting during the Meeting 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 Meeting 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 Meeting.

**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](http://www.evoting.nsdl.com) to reset the password.
2. In case of any queries/grievances pertaining to remote e-Voting (before or during the Meeting), 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](http://www.evoting.nsdl.com) or call on 022 - 4886 7000 and 022 - 2499 7000 or send a request at [evoting@nsdl.co.in](mailto: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](mailto:amitv@nsdl.co.in) or [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in)

**Other Instructions:**

- i. The Hon'ble Tribunal 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 Dhaliwala (Membership No. FCS 8331) of M/s Parikh & Associates, Practising Company Secretaries, as the Scrutinizer to scrutinize the remote e-Voting process as well as e-Voting during the Meeting in a fair and transparent manner.
- ii. The Scrutinizer shall immediately after the conclusion of e-voting at the Meeting unblock the votes cast during the Meeting and votes cast prior to the Meeting through remote e-voting and make, not later than 2 working days of conclusion of the Meeting, a consolidated Scrutiniser's Report of the total votes cast in favor or against, if any, to the Chairperson of the Meeting or to any other person so authorized 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](http://www.tatasteel.com), at the Registered Office of the Company and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The Company shall simultaneously communicate the results to BSE Limited and the National Stock Exchange of India Limited, where the equity shares of the Company are listed.

Sd/-

**N. Chandrasekaran**

DIN: 00121863

Chairperson appointed for the Meeting

**Date:** July 6, 2023**Place:** Mumbai**Registered Office:**

Bombay House, 24, Homi Mody Street,

Fort, Mumbai – 400 001

**Tel:** +91 22 6665 8282**E-mail:** [cosec@tatasteel.com](mailto:cosec@tatasteel.com) **Website:** [www.tatasteel.com](http://www.tatasteel.com)**CIN:** L27100MH1907PLC000260



**IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH  
CA (CAA)/137/MB-IV/2023**

In the matter of Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;

And

In the matter of Scheme of Amalgamation amongst Tata Steel Limited ('**Transferee Company**' or '**Company**') and Tata Metaliks Limited ('**Transferor Company**') and their respective shareholders

Tata Steel Limited (CIN: L27100MH1907PLC000260) a company incorporated under the Indian Companies Act, 1882 and a public limited company within the meaning of Companies Act, 2013 and having its Registered Office at Bombay House, 24, Homi Mody Street, Fort, Mumbai – 400 001.

..... **Transferee Company**

**STATEMENT UNDER SECTION(S) 102, 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ('ACT') AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016, SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 READ WITH OTHER APPLICABLE SEBI CIRCULARS, EACH AS AMENDED ACCOMPANYING THE NOTICE OF THE MEETING OF THE EQUITY SHAREHOLDERS OF TATA STEEL LIMITED PURSUANT TO THE ORDER OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, DATED JUNE 14, 2023**

**I. Meeting for the Scheme**

This is a Statement accompanying the Notice convening the meeting of the Equity Shareholders of Tata Steel Limited, as per the directions given by the Hon'ble NCLT vide its Order dated June 14, 2023 passed in the Company Scheme Application No. CA (CAA)/137/MB-IV/2023. The Meeting is scheduled to be held on **Thursday, August 10, 2023 at 12:00 Noon (IST)**, through VC/OAVM for the purpose of considering, and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation amongst Tata Steel Limited ('**Transferee Company**' or '**Company**') and Tata Metaliks Limited ('**Transferor Company**') and their respective shareholders ('**Scheme**').

The Scheme provides for:

- a) all the assets of the Transferor Company, shall become the property of the Transferee Company, by virtue of the amalgamation;
- b) all the liabilities of the Transferor Company, shall become the liabilities of the Transferee Company, by virtue of the amalgamation;
- c) transfer of the authorised share capital of the Transferor Company to the Transferee Company as provided in Part III of the Scheme, and consequential increase in the authorised share capital of the Transferee Company as provided in Part III of the Scheme;
- d) cancellation of all the issued share capital of the Transferor Company which shall be affected as a part of the Scheme and not in accordance with Section 66 of the Companies Act, 2013 and issue of New Shares, as provided in Clause 15.2 of the Scheme, to the Eligible Members (as provided in the Scheme) (other than the Transferee Company) as per the approved valuation report, in accordance with Part II of the Scheme; and
- e) dissolution of the Transferor Company, without being wound up.

Capitalised terms not defined herein and used in the Notice and this Statement shall have the same meaning as ascribed to them in the Scheme.

A copy of the Scheme is enclosed herewith as **Annexure 1**.

## II. Need, Rationale and Benefits of the Scheme of Amalgamation

### Need and Rationale:

The Transferee Company is one of the leading global steel companies, with over 100 (hundred) years of experience in the steel sector and is a pioneer of steel manufacturing in India. The Transferor Company, which is a subsidiary of the Transferee Company, is engaged, *inter alia*, in the business of manufacture and sale of pig iron and ductile iron pipes and its allied accessories in its manufacturing plant located at Kharagpur, West Bengal. The amalgamation will consolidate the business of Transferor Company into and with the Transferee Company which will result in focused growth, operational efficiencies and business synergies. In addition, resulting corporate holding structure will bring agility to the business ecosystem of the merged entities.

The Transferor Company and the Transferee Company believe that the resources of the merged entity can be pooled to unlock the opportunity for creating shareholder value.

The Transferor Company and the Transferee Company envisage being able to share best practices, cross-functional learnings, and utilize each other's facilities in a more efficient manner.

Marketing and distribution network of both entities can be collaborated.

### Benefits and Synergies of business of the Entities involved in the Scheme:

The Scheme would result in the following synergies:

- (a) **Operational integration and better facility utilisation:** The proposed Scheme will provide an opportunity for reduction of operational costs through transfer of intermediary products between Companies, better order loads, synergies from sales and production planning across the business.
- (b) **Operational efficiencies:** Centralized sourcing would result in procurement synergies and reduction in stores/spare through common inventory management. The proposed Scheme would also result in sharing of best practices, cross functional learnings, better utilisation of common facilities and greater efficiencies in debt and cash management.
- (c) **Simplified structure and management efficiency:** In line with group level 5S strategy – simplification, synergy, scale, sustainability, and speed – proposed Scheme will simplify group holding structure, improve agility to enable quicker decision making, eliminate administrative duplications, consequently reducing administrative costs of maintaining separate entities.
- (d) **Faster execution of projects in pipeline:** The growth projects of the Transferor Company will be fast tracked by leveraging Transferee Company's technical expertise and financial resources.
- (e) **Rationalization of logistics cost:** Clubbing of shipments and rationalizing warehouse/stockyard would significantly reduce logistics and distribution costs for the merged entity.
- (f) **Improving customer satisfaction and services:** The proposed Scheme would make it easier to address the needs of customers by providing them uniform product and service experience, on time supplies, and improved service levels thereby improving customer satisfaction. With common credit management, the customers are expected to be benefitted from the channel financing from the combined entity.
- (g) **Sharing of best practices in sustainability, safety, health and environment:** Adoption of improved safety, environment and sustainability practices owing to a centralized committee at combined level to provide focused approach towards safety, environment and sustainability practices resulting in overall improvement. Further, overall technology maturity can be enhanced by the merged entity through unfettered access to each other's information technology applications and systems.

### Cost Benefits of the Scheme

The implementation of the Scheme would involve incurring costs including, administrative cost, statutory dues, cost of advisors, etc. However, the long-term benefits are expected to outweigh costs towards implementation of the Scheme.

### III. Background of the Companies involved in the Scheme of Amalgamation:

#### 1. Tata Steel Limited ('Transferee Company' / 'the Company')

##### a. Particulars

Tata Steel Limited is a listed public company incorporated under the Companies Act, 1882 (and an existing company under the Act) and has its registered office at Bombay House, 24, Homi Mody Street, Fort, Mumbai - 400001, Maharashtra ("Transferee Company"). The Corporate Identification Number of the Transferee Company is L27100MH1907PLC000260 and the PAN number is AAAC2803M. The Transferee Company was incorporated on August 26, 1907.

The Transferee Company is one of the leading global steel companies, with over 100 (hundred) years of experience in the steel sector and is a pioneer of steel manufacturing in India. The Transferee Company is also amongst the lowest cost integrated steel manufacturers in India, with 100% (hundred percent) captive iron ore sources. With its wide portfolio of downstream, value-added and branded products, the Transferee Company caters to customers across all segments through its well-established distribution network. It has operations in India, Europe and South East Asia. Tata Steel Group is one of the prominent geographically diversified steel producers. In addition, it has access to deep end of the markets and customer through its vast sales and distribution network.

The raw material operations of the Transferee Company are located in India, Mozambique, and Canada. Manufacturing facilities are located in India, Thailand, Netherlands, and United Kingdom with cumulative crude steel capacity being 34 (thirty four) million tons per annum. The Transferee Company is structured into several strategic business units aligned to product categories including, flat products, long products, tubes, wires, bearings, ferro-alloys, etc. The Transferee Company has been aiming to increase resilience of the business to steel business cycles by developing knowledge and intellectual property in new materials. Transferee Company has been foraying into areas such as composites, graphene, and advanced ceramics.

The equity shares of the Transferee Company are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") (hereinafter collectively referred as the ("Stock Exchanges"). The global depository receipts of the Transferee Company are listed on the Luxembourg Stock Exchange and the London Stock Exchange. Further, the unsecured redeemable non-convertible debentures of the Transferee Company are listed on the wholesale debt market segments of the BSE.

There has been no change in the name, registered office and objects of the Transferee Company in the last 5 (five) years.

##### b. The extract of the main objects of the Transferee Company as per the Memorandum of Association have been reproduced below for the perusal of the equity shareholder:

- i. *To carry on in India and elsewhere the trades or businesses of ironmasters, steel makers, steel converters, manufacturers of ferro-manganese, colliery proprietors, coke, manufacturers, miners, smelters, engineers, tin plate makers and iron founders, in all their respective branches.*
- ii. *To search for, get, work, raise, make merchantable, sell and deal in iron, coal, ironstone, limestone, manganese, ferro-manganese, magnesite, clay, fire-clay, brick earth, bricks, and other metals, minerals and substances, and to manufacture and sell briquettes and other fuel, and generally to undertake and carry on any business, transaction or operation commonly undertaken or carried on by explorers, prospectors or concessionaires and to search for, win, work, get, calcine, reduce, amalgamate, dress, refine and prepare for the market any quartz and ore and mineral substances, and to buy, sell, manufacture and deal in minerals and mineral products, plant and machinery and other things capable of being used in connection with mining or metallurgical operations or required by the workmen and others employed by the Company.*
- iii. *To carry on the business of a waterworks company in all its branches and to sink wells and shafts, and to make, build and construct, lay down and maintain reservoirs, waterworks, cisterns, culverts, filter beds, mains and other pipes and appliances, and to execute and do all other works and things necessary or convenient for obtaining, storing, selling, delivering, measuring, distributing and dealing, in water.*

- iv. To carry on business as timber merchants, saw-mill proprietors and timber growers, and to buy, sell, grow, prepare for market, manipulate, import, export and deal in timber and wood of all kinds, and to manufacture and deal in articles of all kinds, in the manufacture of which timber or wood is used, and to buy, clear, plant and work, timber estates.
- v. To carry on business as manufacturers of chemicals and manures, distillers, dye makers, gas makers, metallurgists, and mechanical engineers, ship-owners and charterers, and carriers by land and sea, wharfingers, warehousemen, barge-owners, planters, farmers, and sugar merchants, and so far as may be deemed expedient the business of general merchants; and to carry on any other business whether manufacturing or otherwise, which may seem to the Company capable of being conveniently carried on in connection with the above, or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.
- vi. To construct, purchase, take on lease, or otherwise acquire, any railways, tramways, or other ways, and to equip, maintain, work and develop the same by electricity, steam, oil, gas, petroleum, horses, or any other motive power, and to employ the same in the conveyance of passengers, merchandise and goods of every description, and to authorise the Government of India, or any Local Government or any municipal or local authority, company, or persons, to use and work the same or any part thereof, and to lease or sell and dispose of the same or any part thereof.

**c. The capital structure of Transferee Company as on March 31, 2023 (Pre-Scheme Capital) is as below:**

Particulars		( ₹ crore)
<b>Authorized:</b>		
1750,00,00,000	Ordinary Shares of ₹1/- each	1,750.00
35,00,00,000	'A' Ordinary Shares of ₹10/- each <sup>(1)</sup>	350.00
2,50,00,000	Cumulative Redeemable Preference Shares of ₹100/- each <sup>(1)</sup>	250.00
60,00,00,000	Cumulative Convertible Preference Shares of ₹100/- each <sup>(1)</sup>	6,000.00
		<b>8,350.00</b>
<b>Issued:</b>		
1223,44,16,550	Ordinary Shares of ₹1/- each	1,223.44
		<b>1,223.44</b>
<b>Subscribed and Paid-up:</b>		
1222,15,37,000 <sup>(2)</sup>	Ordinary Shares of ₹1/- each fully paid up	1,222.15
	Amount paid up on 38,95,160 Ordinary Shares of ₹1/- each forfeited	0.20
	Amount paid-up on 19,16,300 Ordinary Shares of ₹1/- each (₹0.2504 each paid-up) forfeited	0.05
		<b>1,222.40</b>

<sup>(1)</sup> 'A' Ordinary Shares and Preference Shares included within the authorized share capital are for disclosures purposes and have not yet been issued by the Company as on March 31, 2023.

<sup>(2)</sup> Includes 4,370 equity shares of ₹1/- each, on which first and final call money has been received and the equity shares have been converted to fully paid-up equity shares but, are pending final listing and trading approval under the ISIN INE081A01020 (for fully paid shares), and hence, continue to be listed under the ISIN IN9081A01010 (for partly paid shares) as on March 31, 2023.

Note: Paid-up capital includes 1,16,83,930 Ordinary Shares held by Rujuvalika Investments Limited (a wholly owned subsidiary of Tata Steel Limited w.e.f. May 8, 2015), which do not carry any voting rights.

**The Capital structure of Tranferee Company (Post-Scheme) is as below:**

Particulars		( ₹ crore)
<b>Authorized:</b>		
1750,00,00,000	Ordinary Shares of ₹1/- each	1,750.00
37,50,00,000	Ordinary Shares of ₹10/- each <sup>(2)</sup>	375.00
35,00,00,000	'A' Ordinary Shares of ₹10/- each <sup>(1)</sup>	350.00
2,50,00,000	Cumulative Redeemable Preference Shares of ₹100/- each <sup>(1)</sup>	250.00
60,00,00,000	Cumulative Convertible Preference Shares of ₹100/- each <sup>(1)</sup>	6,000.00
		<b>8,725.00</b>
<b>Issued:</b>		
1233,41,17,789	Ordinary Shares of ₹1/- each	1,233.41
		<b>1,233.41</b>
<b>Subscribed and Paid-up:</b>		
	Ordinary Shares of ₹1/- each fully paid up	1,232.12
1232,12,38,239 <sup>(3)</sup>	Amount paid up on 38,95,160 Ordinary Shares of ₹1/- each forfeited	0.20
	Amount paid-up on 19,16,300 Ordinary Shares of ₹1/- each (₹0.2504 each paid-up) forfeited	0.05
		<b>1,232.37</b>

- (1) 'A' Ordinary Shares and Preference Shares included within the authorized share capital are for disclosures purposes and have not yet been issued by the Company as on March 31, 2023.
- (2) Equity shares of ₹10/- each forming part of the authorized share capital of the Transferor Company has been included within the authorized share capital of the Transferee Company in accordance with the Scheme.
- (3) Includes 4,370 equity shares of ₹1/- each, on which first and final call money has been received and the equity shares have been converted to fully paid-up equity shares but, are pending final listing and trading approval under the ISIN INE081A01020 (for fully paid shares), and hence, continue to be listed under the ISIN IN9081A01010 (for partly paid shares) as on March 31, 2023.

Note: Paid-up capital includes 1,16,83,930 Ordinary Shares held by Rujuvalika Investments Limited (a wholly owned subsidiary of Tata Steel Limited w.e.f. May 8, 2015), which do not carry any voting rights.

- d. Financial details of Tata Steel Limited:** The audited standalone and consolidated financial results of Tata Steel Limited for the financial year ended March 31, 2023 is annexed as **Annexure 2** to this Notice. The audited standalone and consolidated financial statements of Tata Steel Limited for the financial year ended March 31, 2023 is available on its website [www.tatasteel.com](http://www.tatasteel.com) and is available for inspection at the Registered Office.

**e. The details of the Directors and KMPs and Promoter (including promoter group) of Transferee Company as on March 31, 2023 are as follows:**

Details of Promoter and Promoter Group:

SN	Name of Promoter/ Promoter Group	Category	Address
1.	Tata Sons Private Limited	Promoter	Bombay House, 24, Homi Mody Street, Fort, Mumbai – 400 001.
2.	Tata Motors Limited	Promoter Group	
3.	Tata Chemicals Limited		
4.	Tata Industries Limited		
5.	Tata Investment Corporation Limited		Elphinstone Building, 10 Veer Nariman Road, Mumbai – 400 001.
6.	Ewart Investments Limited		3 <sup>rd</sup> floor, One Forbes, No.1, Dr. V.B. Gandhi Marg, Fort, Mumbai – 400 001.
7.	Rujuvalika Investments Limited#		14, 4 <sup>th</sup> Floor, Sir H.C. Dinshaw Building 16, Horniman Circle, Fort, Mumbai 400001.
8.	Tata Motors Finance Limited		11 <sup>th</sup> Floor, Tower 'A' Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013.
9.	Tata Capital Financial Services Limited		3 SIPCOT Industrial Complex Hosur, Tamil Nadu 635126.
10.	Tata Capital Limited		Bombay House, 24, Homi Mody Street, Fort, Mumbai – 400 001.
11.	Titan Company Limited		
12.	Sir Dorabji Tata Trust* Name of Trustees - Mr. R.N. Tata, Mr. Vijay Singh, Mr. Venu Srinivasan, Mr. N.N. Tata, Mr. Mehli Mistry and Mr. Pramit Jhaveri		
13.	Sir Ratan Tata Trust* Name of Trustees - Mr. R.N. Tata, Mr. Vijay Singh, Mr. Venu Srinivasan, Mr. J.N. Tata, Mr. N.N. Tata, Mr. Mehli Mistry and Mr. Jehangir H.C. Jehangir		

#Is a wholly-owned subsidiary of Tata Steel Limited and do not carry any voting rights.

\*Have sold their shareholding in the Transferee Company on June 30, 2018. However they continue to be part of the Promoter Group.

Details of Directors and Key Managerial Personnel ('KMP') of Tata Steel Limited as on March 31, 2023:

SN	Name of the Director/KMP	DIN	Designation	Address
1.	Mr. N. Chandrasekaran	00121863	Chairman, Non-Executive Director	Floor 21 and 22, 33 South Condominium, Peddar Road, Opposite Sterling Apartments, Mumbai - 400 026.
2.	Mr. Noel N. Tata	00024713	Vice Chairman, Non - Executive Director	55 Windmere, 5 <sup>th</sup> Floor, Cuff Parade, Colaba, Mumbai 400 005.



SN	Name of the Director/KMP	DIN	Designation	Address
3.	Mr. O. P. Bhatt*	00548091	Independent Director	Flat No. 3, Seagull, Carmichael Road, Cumballa Hills, Mumbai 400 026.
4.	Mr. Deepak Kapoor	00162957		House No. K-42, NDSE Part-II, New Delhi -110049.
5.	Ms. Farida Khambata	06954123		Flat - 2104, 393 - Lake Terrace - JLT Premise Number 393011275 Dubai, United Arab Emirates 413 967.
6.	Mr. Vijay Kumar Sharma	02449088	Independent Director	Flat No. 8576, Pocket No. 8, Sector C, Vasant Kunj, South West Delhi, Delhi - 110070.
7.	Ms. Bharti Gupta Ramola	00356188		E-2244, Palam Vihar, Gurgaon, Haryana - 122017.
8.	Mr. Saurabh Agrawal	02144558	Non-Executive Director	2103, Artesia Building, Hind Cycle Marg, Worli, Mumbai 400 030.
9.	Mr. T. V. Narendran	03083605	CEO & Managing Director and KMP	No - 5, C - Road, Near Armoury Ground, Northern Town, East Singhbhum, Jamshedpur - 831 001.
10.	Mr. Koushik Chatterjee	00004989	Executive Director & CFO and KMP	Flat No. 1803, Signia Isles, G Block, Bandra Kurla Complex, Next to Sofitel Hotel, Bandra East, Mumbai - 400 051.
11.	Mr. Parvatheesam Kanchinadham	NA	Company Secretary & Chief Legal Officer (Corporate & Compliance) and KMP	Flat No. 502, Anand Smruti, 266 Deodhar road, Matunga, Mumbai - 400 019.

\*Mr. O.P. Bhatt completed his second term as an Independent Director of the Board and consequently ceased to be Member of the Board effective June 9, 2023.

Note: The Transferee Company has inducted Dr. Shekhar C. Mande (DIN: 10083454) as an Additional Director (Non-Executive, Independent) on the Board effective June 1, 2023. His appointment as an Independent Director was approved by the shareholders at the 116<sup>th</sup> Annual General Meeting of the Company held on July 5, 2023.

## 2. Tata Metaliks Limited ('Transferor Company')

### a. Particulars

Tata Metaliks Limited is a listed public company incorporated under the Companies Act, 1956 and has its registered office at Tata Centre, 10<sup>th</sup> Floor, 43, J. L. Nehru Road, Kolkata - 700071. The Corporate Identification Number of the Transferor Company is L27310WB1990PLC050000 and the PAN number is AABCT1389B. The Company's email-id is [tml@tatametaliiks.co.in](mailto:tml@tatametaliiks.co.in)

The Transferor Company was incorporated on October 10, 1990.

The Transferor Company is engaged, *inter alia*, in the business of manufacture and sale of pig iron and ductile iron pipes and its allied accessories in its manufacturing plant located at Kharagpur, West Bengal.

The equity shares of the Transferor Company are listed on the BSE Limited and the National Stock Exchange of India Limited.

There has been no change in the name, registered office and objects of the Transferor Company in last five years.

**b. The extract of the main objects of the Transferor Company as per the Memorandum of Association have been reproduced below for the perusal of the equity shareholder**

- i. To manufacture, produce, buy, sell, exchange, work, alter, improve, import, export and otherwise deal in pig iron and its products, steel and steel billets, metal and metallised products including steel, ferrous and non-ferrous alloys, rolled products both hot rolled and cold rolled, sheet metal (ferrous and non-ferrous) wire, wire mesh, wirecloth and to carry on trade or business of rolling mill and foundries and other metallurgical products.
- ii. To manufacture, assemble, fabricate, sell, buy, exchange, instal, work, alter, improve, import or export and otherwise deal in plant, machinery, wagons, rolling stock, apparatus tools, utensils, substances, materials and chemicals.
- iii. To carry on the business of miners, metallurgists, builders, contractors, engineers, iron founders, manufacturers of implements and machinery, tool makers, brass founders, metalworkers, boiler makers, millwrights, machinists, smiths, wood worker builders, painters, printers and timber merchants.
- iv. To manufacture, produce, buy, sell, trade, exchange, work, alter, improve, import, export and otherwise deal in ductile iron pipes, fittings and their accessories of any diametrical dimensions and its joint and by-products;
- v. To manufacture, produce buy, sell, trade, exchange, work, alter, improve, import, export and otherwise deal in Metaliks such as sponge iron, pig iron and associated products such as granulated slag, coke, coal fractions;
- vi. To carry on the business of iron founders, generally relating to ductile iron fittings and accessories, EPC contractors and water management consultants relating to pipeline projects, development and manufacture of ancillary products through job orders and cement manufacturers from granulated slag;
- vii. To carry on the business of miners for iron ores and coal blocks.

**c. The capital structure of Transferor Company as on March 31, 2023 (Pre-Scheme) is as follows:**

Authorised share capital:		Amount (₹)
37,50,00,000	Equity Shares of ₹10/- each	3,75,00,00,000
<b>Total:</b>		<b>3,75,00,00,000</b>
Issued, Subscribed and Paid-up Share Capital:		Amount (₹)
3,15,77,500	Equity Shares of ₹10/- each, each fully paid up	31,57,75,000
<b>Total:</b>		<b>31,57,75,000</b>

Post the Scheme of Amalgamation, the equity share capital of the Transferor Company will be NIL.

- d. Financial details of Tata Metaliks Limited:** The audited financial results of Tata Metaliks Limited for the financial year ended March 31, 2023 is annexed as **Annexure 3** to this Notice. The Financial Statements of Tata Metaliks Limited for the financial year ended March 31, 2023 is available on the website of the Transferee Company at [www.tatasteel.com](http://www.tatasteel.com) and is available for inspection at the Registered Office of the Transferee Company. The same is also available at the website of Tata Metaliks Limited at [www.tatametaliiks.com](http://www.tatametaliiks.com)

**e. The details of the Directors and KMPs and Promoter (including promoter group) of Transferor Company as on March 31, 2023 are as follows:**

Details of Promoter and Promoter Group:

SN	Name of Promoter/ Promoter Group	Category	Address
1.	Tata Steel Limited	Promoter	Bombay House, 24, Homi Mody Street, Fort, Mumbai – 400 001.

Details of Directors and Key Managerial Personnel ('KMP') of Tata Metaliks Limited as on March 31, 2023:

SN	Name of the Director/KMP	DIN	Designation	Address
1.	Mr. Koushik Chatterjee	00004989	Chairman , Non-Executive Director	Flat No. 1803, Signia Isles, G Block, Bandra Kurla Complex, Next to Sofitel Hotel, Bandra East, Mumbai - 400 051.
2.	Mr. Krishnava Dutt	02792753	Independent Director	2503 Tower E, Vivarea, Anandrwao Nair Marg, Jacob Circle, Mahalaxmi, Mumbai, Mumbai City, Maharashtra – 400011.
3.	Dr. Pingali Venugopal	05166520	Independent Director	50 XLRI Campus, C.H. Area East, PO – Bistupur, Purbi Singhbhum, Jamshedpur – 831001.
4.	Dr. Rupali Basu	01778854		1A, Lee Road, Kolkata-700020.
5.	Mr. Amit Ghosh	00482967		63C, Townshend Road, Kolkata-700025.
6.	Mr. Sanjiv Paul	00086974	Non-Executive Director	36, Straight Mile Road, Northern Town, P.O.-Bistupur, Jamshedpur - 831001.
7.	Ms. Samita Shah	02350176		13, Maker Towers I, Cuffe Parade, Colaba, Mumbai.
8.	Mr. Alok Krishna	08066195	Managing Director and KMP	Bungalow No. 3, Park Road, Beldih Church School Northern Town, Bistupur, Jamshedpur – 831001.
9.	Mr. Subhra Sengupta	NA	Chief Financial Officer and KMP	Kirti Apartment, 97 Chandi Ghosh Road, Regent Park, Circus Avenue, Kolkata – 700040.
10.	Mr. Avishek Ghosh	NA	Company Secretary & Compliance Officer and KMP	7N/1A, Cornfield Road, Ballygunge, Kolkata – 700019.

#### IV. Salient Features of the Scheme of Amalgamation

The salient features of the Scheme, *inter alia*, are as stated below:

1. Amalgamation of the Transferor Company into and with the Transferee Company.
2. Pursuant to the sanction of the Scheme by National Company Law Tribunal(s) and upon the fulfillment of conditions for the Scheme, the Scheme shall become effective from the opening of business hours on April 1, 2022 or such other date as may determined by the Board of Directors of the concerned companies or allowed/directed by the National Company Law Tribunal(s) ("**Appointed Date**").
3. With effect from the Appointed Date and upon the Scheme becoming effective, the entire Undertaking (as defined in the Scheme) of the Transferor Company shall stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Transferee Company to become the undertaking of the Transferee Company.
4. The entire paid up share capital of the Transferor Company including the shared held by the Transferee Company in the Transferor Company, shall stand cancelled in their entirety and the Transferor Company shall stand dissolved without winding up.
5. Issue and allotment of 79 (seventy-nine) fully paid up equity shares of ₹1/- each of the Company for every 10 (ten) equity shares of ₹10/- each fully paid up of the Transferor Company, to the Eligible Members (as defined in the Scheme) as of the Record Date (as defined in the Scheme) in accordance with Part II of the

Scheme. No shares shall be issued or allotted by the Transferee Company in respect of the shares held by the Transferee Company itself in the Transferor Company and all such shares shall stand cancelled and extinguished without any further act, application or deed.

6. Transfer of the authorized share capital of the Transferor Company to the Transferee Company and consequential increase in the authorized share capital of the Company as provided in Part III of the Scheme.
7. New Shares (as defined in the Scheme) to be issued by the Transferee Company to the equity shareholders of the Transferor Company pursuant to the Scheme, would be listed on BSE Limited and the National Stock Exchange of India Limited (collectively "**Stock Exchanges**").
8. Accounting Treatment: Clause(s) 17-18 of the Scheme provides the details on 'Accounting Treatment'.
9. Legal Proceedings: Clause 12.2.6 of the Scheme provides the treatment on 'Transfer of Legal and other Proceedings'.
10. Clause 12.2.7 of the Scheme provides the details on compliance with tax laws as applicable to the Scheme

**Note: The equity shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.**

#### **V. Relationship subsisting between Parties to the Scheme:**

- a. Transferor Company is a subsidiary of Transferee Company. Transferee Company holds 60.03% of equity shares of the Transferor Company as on the date of this Notice.
- b. Transferee Company is the promoter company of Transferor Company.
- c. Both Transferor Company and Transferee Company are related parties of each other as per the provisions of the Companies Act, 2013 and SEBI Listing Regulations. The amalgamation shall not attract the requirements of Section 188 of the Companies Act, 2013 (related party transactions) pursuant to the clarifications provided by the Ministry of Corporate Affairs vide its General Circular No. 30/2014 dated July 17, 2014. However, the transaction shall be considered a 'related party transaction' under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- d. Mr. Koushik Chatterjee is serving on the Board of Directors of Transferor Company and Transferee Company. Apart from him, there are no common directors on the Board of the Transferor Company and the Transferee Company. Mr. Chatterjee is the Executive Director & Chief Financial Officer of Tata Steel Limited and Non-Executive Chairman of Tata Metaliks Limited. Further, Ms. Samita Shah is a Non-Executive Director on the Board of the Transferor Company and also a part of the Senior Management of the Transferee Company.

#### **VI. Board Approvals:**

The Board of Directors of the Transferee Company has approved the Scheme and adopted a report dated September 22, 2022 as per Section 232(2)(c) of the Act explaining the effect of the Scheme on each class of shareholders (promoter and non-promoter), creditors, Key Managerial Personnel and employees of Tata Steel Limited and laying out in particular the share exchange ratio, setting out the salient features and commercial rationale behind the Scheme. Also enclosed is the Report of the Audit Committee dated September 22, 2022 recommending the draft Scheme taking into consideration, *inter alia*, the valuation report provided by CA Vikrant Jain, Independent Chartered Accountant and Registered Valuer and the fairness opinion issued by Ernst & Young Merchant Banking Services LLP. Also enclosed is the report of the Committee of Independent Directors dated September 22, 2022 recommending the draft Scheme taking into consideration, *inter alia*, that the Scheme is not detrimental to the shareholders of Tata Steel Limited. The Reports of the Board of Directors, Audit Committee and Committee of Independent Directors of the Transferee Company are annexed as **Annexure 4**.

The details of the approval of the Board of Directors of Tata Steel Limited on September 22, 2022 to the Scheme are provided below:

Name of Director	Voting Pattern
Mr. N. Chandrasekaran	Favor
Mr. Noel N. Tata	Favor
Mr. O. P. Bhatt	Favor
Mr. Deepak Kapoor	Favor
Ms. Farida Khambata	Absent
Mr. Vijay Kumar Sharma	Favor
Mr. Saurabh Agrawal	Favor
Mr. T. V. Narendran	Favor
Mr. Koushik Chatterjee	Favor

The Board of Directors of the Transferor Company has approved the Scheme and adopted a report dated September 22, 2022 as per Section 232(2)(c) of the Act explaining the effect of the Scheme on various stakeholders and each class of shareholders and setting out the salient features and commercial rationale behind the Scheme. Also enclosed is the Report of the Audit Committee dated September 22, 2022 recommending the draft Scheme taking into consideration, *inter alia*, the valuation report provided by Ms. Rashmi Shah, FCA, Registered Valuer (Securities or Financial Assets) (**Valuer 1**) and Deloitte Touche Tohmatsu India LLP (**Valuer 2**). Also enclosed is the report of the Committee of Independent Directors dated September 22, 2022 recommending the draft Scheme taking into consideration, *inter alia*, that the scheme is not detrimental to the shareholders of Tata Metaliks Limited. The Reports of the Board of Directors, Audit Committee and Committee of Independent Directors of the Transferor Company are annexed as **Annexure 5**.

The details of the approval of the Board of Directors of Tata Metaliks Limited on September 22, 2022, are provided below:

Name of Director	Voting Pattern
Mr. Koushik Chatterjee	Favour
Mr. Krishnava Dutt	Favour
Dr. Pingali Venugopal	Favour
Dr. Rupali Basu	Favour
Mr. Amit Ghosh	Favour
Mr. Sanjiv Paul	Absent
Ms. Samita Shah	Favour
Mr. Alok Krishna	Favour

## VII. Interest of Directors, KMPs, their relatives and Debenture Trustee

### Tata Steel Limited ('Transferee Company'):

None of the Directors, KMPs (as defined under the Act and rules framed thereunder) of the Transferee Company and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of their directorship and shareholding, if any, in the Transferee Company. The Debenture Trustee (for the debentures issued by the Transferee Company) does not have any interest in the Scheme.

### **Tata Metaliks Limited ('Transferor Company'):**

None of the Directors, KMPs (as defined under the Act and rules framed thereunder) of the Transferor Company and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of their directorship and shareholding, if any, in the Transferor Company. The Transferor Company has not issued any debentures and hence, no Debenture Trustee has been appointed.

## **VIII. Effect of the Scheme**

### **Effect of Scheme on Directors, Promoters, KMPs, Non-promoter members, Depositors, Creditors, Debenture holders, debenture trustees, employees of the Transferee Company:**

#### 1. Effect on the equity shareholders (promoter shareholders and non-promoter shareholders):

As far as the equity shareholders of the Transferee Company i.e. both promoter shareholders as well as non-promoter shareholders, are concerned, the amalgamation of the Transferor Company with the Company will result in dilution of holding of promoter group in the Transferee Company's shares by approximately 0.27% and in turn will increase the public shareholding of the Transferee Company's shares to that extent. There will also be an increase in the trading stock of the shares of the Transferee Company.

Further, the Transferee Company shall without any further application, act, instrument or deed, issue and allot 79 (seventy-nine) fully paid-up equity shares of nominal value of ₹1/- each of the Transferee Company to be allotted to the shareholders of the Transferor Company (except the Transferee Company) for every 10 (ten) fully paid-up equity shares of nominal value of ₹10/- each held by the shareholders (except the Transferee Company) in the Transferor Company, whose name(s) appear(s) in the register of members, including register and index of beneficial owners maintained by a depository(ies) under Section 11 of the Depositories Act, 1996 as on the Record Date (as defined in the Scheme). Thus, the shareholders of the Transferor Company will become the shareholders of the Transferee Company, which is part of both BSE SENSEX and NIFTY- 50 indices, the two most significant stock indices of the country. The issuance of New Shares in terms of the Scheme will have no significant impact on the shareholders of the Transferee Company, except consequent dilution upon issuance of the New Shares.

#### 2. Effect on the Directors and Key Managerial Personnel:

There shall be no effect on the Board of Directors and/or KMPs of the Transferee Company except to the extent that Mr. Koushik Chatterjee, Executive Director and Chief Financial Officer of the Company, currently holding directorship in the Transferor Company, shall cease to be the director in the Transferor Company and except to the extent of the equity shares held (if any) by the KMPs or their relatives in the Transferor Company.

The effect of the Scheme on the interests of the Board of Directors and/or KMPs and their relatives holding shares in the Company, is not different from the effect of the Scheme on other shareholders of the Company.

#### 3. Effect on the creditors:

Under the Scheme no arrangement or compromise is being proposed with the creditors (secured or unsecured, including debenture holders) of the Company. The liability of the creditors of the Company, under the Scheme, is neither being reduced nor being extinguished.

#### 4. Effect on staff or employees:

Under the Scheme, no rights of the staff and employees (who are on payroll of the Company) of the Company are being affected. The services of the staff and employees of the Company shall continue on the same terms and conditions applicable prior to the proposed Scheme.

Further, upon the Scheme becoming effective, the employees of the Transferor Company ("**Employees**") will be deemed to have become employees of the Company pursuant to the Scheme with effect from the Effective Date.



All such Employees shall be deemed to have become employees of the Company, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Company, shall not be less favorable than those applicable to them with reference to their employment in the Transferor Company as on the Effective Date.

5. Effect on the Debenture Trustees: The interest of the Debenture holders and the Debenture Trustee of the Transferee Company are not getting impacted by the Scheme.
6. Effect on the deposit holders and deposit trustees: As on date of this notice, the Transferee Company has no outstanding public deposits and therefore, the effect of the Scheme on any such public deposit holders or deposit trustees does not arise.

**Effect of Scheme on Directors, Promoters, KMPs, Non-promoter members, Depositors, Creditors, Debenture holders, debenture trustees, employees of the Transferor Company:**

1. Effect on the equity shareholders (promoter shareholders and non-promoter shareholders):
  - a. The equity shares issued by the Company to the Transferee Company shall stand cancelled in their entirety, which shall be effected as part of the Scheme and not in accordance with Section 66 of the Companies Act.
  - b. As far as equity shareholders of the Transferor Company are concerned, the amalgamation of the Transferor Company with the Transferee Company as per the Scheme will result in all such shareholders of the Transferor Company (except the Transferee Company itself), as on the Record Date (as defined in the Scheme), receiving equity shares of the Transferee Company in the manner as stipulated in Part II of the Scheme and there will be no change in economic interest of any of the current shareholders of the Transferee Company pre and post Scheme coming into effect.
  - c. Further, upon the Scheme becoming effective, the Transferee Company shall without any further application, act, instrument or deed, issue and allot 79 (seventy-nine) fully paid-up equity shares of nominal value of ₹1/- each of the Transferee Company to the shareholders of the Transferor Company (except the Transferee Company) for every 10 (ten) fully paid-up equity shares of nominal value of ₹10/- each held by the shareholders (except the Transferee Company) in the Transferor Company, whose name(s) appear(s) in the Register of Members, including Register and Index of Beneficial Owners maintained by Depository(ies) under Section 11 of the Depositories Act, 1996 as on the Record Date (as defined in the Scheme). Thus, the shareholders of the Transferor Company will become the shareholders of the Transferee Company, which is part of both BSE SENSEX and NIFTY- 50 indices, the two most significant stock indices of the country.

2. Effect on the Directors and Key Managerial Personnel:

The Board of Directors of the Transferor Company shall stand dissolved upon the Scheme coming into effect.

Pursuant to the Scheme, the Transferor Company shall be dissolved without winding up and therefore current KMPs of the Transferor Company shall cease to hold their positions and cease to be the KMPs of the Transferor Company.

Further, the Board of Directors and/or the KMPs shall also be affected to the extent of the equity shares (if any) held by them or their relatives in the Transferor Company. The effect of the Scheme on the interests of the Board of Directors and/or KMPs and their relatives holding shares (if any) in the Company, is not different from the effect of the Scheme on other shareholders of the Company.

3. Effect on the creditors:

Under the Scheme no arrangement or compromise is being proposed with the creditors (secured or unsecured) of the Transferor Company. The liability of the creditors of the Transferor Company, under the Scheme, is neither being reduced nor being extinguished.

4. Effect on staff or employees:

Under the Scheme, no rights of the staff and employees (who are on payroll) of the Transferor Company are being affected. The services of the staff and employees of the Transferor Company shall continue on the same terms and conditions applicable prior to the proposed Scheme.

Further, upon the Scheme becoming effective, the employees of the Transferor Company will be deemed to have become employees of the Transferee Company pursuant to the Scheme with effect from the Effective Date.

All such Employees shall be deemed to have become employees of the Transferee Company, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company, shall not be less favorable than those applicable to them with reference to their employment in the Transferor Company as on the Effective Date.

**IX. Amounts due to unsecured creditors**

The amount due to unsecured creditors of the Transferee Company, as on December 31, 2022 is approximately ₹60,670 crore. The amount due to unsecured creditors of Transferor Company, as on December 31, 2022 is approximately ₹706 crore.

**X. Appointed date, effective date, share exchange ratio and other considerations**

1. **Appointed Date:** Appointed Date under the Scheme means the opening of business on April 1, 2022, or such other date as determined by the Board of Directors of the Transferor Company and Transferee Companies or directed/ allowed by the Competent Authority (as defined in the Scheme).
2. **Effective Date** (as defined in the Scheme): Effective Date under the Scheme means the date or last of the dates on which the certified copies of the order of the Competent Authority (as defined in the Scheme) sanctioning the Scheme are filed by the Transferor Company and the Transferee Company with the Registrar of Companies, Kolkata and Registrar of Companies, Mumbai (whichever is later) after all the conditions and matters referred to in Clause 22 of the Scheme occur or have been fulfilled, obtained or waived, as applicable, in accordance with the Scheme, and which filing may be a filing independent of the filing required to be made under Section 232(5) of the Companies Act, 2013 read with Rule 25(7) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;
3. **Share Exchange Ratio:** 79 (seventy-nine) fully paid up ordinary equity shares of ₹1/- (Rupee one) each of the Transferee Company, for every 10 (ten) fully paid up equity shares of ₹10 (Rupees ten) each held in the Transferor Company as on the record date.
4. **Record Date:** Record Date under the Scheme means the date to be mutually fixed by the Board of Directors of the Transferor Company and the Transferee Company, for the purpose of determining the shareholders of the Transferor Company to whom New Shares (as defined in the Scheme) would be allotted by the Transferee Company pursuant to the Scheme.
5. **Details of capital/debt restructuring:** There shall be no debt restructuring of the Transferee Company or Transferor Company envisaged in the Scheme. The capital structure of both the Companies has been provided above in the Statement.
6. **Other Scheme details:** Upon the Scheme coming into effect, the equity shares held by the Transferee Company, in the Transferor Company shall stand cancelled.

## XI. Summary of Valuation Report and Fairness Opinion

### Background:

- a. The Share Exchange Ratio for the Scheme of Amalgamation has been fixed on the basis of the Valuation Report dated September 22, 2022 issued by CA Vikrant Jain, an Independent Registered Valuer. The valuation has been done in accordance with internationally accepted valuation standards.
- b. The computation of fair Share Exchange Ratio is given below:

Valuation Approach	Transferee Company		Transferor Company	
	Value (₹/ Share)	Weight (%)	Value (₹/ Share)	Weight (%)
Asset Approach – NAV Method	91.6	0	483.5	0
Income Approach – DCF Method	N/A	0	N/A	0
Market Approach – MP Method	106.6	50	789.6	50
Market Approach – CCM Method	107.4	50	900.0	50
Relative Value per Share	107.0		844.8	
<b>Fair Exchange Ratio (rounded off)</b>	<b>7.9</b>			

N/A = Not Applied

- c. In case of Net Assets Value (NAV) Method, the value is determined by dividing the net assets of the company by the number of shares. The underlying asset approach represents the value with reference to the historical cost of the assets owned by a company and attached liabilities as at the valuation date. Since, the business of Tata Steel Limited (Transferee Company / TSL) and Tata Metaliks Limited (Transferor Company / TML) are to be continued on a 'going concern' basis and there is no intention to dispose off the assets, therefore the Asset Approach has not been considered for the valuation exercise.
- d. The Discounted Cash Flow (DCF) method of valuation derives the valuation of an asset based on the expected future cash flows of those assets. The projected cash flows are discounted with the weighted average cost of capital to arrive at the value. In the given transaction, both the Transferor and Transferee Companies have a proven track record of operations, revenues and/or profitability and besides their own share prices, there are adequate number of comparable/benchmark listed companies which enable a valuation analysis based on the market approach using assets and/or earnings multiples, obviating the need for using the Income Approach. Therefore, for the valuation analysis, Income Approach has not been considered
- e. Valuation under market price method has been arrived at basis higher of 90 trading days volume weighted average price or 10 trading days volume weighted average price in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- f. Under Comparable Companies Multiple (CCM) method, the value of the equity shares of a company is determined on the basis of multiples derived from valuations of comparable companies. Following set of companies have been considered basis the sector, similarity in business/ product and size of the company in terms of market capitalization, operating revenue etc.:

### For Transferee Company:

1.	JSW Steel Ltd.
2.	Steel Authority of India Ltd.
3.	Tata Steel Ltd.

**For Transferor Company:**

1.	Jindal SAW Ltd.
2.	Kirloskar Ferrous Industries Ltd.
3.	Electrosteel Casting Ltd.
4.	KIC Metaliks Ltd.
5.	Manga Electro Castings Ltd.

- g. Based, *inter alia*, on the aforesaid, the Registered Valuer has recommended the share exchange ratio as follows:
- 79 (Seventy-nine) equity shares of ₹1/- of the Transferee Company for every 10 (Ten) equity shares of ₹10/- each held by public shareholders in the Transferor Company as on the Record Date.
- h. Further, the details of the valuation forms part of the Valuation Report.
- i. Fairness Opinion dated September 22, 2022 issued by Ernst & Young Merchant Banking Services LLP on the fairness of the share exchange ratio recommended by CA Vikrant Jain, an Independent Registered Valuer for the proposed Scheme of Amalgamation amongst Tata Steel Limited and Tata Metaliks Limited and their respective Shareholders.
- j. The proposed Scheme was placed before the Audit Committee and Committee of Independent Directors of Tata Steel Limited at their meetings held on September 22, 2022. Both Committees took into account the recommendations on the fair valuation mentioned in the Valuation Report provided by the valuer and the Fairness Opinion provided by Ernst & Young Merchant Banking Services LLP. Both Committees have recommended the proposed Scheme to the Board of Directors of the Company.
- k. The Board of Directors of the Company took into account the recommendations of the Audit Committee and Committee of Independent Directors, Share Exchange Ratio provided in the Valuation Report dated September 22, 2022 provided by the Independent Registered Valuer and the Fairness Opinion dated September 22, 2022 provided by Ernst & Young Merchant Banking Services LLP.
- l. Based on the aforesaid, the Board of Directors of the Company came to conclusion that the Share Exchange Ratio provided in the Valuation Report is fair and reasonable and accordingly approved the same at its meeting held on September 22, 2022.

**Details of the Valuation Reports and Fairness Opinions of Transferor and Transferee Company****Tata Steel Limited (Transferee Company)**

The Valuation Report dated September 22, 2022 issued by CA Vikrant Jain, an Independent Chartered Accountant and Registered Valuer (Registration No. IBBI/RV/05/2018/10204), recommending the Share Exchange Ratio for the proposed amalgamation of Transferor Company into and with the Transferee Company is enclosed herewith as **Annexure 6**. The document is also available for inspection at the registered office of the Transferee Company.

In terms of the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/000000665 dated November 23, 2023, Fairness Opinion dated September 22, 2022 issued by Ernst & Young Merchant Banking Services LLP, an Independent SEBI Registered Category 1 Merchant Banker (SEBI Registration No. INM000010700) on the fair exchange ratio recommended by CA Vikrant Jain, an Independent Chartered Accountant and Registered Valuer, for the proposed amalgamation of Transferor Company into and with the Transferee Company is enclosed herewith as **Annexure 7**. The document is also available for inspection at the registered office of the Transferee Company.

### **Tata Metaliks Limited (Transferor Company)**

The Valuation Report dated September 22, 2022, issued by Ms. Rashmi Shah, FCA, Registered Valuer (Securities or Financial Assets) (IBBI Registration No.: IBBI/RV/06/2018/10240)) ("**Valuer 1**") and Deloitte Touche Tohmatsu India LLP ("**Valuer 2**"), recommending the Share Exchange Ratio for the proposed amalgamation of Transferor Company into and with the Transferee Company is enclosed herewith as **Annexure 8**, and is also available for inspection at the Registered Office of the Transferee Company.

In terms of the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2023, Fairness Opinion dated September 22, 2022, issued by RBSA Capital Advisors LLP, (an independent SEBI Registered Category I Merchant Banker having Registration Code: INM000011724) on the fair exchange ratio recommended by Ms. Rashmi Shah, FCA, Registered Valuer ("**Valuer 1**") and Deloitte Touche Tohmatsu India LLP ("**Valuer 2**") for the proposed amalgamation of Transferor Company into and with the Transferee Company is enclosed herewith as **Annexure 9**, and is also available for inspection at the Registered Office of the Transferee Company.

### **XII. Shareholding pattern**

The shareholding pattern of the Transferor Company and the Transferee Company (pre-scheme and post-scheme of amalgamation) for equity shares, as on March 31, 2023 is enclosed herewith as **Annexure 10**.

The entire pre-scheme shareholding pattern of Transferor Company shall stand cancelled and accordingly, there will be no post-scheme shareholding pattern for equity shares of the Transferor Company.

### **XIII. Auditors' Certificate on conformity of accounting treatment specified in the Scheme with Accounting Standards**

The Auditors of the Transferor Company and of the Transferee Company have confirmed that the accounting treatment specified in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013.

### **XIV. Approvals, sanctions or no-objection(s), if any, from regulatory or any other governmental authorities required, received or pending for the proposed scheme of amalgamation**

In terms of Regulation 37 of the SEBI Listing Regulations, and under SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 ("SEBI Master Circular"), BSE and NSE, vide their letters dated March 31, 2023, respectively, have communicated their 'no objection'/ no adverse observations on the Scheme to the Company.

- (i) The NSE in its observation letter has noted as follows:
- a. *Company shall ensure that it discloses all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
  - b. *Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the stock exchange, from the date of receipt of this letter, is displayed on the websites of the listed Company and the stock exchanges.*
  - c. *The entities involved in the scheme shall duly comply with various provisions of the Circular.*
  - d. *Company shall ensure that the information pertaining to all the Unlisted Companies involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*
  - e. *The Transferee Company shall disclose the proforma balance sheet of TSL pursuant to merger with TML, names of comparable companies considered under CCM method in valuation report along with*

*rationale for considering those companies and disclose the need, rationale and cost-benefit analysis of the Scheme along with impact on the shareholders of TSL and TML as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the Company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act, 2013.*

- f. *Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
  - g. *Company shall ensure that the details of the proposed Scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.*
  - h. *Company shall ensure that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only.*
  - i. *Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the Scheme document.*
  - j. *Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities/ tribunals shall be made without specific written consent of SEBI.*
  - k. *Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
  - l. *Company to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed Scheme.*
  - m. *It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations."*
- (ii) The BSE in its observation letter has noted as follows:
- a. *Company shall ensure that it discloses all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCL T and Shareholders, while seeking approval of the scheme.*
  - b. *Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the scheme with the Stock Exchange, from the date of receipt of this letter, is displayed on the websites of the Listed Company and the Stock Exchanges.*
  - c. *Company shall ensure compliance with the SEBI Circulars issued from time to time.*
  - d. *The entities involved in the scheme shall duly comply with various provisions of the Circular.*
  - e. *Company is advised that the information pertaining to all the Unlisted Companies involved in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*
  - f. *Company is advised that the Transferee Company shall disclose the pro forma balance sheet of TSL pursuant to merger with TML names of comparable companies considered under CCM method in valuation report along with the rationale for considering those companies and disclose the need, rationale, cost-benefit analysis of the scheme along with the impact on the shareholders of TSL and TML as a part of the explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the Company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act, 2013.*



- g. *Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- h. *Company is advised that the details of the proposed Scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.*
- i. *Company is advised that the proposed Equity Shares to be issued in terms of the 'Scheme' shall mandatorily be in demat form only*
- j. *Company shall ensure that the 'Scheme' shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.*
- k. *Company to ensure that no changes to the draft Scheme except those mandated by the regulators/ authorities/ tribunals shall be made without specific written consent of SEBI.*
- l. *Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company obliged to bring the observations to the notice of Hon'ble NCLT.*
- m. *Company is advised to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.*
- n. *It is to be noted that the petitions are filed by the Company before Hon'ble NCL T after processing and communication of comments/observations on draft Scheme by SEBI/Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/representations."*

Copies of the said observation letters issued by BSE and NSE to the Transferee Company are enclosed as **Annexure 11** and **Annexure 12** respectively.

As per the comments contained in observation letters, the details of ongoing adjudication and recovery proceedings, prosecution initiated and all other enforcement action taken against the Company, its promoter and directors is enclosed as **Annexure 13**.

As per the comments mentioned in observation letters, the details of Pro Forma balance sheet of the Transferee Company as on March 31, 2022 pursuant to the Scheme of Amalgamation is enclosed as **Annexure 14**.

Further, pursuant to the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, and SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, copy of the complaints report filed by the Company with BSE and NSE providing details of complaints received against the Scheme of Amalgamation and resolved, are attached as **Annexure 15** and **Annexure 16** respectively.

A copy of the Scheme has been filed by the Transferee Company with the Registrar of Companies, Mumbai, Maharashtra in Form No GNL-1 on June 21, 2023.

No investigation proceedings have been instituted and/or are pending against the Transferee Company and the Transferor Company under the Act.

## **XV. Inspection of Documents**

Electronic copy of the following documents will be available for inspection in the "Investor" section of the website of the Company: [www.tatasteel.com](http://www.tatasteel.com)

- a) Certified Copy of Order dated June 14, 2023 passed by the Hon'ble National Company Law Tribunal, Mumbai Bench, in Company Scheme Application No. CA (CAA)/137/MB-IV/2023, directing, *inter alia*, the calling, convening and conducting of the Meeting of equity shareholders of the Transferee Company;

- b) Memorandum of Association and Articles of Association of Tata Steel Limited (**'Transferee Company'**) and Tata Metaliks Limited (**'Transferor Company'**);
- c) Audited Standalone and Consolidated Financial Statements of Tata Steel Limited for the financial year ended March 31, 2023;
- d) Audited Financial Statements of Transferor Company for the financial year ended March 31, 2023;
- e) Copy of Scheme of Amalgamation amongst Tata Steel Limited and Tata Metaliks Limited and their respective shareholders;
- f) Certificates of the Statutory Auditors of Tata Steel Limited and Tata Metaliks Limited confirming that the accounting treatment specified in the Scheme is in compliance with Section 133 of the Act and applicable accounting standards;
- g) Valuation Report issued by CA Vikrant Jain, an Independent Chartered Accountant and Registered Valuer appointed by the Transferee Company;
- h) Fairness Opinion by Ernst & Young Merchant Banking Services LLP, an Independent SEBI Registered Category-1 Merchant Banker appointed by the Transferee Company;
- i) Valuation Report issued by Ms. Rashmi Shah, FCA, Registered Valuer (**Valuer-1**) and Deloitte Touche Tohmatsu India LLP (**Valuer-2**), each as appointed by the Transferor Company;
- j) Fairness Opinion by RBSA Capital Advisors LLP, an independent SEBI Registered Category-1 Merchant Banker appointed by the Transferor Company;
- k) Observation letters dated March 31, 2023 issued by BSE and NSE respectively;
- l) Reports adopted by the respective Board of Directors of the Transferor Company and the Transferee Company, pursuant to the provisions of Section 232(2)(c) of the Act;
- m) Report of the Audit Committee and Committee of Independent Directors of the Company recommending the Scheme;
- n) Copy of the e-form GNL-1 through which the Scheme has been filed by the Transferee Company with the Registrar of Companies, Mumbai, Maharashtra, along with challan evidencing proof of submission;
- o) Complaints report dated November 9, 2022 submitted by the Transferee Company to BSE;
- p) Complaints report dated November 22, 2022 submitted by the Transferee Company to NSE;
- q) All other documents displayed on the website of the Transferee Company at [www.tatasteel.com](http://www.tatasteel.com) in terms of the SEBI Scheme Circular, as amended and other relevant SEBI Circulars;
- r) All other documents referred to or mentioned in the Statement to this Notice.

Note: All documents of the Transferor Company available for inspection at the Registered Office of the Transferee Company are certified true copies.

Additionally, Register of Shareholding of Directors and Key Managerial Personnel of the Transferee Company will be available for inspection at the Registered Office of the Transferee Company.

The above documents shall be available for obtaining extract from or for making copies of by the members at the Registered Office of the Transferee Company on all working days, between Monday to Friday except public holidays, between 10:30 a.m. (IST) to 4:00 p.m. (IST) up to the date of the Meeting.

Considering the rationale and benefits, the Board of Directors of the Transferee Company recommends the Scheme for approval of the shareholders, as it is in the best interest of the Transferee Company and its stakeholders.

The Directors and KMPs of the Transferor Company and the Transferee Company, holding shares in the Transferor Company and the Transferee Company respectively as mentioned above, and relatives of the Directors/KMPs of the Transferor Company and the Transferee Company do not have any concern or interest, financially or otherwise, in the Scheme except as shareholders in general. Further, Mr. Koushik Chatterjee who is a common director on the Board of the Transferor Company and Transferee Company, though not interested in the Scheme, is considered interested only to the extent of his directorship and shareholding, if any.

Sd/-

**N. Chandrasekaran**

DIN: 00121863

Chairperson appointed for the Meeting

**Date:** July 6, 2023

**Place:** Mumbai

**Registered Office:**

Bombay House, 24, Homi Mody Street,  
Fort, Mumbai – 400 001

**Tel:** +91 22 6665 8282

**E-mail:** [cosec@tatasteel.com](mailto:cosec@tatasteel.com) **Website:** [www.tatasteel.com](http://www.tatasteel.com)

**CIN:** L27100MH1907PLC000260

**SCHEME OF AMALGAMATION**

**UNDER SECTIONS 230 to 232 OF THE COMPANIES ACT, 2013**

**AMONGST**

**Tata Steel Limited..... Transferee Company**

**AND**

**Tata Metaliks Limited.....Transferor Company**

**AND**

**their respective shareholders**



## SCHEME OF AMALGAMATION

The Scheme is divided into the following parts:

Part	Particulars
I	General-Preamble, background of the Companies, need for the Scheme, rationale and objective of the Scheme, synergies of business of the entities involved in the Scheme, impact of the Scheme on shareholders, cost benefit, effectiveness of the Scheme, definitions and interpretation and share capital of the Companies
II	Amalgamation of the Transferor Company into and with the Transferee Company
III	General terms and conditions

The Scheme also provides for various other matters consequential or otherwise integrally connected herewith.



## PART I - GENERAL

### 1. PREAMBLE

- 1.1 This scheme of amalgamation is presented under Sections 230 to 232 and other applicable provisions of the Act (*as defined hereinafter*) and Section 2(1B) of the IT Act (*as defined hereinafter*) amongst Tata Steel Limited, Tata Metaliks Limited and their respective shareholders.
- 1.2 This scheme of amalgamation (hereinafter referred to as the "**Scheme**") provides for the merger of the Transferor Company (*as defined hereinafter*) with the Transferee Company (*as defined hereinafter*), pursuant to Sections 230 to 232 and other relevant provisions of the Act, such that:
- (a) all the assets of the Transferor Company, shall become the property of the Transferee Company, by virtue of this amalgamation;
  - (b) all the liabilities of the Transferor Company, shall become the liabilities of the Transferee Company, by virtue of this amalgamation;
  - (c) transfer of the authorised share capital of the Transferor Company to the Transferee Company as provided in Part III of this Scheme, and consequential increase in the authorised share capital of the Transferee Company as provided in Part III of this Scheme;
  - (d) cancellation of all the issued share capital of the Transferor Company which shall be affected as a part of the Scheme and not in accordance with Section 66 of the Act and issue of New Shares, as provided in Clause 15.2 of this Scheme, to the Eligible Members (*as defined hereinafter*) (other than the Transferee Company) as per the approved valuation report, in accordance with Part II of this Scheme; and
  - (e) dissolution of the Transferor Company, without being wound up.

### 2. BACKGROUND

#### 2.1 Tata Steel Limited

- (a) Tata Steel Limited is a listed public company incorporated under the Companies Act, 1882 (and an existing company under the Act) and has its registered office at Bombay House, 24, Homi Mody Street, Fort, Mumbai- 400001, Maharashtra ("**Transferee Company**"). The Corporate Identification Number of the Transferee Company is L27100MH1907PLC000260.
- (b) The Transferee Company was incorporated on August 26, 1907.
- (c) The Transferee Company is one of the leading global steel companies, with over 100 (hundred) years of experience in the steel sector and is a pioneer of steel manufacturing in India. The Transferee Company is also amongst the lowest cost integrated steel manufacturers in India, with 100% (hundred percent) captive iron ore sources. With its wide portfolio of downstream, value-added and branded products, the Transferee Company caters to customers across all segments through its well-established distribution network. It has operations in India, Europe and South East Asia. Tata Steel Group is one of the prominent





geographically diversified steel producers. In addition, it has access to deep end of the markets and customer through its vast sales and distribution network.

- (d) Raw material operations of the Transferee Company are located in India, Mozambique, and Canada. Manufacturing facilities are located in India, Thailand, Netherlands, and United Kingdom with cumulative crude steel capacity being 34 (thirty four) million tons per annum. The Transferee Company is structured into several strategic business units aligned to product categories including, flat products, long products, tubes, wires, bearings, ferro-alloys, etc. The Transferee Company has been aiming to increase resilience of the business to steel business cycles by developing knowledge and intellectual property in new materials. Transferee Company has been foraying into areas such as composites, graphene, and advanced ceramics.
- (e) The equity shares of the Transferee Company are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") (hereinafter collectively referred as the "Stock Exchanges"). The global depository receipts of the Transferee Company are listed on the Luxembourg Stock Exchange and the London Stock Exchange. Further, the unsecured redeemable non-convertible debentures of the Transferee Company are listed on the wholesale debt market segments of the BSE.

## 2.2 Tata Metaliks Limited

- (a) Tata Metaliks Limited is a listed public company incorporated under the provisions of the Companies Act, 1956 (and an existing company under the Act) and has its registered office at Tata Centre, 10th Floor 43, J. L. Nehru Road Kolkata 700071 ("Transferor Company"). The Corporate Identification Number of the Transferor Company is L27310WB1990PLC050000.
- (b) The Transferor Company was incorporated on October 10, 1990.
- (c) The Transferor Company is engaged, *inter alia*, in the business of manufacture and sale of pig iron and ductile iron pipes and its allied accessories in its manufacturing plant located at Kharagpur, West Bengal.
- (d) The Transferee Company as on the date of approval of the Scheme by the Board i.e., as on September 22, 2022, holds 1,89,57,090 (one crore eighty nine lakhs fifty seven thousand and ninety shares) equity shares constituting 60.03% (sixty point zero three percent) of the equity share capital of the Transferor Company and the Transferor Company is a subsidiary of the Transferee Company.
- (e) The shares of the Transferor Company are listed on the NSE and the BSE.

## 3. NEED FOR THE SCHEME

- 3.1 The Transferee Company is one of the leading global steel companies, with over 100 (hundred) years of experience in the steel sector and is a pioneer of steel manufacturing in India. The Transferor Company, which is a subsidiary company of the Transferee Company, is engaged, *inter alia*, in the business of manufacture and sale of pig iron and ductile iron pipes and its allied accessories in its manufacturing plant located at Kharagpur, West Bengal. The amalgamation will consolidate the Transferor Company into and with the Transferee Company which will result in



focused growth, operational efficiencies and business synergies. In addition, resulting corporate holding structure will bring agility to the business ecosystem of the merged entity.

#### 4. RATIONALE AND OBJECTIVE OF THE SCHEME

- 4.1 The Companies (*as defined hereinafter*) believe that the resources of the merged entity can be pooled to unlock the opportunity for creating shareholder value.
- 4.2 The Companies will be able to share best practices, cross-functional learnings, and utilize each other's facilities in a more efficient manner.
- 4.3 Marketing and distribution network of the Companies can be collaborated.

#### 5. SYNERGIES OF BUSINESS OF THE ENTITIES INVOLVED IN THE SCHEME

- 5.1 The proposed scheme would result in the following synergies:
  - (a) **Operational integration and better facility utilisation:** The proposed Scheme will provide an opportunity for reduction of operational costs through transfer of intermediary products between Companies, better order loads, synergies from sales and production planning across the business.
  - (b) **Operational efficiencies:** Centralized sourcing would result in procurement synergies and reduction in stores / spare through common inventory management. The proposed Scheme would also result in sharing of best practices, cross functional learnings, better utilisation of common facilities and greater efficiencies in debt and cash management.
  - (c) **Simplified structure and management efficiency:** In line with group level 5S strategy – simplification, synergy, scale, sustainability, and speed – proposed Scheme will simplify group holding structure, improve agility to enable quicker decision making, eliminate administrative duplications, consequently reducing administrative costs of maintaining separate entities.
  - (d) **Faster execution of projects in pipeline:** The growth projects of the Transferor Company will be fast tracked by leveraging Transferee Company's technical expertise and financial resources;
  - (e) **Rationalization of logistics cost:** Clubbing of shipments and rationalizing warehouse/stockyard would significantly reduce logistics and distribution costs for the merged entity.
  - (f) **Improving customer satisfaction and services:** The proposed Scheme would make it easier to address the needs of customers by providing them uniform product and service experience, on time supplies, and improved service levels thereby improving customer satisfaction. With common credit management, the customers are expected to be benefitted from the channel financing from the combined entity.
  - (g) **Sharing of best practices in sustainability, safety, health and environment:** Adoption of



improved safety, environment and sustainability practices owing to a centralized committee at combined level to provide focused approach towards safety, environment and sustainability practices resulting in overall improvement. Further, overall technology maturity can be enhanced by the merged entity through unfettered access to each other's information technology applications and systems.

## 6. IMPACT OF THE SCHEME ON SHAREHOLDERS

- 6.1 For the shareholders of the Transferee Company, the Scheme will result in economies of scale and consolidation of opportunities will improve profitability and enhance overall shareholder value. This is particularly marked in the improved synergies that will arise pursuant to the Scheme. The impact of the Scheme on the shareholders, including the public shareholders, would be the same in all respects and no shareholder is expected to have any disproportionate advantage or disadvantage in any manner.
- 6.2 For the shareholders of the Transferor Company, the Scheme will provide an opportunity to improve the economic value for the shareholders. This is particularly marked in the improved synergies that will arise pursuant to the Scheme. The proposed Scheme will result in deriving benefits for future capacity expansion and funding of capital expenditure, given the strong credit rating of the Transferee Company. Thus, upon the Scheme becoming effective, the shareholders of the Transferor Company will be able to participate in the growth of the Transferee Company, which is the largest steel manufacturing company in India, as on date.

## 7. COST BENEFIT

- 7.1 The implementation of the Scheme would involve incurring costs including, administrative cost, statutory dues, cost of advisors, etc. However, the long-term benefits are expected to outweigh costs towards implementation of the Scheme.

## 8. EFFECTIVENESS OF THE SCHEME

- 8.1 Upon the sanction of the Scheme by the Competent Authority, (*defined hereinafter*) the Scheme shall become operative on and from the Effective Date (*defined hereinafter*) and the Transferor Company shall stand transferred to and be vested in the Transferee Company on and from and with effect from the Appointed Date (*defined hereinafter*) for all intent and purposes and the Transferor Company shall stand dissolved without being wound up.

## 9. DEFINITIONS

- 9.1 In this Scheme, unless repugnant to the meaning or context thereof, (i) capitalized terms defined by inclusion in quotations and/or the parenthesis have the meaning so ascribed; and (ii) the following expressions shall have the meanings respectively assigned against them:
- (a) "**Act**" means the Companies Act, 2013, and all amendments or statutory modifications thereto or re-enactments thereof, including any rules made thereunder or notifications, circulars or orders made/ issued thereunder from time to time;
- (b) "**Applicable Law**" means (a) applicable statutes, enactments, acts of legislature or



parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, or policies of any applicable country and/or jurisdiction; (b) writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals of, or agreements with, any Appropriate Authority or recognized stock exchange;

- (c) **“Appointed Date”** means opening of business on April 1, 2022, or such other date as may be determined by the Board of Directors of the concerned Companies or directed/ allowed by the Competent Authority;
- (d) **“Appropriate Authority”** means any national, state, provincial, local or similar governmental, statutory, regulatory, administrative authority, agency, commission, departmental or public body or authority, board, SEBI, Stock Exchanges, tribunal or court or other entity authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law, or any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law, as may be applicable;
- (e) **“Board of Directors”** or **“Board”** in relation to the Transferor Company and/or the Transferee Company, as the case may be, means the Board of Directors of such company in office at the relevant time, and unless it is repugnant to the context, shall include a committee duly constituted and authorised for the purposes of matters pertaining to this amalgamation, Scheme and/or any other matter relating thereto;
- (f) **“Companies”** means the Transferor Company and the Transferee Company collectively, and **“Company”** shall mean any one of them as the context may require;
- (g) **“Competent Authority”** means the relevant bench/es of the National Company Law Tribunal, or such other forum or authority as may be vested with any of the powers of the above mentioned tribunal under the Act for approving any scheme of arrangement, compromise or reconstruction of a company under Sections 230 to 232 of the Act, before which the confirmation petition/s in terms of Rule 15 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 is/are filed by the Transferor Company and/or the Transferee Company, as the case may be;
- (h) **“Effective Date”** means the date or last of the dates on which the certified copies of the order of the Competent Authority sanctioning the Scheme are filed by the Transferor Company and the Transferee Company with the Registrar of Companies, Kolkata and Registrar of Companies, Mumbai (whichever is later) after all the conditions and matters referred to in Clause 22 of the Scheme occur or have been fulfilled, obtained or waived, as applicable, in accordance with this Scheme, and which filing may be a filing independent of the filing required to be made under Section 232(5) of the Act, read with Rule 25(7) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. Any references in this Scheme to “upon this Scheme becoming effective” or “effectiveness of this Scheme” or likewise, shall mean the Effective Date;
- (i) **“Eligible Members”** has the meaning given to it in Clause 15.2 of Part II of this Scheme;



- (j) **“Employees”** mean all employees, if any, on the payroll of the Transferor Company, as on the Effective Date;
- (k) **“Encumbrance”** means without limitation (i) any options, claim, pre-emptive right, easement, limitation, attachment, restraint, mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance or interest of any kind securing, or conferring any priority of payment in respect of any obligation of any person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law, including any option or right of pre-emption, public right, common right, easement rights, any attachment, restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off and/ or any other interest held by a third party; (ii) any voting agreement, conditional sale contracts, interest, option, right of first offer or transfer restriction; (iii) any adverse claim as to title, possession or use; and/ or (iv) any agreement, conditional or otherwise, to create any of the foregoing and the terms **“Encumbered”**, **“Encumber”** shall be construed accordingly;
- (l) **“GST Act”** means Central Goods and Services Act, 2017 and all amendments or statutory modifications thereto or re-enactments thereof, including any rules made thereunder or notifications, circulars or orders made/ issued thereunder from time to time;
- (m) **“IT Act”** means Income Tax Act, 1961, the finance acts, amendment acts and other direct taxation laws of India (to the extent that such finance acts, amendment acts and other direct taxation laws, amend or relate to the taxes and surcharge imposed under the Income-tax Act, 1961) as may be amended from time to time and the rules, regulations, circulars, notifications and directions issued thereunder;
- (n) **“Liabilities”** means all debts (whether in Indian Rupees or foreign currency), liabilities (including bills payable, interest accrued, statutory reserves, provisions and all other liabilities including contingent liabilities, and obligations under any licenses or permits or schemes), loans raised and used, obligations incurred, duties of any kind, nature or description and undertakings of every kind or nature and the liabilities of any description whatsoever whether or not provided in the books of accounts or disclosed in the financial statements of the Transferor Company, whether present or future, and howsoever raised or incurred or utilized along with any charge, encumbrance, lien or security thereon;
- (o) **“LODR Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and includes all the amendments or statutory modifications thereto or re-enactments thereof;
- (p) **“New Shares”** has the meaning given to it in Clause 15.2 of Part II of this Scheme;
- (q) **“Record Date”** means the date to be mutually fixed by the Board of Directors of the Companies, for the purpose of determining the shareholders of the Transferor Company to whom New Shares would be allotted pursuant to this Scheme;
- (r) **“Registrar of Companies”** means the Registrar of Companies, Kolkata or Registrar of Companies, Mumbai i.e. the relevant Registrar of Companies having territorial jurisdiction in



the state(s) in which the respective registered offices of the Companies are located;

- (s) **“Rupees”** or **“Rs.”** means the Indian rupee which is the lawful currency of India;
- (t) **“Scheme”** or **“the Scheme”** or **“this Scheme”** means this scheme of amalgamation, in its present form or this Scheme with any amendment(s) or modification(s) if any, made by the shareholders of the respective Companies and accepted by the Boards of the respective Companies or such modification(s) as may be imposed by any Appropriate Authority and/or directed to be made by the NCLT(s) while sanctioning the Scheme;
- (u) **“SEBI”** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- (v) **“SEBI Circulars”** means together (i) Circular no. CFD/DIL3/CIR/2017/21 dated 10 March 2017; (ii) Circular no. CFD/DIL3/CIR/2017/26 dated 23 March 2017; (c) Circular no. CFD/DIL3/CIR/2017/105 dated 21 September 2017; (d) Circular no. CFD/DIL3/CIR/2018/2 dated 3 January 2018; (e) Circular no. SEBI/HO/CFD/DIL1/CIR/P/2019/192 dated 12 September 2019; (f) Circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/215 dated 3 November 2020; (g) Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/0000000657 dated 16 November 2021; (h) Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/0000000659 dated 18 November 2021, (i) Circular no. SEBI/HO/CFD/SSEP/CIR/P/2022/003, dated January 03, 2022; and (j) Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/11, dated February 01, 2022, on Schemes of Arrangement by Listed Entities and Relaxation under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 (as amended from time to time) issued by SEBI or any other circulars issued by SEBI applicable to schemes of arrangement from time to time;
- (w) **“Share Exchange Ratio”** has the meaning given to it in Clause 15.2 of Part II of this Scheme;
- (x) **“Stock Exchanges”** means BSE Limited and National Stock Exchange of India Limited, collectively;
- (y) **“Transferee Company”** means Tata Steel Limited, a listed public company incorporated under the Companies Act, 1882 (and an existing company under the Act) and having CIN L27100MH1907PLC000260 and having its registered office at Bombay House, 24, Homi Mody Street, Fort, Mumbai- 400001, Maharashtra;
- (z) **“Transferor Company”** means Tata Metaliks Limited, a listed public company incorporated under the provisions of the Companies Act, 1956 (and an existing company under the Act) and having CIN L27310WB1990PLC050000 and having its registered office at Tata Centre, 10th Floor 43, J. L. Nehru Road Kolkata 700071; and
- (aa) **“Undertaking”** means all the undertaking and the entire business of the Transferor Company as a going concern as on the Appointed Date, including all its assets, properties (whether movable or immovable, tangible or intangible), investments, rights, approvals, licenses and powers, leasehold rights and all its debts, outstanding, liabilities, duties, obligations, and employees including, but not in any way limited to, the following:
  - (i) all immovable properties and rights thereto i.e. land together with the buildings and





structures standing thereon (whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise) including roads, drains and culverts, civil works, foundations for civil works, buildings, warehouses, offices, etc., whether or not recorded in the books of accounts of the Transferor Company and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest, benefits and interests of rental agreements for lease or license or other rights to use of premises, in connection with the said immovable properties;

- (ii) all assets, as are movable in nature forming part of the Transferor Company, whether present or future or contingent, tangible or intangible, in possession or not, corporeal or incorporeal, in each case, wherever situated (capital work in progress, furniture, fixtures, fixed assets, computers, air conditioners, appliances, accessories, office equipment, communication facilities, installations, vehicles, inventories, stock in trade, stores and spares, packing material, raw material, tools and plants), actionable claims, earnest monies and sundry debtors, prepaid expenses, bills of exchange, promissory notes, financial assets, investment and shares in entities/ branches in India, outstanding loans and advances, recoverable in cash or in kind or for value to be received, receivables, funds, cash and bank balances and deposits including accrued interest thereto with government, semi-government, local and other authorities and bodies, banks, customers and other persons, dividends declared or interest accrued thereon, reserves, provisions, funds, benefits of all agreements, bonds, debentures, debenture stock, units or pass through certificates, the benefits of any bank guarantees, performance guarantees and all the tax related assets/credits, tax refunds, incentives, allowances, exemptions or rebates or such other benefits including but not limited to goods and service tax input credits, service tax input credits, central excise, cenvat credit, value added tax credits, value added/ sales tax/ entry tax credits or set-offs, income tax including advance tax, withholding tax/ TDS/TCS, taxes withheld/ paid in a foreign country, self-assessment tax, regular tax, minimum alternate tax, dividend distribution tax, securities transaction tax, deferred tax assets/ liabilities, tax refunds, accumulated losses under the IT Act and allowance for unabsorbed depreciation under the IT Act and as per books of account, rights of any claim not made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Appropriate Authority;
- (iii) all permits, licenses, permissions, right of way, approvals, authorisations, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, pre-qualifications, bid acceptances, concessions, subsidies, tax deferrals and exemptions and other benefits (in each case including the benefit of any applications made for the same), income tax benefits/ holidays and exemptions including the right to deduction for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the deduction is available in law, if any, liberties and advantages, approval for commissioning of project and other licenses or clearances granted/ issued/ given by any governmental, statutory or regulatory or local or administrative bodies, organizations or companies for the purpose of carrying on its



existing business or in connection therewith including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that form part of the Transferor Company;

- (iv) all registrations obtained under Value Added Tax Laws, Central Sales Tax, 1956, GST Act, including the following unit wise certificates:

Sl. No.	Address	GST Certificate No.
1.	Near G T Road, Kandra, Govindpur, Dhanbad, Jharkhand, 828109	20AABCT1389B1ZW
2.	I-A, Jaganath Marg, Madhuban, Paradeep, Jagatsinghapur, Odisha, 754142	21AABCT1389B1ZU
3.	10th Floor, 43, Tata Centre, Jawaharlal Nehru Road, Middleton Row, Kolkata, West Bengal, 700071	19AABCT1389B1ZF

- (v) all contracts, agreements, purchase orders/ service orders, operation and maintenance contracts, benefit of any arrangements, allotments, approvals, authorities, registrations, exemptions, benefits, waivers, security and other agreements, engagements, memoranda of understanding/ undertakings/ agreements, memoranda of agreed points, bids, tenders, tariff policies, expressions of interest, letters of intent, hire and purchase arrangements, agreements/deeds for hire of fitted assets, equipment purchase agreements, agreements with customers, purchase and other agreements with the supplier/ manufacturer of goods/ service providers, other arrangements, undertakings, deeds, bonds, schemes, concession agreements, insurance policies, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether vested or potential and written, oral or otherwise and all rights, title, interests, assurances, claims and benefits thereunder;
- (vi) all insurance policies pertaining to the Transferor Company;
- (vii) all intellectual property rights, applications (including hardware, software, licenses, source codes, object code, algorithm and scripts), registrations, servers, software assets, hardware assets, cloud, data centers, any devices including but not limited to laptops and mobile devices, goodwill, trade names, service marks, copyrights, patents, project designs, marketing authorization, approvals, marketing intangibles, permits, permissions, incentives, privileges, special status, domain names, designs, trade secrets, research and studies, technical knowhow, confidential information and other benefits (in each case including the benefit of any applications made for the same) and all such rights of whatsoever description and nature;
- (viii) all rights to use, subscribe and avail, transfer or sell telephones, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed and all other interests of



whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by Transferor Company;

- (ix) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, manuals, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/ supplier pricing information, and all other books and records, whether in physical or electronic form and all other interest of whatsoever nature belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company;
- (x) the Employees, if any, including liabilities of Transferor Company with regard to the Employees, if any, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise, as on the Effective Date; and
- (xi) all suits, actions, legal or other proceedings including quasi-judicial, arbitral of whatsoever nature involving or continued or to be enforced by or against the Transferor Company, which are capable of being continued by or against the Transferor Company under the Applicable Law.

## 10. INTERPRETATION

- 10.1 The expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992 (including the regulations made thereunder), the Depositories Act, 1996 and other Applicable Laws, rules, regulations, by-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.
- 10.2 References to Clauses and recitals, unless otherwise provided, are to Clauses and recitals to this Scheme.
- 10.3 The headings herein shall not affect the construction of this Scheme.
- 10.4 The singular shall include the plural and *vice versa*; and references to one gender include all genders.
- 10.5 Any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.



- 10.6 References to a person includes any individual, firm, body corporate (whether incorporated or not), Appropriate Authority, or any joint venture, association, partnership, works council or employee representatives' body (whether or not having separate legal personality).
- 10.7 Terms "hereof", "herein", "hereby", "hereto" and derivative or similar words shall refer to this entire Scheme or specified Clauses of this Scheme, as the case may be.
- 10.8 A reference to "writing" or "written" includes printing, typing, lithography and other means of reproducing words in a visible form including e-mail.
- 10.9 Reference to any agreement, contract, document or arrangement or to any provision thereof shall include references to any such agreement, contract, document or arrangement as it may, after the date hereof, from time to time, be amended, supplemented or novated.
- 10.10 References to any provision of law or legislation or regulation shall include: (a) such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the date of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the transaction entered into under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced, (b) all subordinate legislations (including circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation) made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment.



## 11. SHARE CAPITAL OF THE COMPANIES

### 11.1 SHARE CAPITAL OF THE TRANSFEREE COMPANY

11.1.1 The share capital of the Transferee Company, as on the date of the meeting of Board of Directors of the Transferee Company for considering and approving this Scheme, i.e., as on September 22, 2022 is as under:

(₹ crore)

Authorised share capital:		Amount
17,50,00,00,000	Ordinary Shares of ₹1/- each	1,750.00
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
60,00,00,000*	Cumulative Convertible Preference Shares of ₹100/- each	6,000.00
<b>Total:</b>		<b>8,350.00</b>
Issued share capital:		Amount
12,23,21,83,670	Ordinary Shares of ₹1/- each	1,223.22
22,32,880	Ordinary Shares of ₹1/- each (Partly Paid up)	0.22
<b>Total:</b>		<b>1,223.44</b>
Subscribed and Paid-up share capital:		Amount
12,22,12,20,420*	Ordinary Shares of ₹1/- each fully paid up	1,222.12
22,32,880	Ordinary Shares of ₹1/- each (paid-up ₹0.2504 each)	0.05
<i>Amount paid-up on 3,89,516 Ordinary Shares of ₹10 each forfeited</i>		0.20
<b>Total:</b>		<b>1,222.37</b>

\*‘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 June 30, 2022. Further, of the 3,078 Ordinary Shares, 2,025 Ordinary shares received the final listing and trading approval from BSE & NSE under ISIN INE081A01012 on July 01, 2022, and trading effective from July 04, 2022

Note: Paid-up capital includes 11,68,393 Ordinary Shares held by Rujuvalika Investments Limited (a wholly owned subsidiary of Tata Steel Limited w.e.f. May 8, 2015), which do not carry any voting rights.

11.1.2 The equity shares of the Transferee Company are listed on the Stock Exchanges.



## 11.2 SHARE CAPITAL OF THE TRANSFEROR COMPANY

11.2.1 The share capital of the Transferor Company, as on the date of the meeting of Board of Directors of the Transferor Company for considering and approving this Scheme, i.e., as on September 22, 2022 is as under:

	In Rs.
<b>Authorized Share Capital</b>	375,00,00,000
3,750,00,000 Equity Shares of Rs 10 each	375,00,00,000
<b>Issued, Subscribed and Paid-up Share Capital</b>	31,57,75,000
31,577,500 Equity Shares of Rs 10 each, each fully paid up	31,57,75,000

11.2.2 The equity shares of the Transferor Company are listed on the Stock Exchanges.

11.2.3 Apart from the aforementioned shares, the Transferor Company has not issued any other shares or other ownership interests of the Transferor Company or any options (including employee stock options), warrants, rights or other securities (including but not limited to compulsorily convertible preference shares and compulsorily convertible debentures) that are directly or indirectly convertible into, or exercisable or exchangeable for, such equity capital.





**PART II: AMALGAMATION OF THE TRANSFEROR COMPANY ALONG WITH THE UNDERTAKING  
INTO AND WITH THE TRANSFEREE COMPANY**

**12. TRANSFER AND VESTING**

12.1 With effect from the Appointed Date, upon this Scheme becoming effective, and subject to the provisions of this Scheme, the Transferor Company along with all its assets, liabilities, contracts, employees, licenses, consents, permits, records, approvals, etc., comprising the Undertaking shall, pursuant to the provisions of the Act and any other Applicable Law without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Transferee Company as a going concern, so as to become, as and from the Appointed Date, the estate, assets, rights, title, interests and authorities of the Transferee Company, by virtue of and in the manner provided in this Scheme.

12.2 Without prejudice to the generality of the above, with effect from the Appointed Date and upon this Scheme becoming effective:

12.2.1 Transfer of Assets

(a) all assets of the Transferor Company, as are movable in nature (including investment in shares and marketable securities) or incorporeal property or are otherwise capable of transfer by physical or constructive delivery, novation and/or by endorsement and delivery or by vesting and recordal or by operation of law pursuant to this Scheme, shall stand transferred to vested in and/or be deemed to be transferred and vested in the Transferee Company and shall become the property and an integral part of the Transferee Company, with effect on and from the Appointed Date pursuant to the provisions of the Act, all other applicable provisions of Applicable Law, if any, without requiring any deed or instrument of conveyance for transfer of the same. The vesting pursuant to this sub-Clause shall be deemed to have occurred by physical or constructive delivery or by endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly;

(b) all other movable properties of the Transferor Company, including actionable claims, earnest monies, receivables, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other Appropriate Authorities, bodies, customers and any other persons, shall without any further act, instrument or deed, become the property of the Transferee Company. The Transferor Company shall upon sanction of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard. The Transferor Company shall, if so required, also give notice in such form as it may deem fit and proper to the debtors or obligor or any other person, that pursuant to the sanction of the Scheme by the Competent Authority, the said debtors should pay to the Transferee Company the debt, investment, loan, claim, bank balances and deposit or advance or make the same on account of the Transferor Company and the right of the Transferor Company to recover and realize the same stands vested in the Transferee Company;

(c) all debentures, bonds, notes or other debt securities, if any, of the Transferor Company,



whether convertible into equity or otherwise, shall become securities of the Transferee Company and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or deemed to have been transferred to and vested in and shall be exercised by or against the Transferee Company as if it were the Transferor Company in respect of securities so transferred;

- (d) all immovable properties (including land, together with buildings and structures standing thereon) and rights and interests thereon or embedded to the land and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or licensed or otherwise, all tenancies, and all documents of title, right, security deposits and easements in relation thereto shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in the Transferee Company, without any further act or deed done by the Transferor Company and the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Appropriate Authority shall suffice as record of continuing titles with the Transferee Company and shall be constituted as a deemed mutation and substitution thereof. The Transferee Company shall be entitled to and shall exercise all rights and privileges attached thereto including refund of any security deposits and shall be liable to pay the appropriate rent, rates and taxes and fulfill all obligations in relation to or applicable to such immovable properties. The relevant authorities shall grant all clearances / permissions, if any, required for enabling the Transferee Company to absolutely own and enjoy the immovable properties in accordance with Applicable Law. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of this Scheme by the Competent Authority in accordance with the terms hereof. The Transferor Company shall upon the Scheme becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard, which are in possession of the Transferor Company. It is hereby clarified that, except where prior consent of the lessor is required for an assignment, all the rights, title, and interest of the Transferor Company in any leasehold properties shall without any further act, instrument, or deed, be vested in or be deemed to have been vested in the Transferee Company;
- (e) all estates, assets, rights, title, claims, interest, investments and properties of the Transferor Company as on the Appointed Date, including accretions and appurtenances, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company;
- (f) all bank accounts operated or entitled to be operated by the Transferor Company shall be deemed to have been transferred and shall stand transferred to the Transferee Company and name of the Transferor Company shall be substituted by the name of the Transferee Company in the bank's records and the Transferee Company shall be entitled to operate all bank accounts, realise all monies and complete and enforce all pending contracts and transactions in the name of the Transferor Company to the extent necessary until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under the Scheme is formally accepted and completed by the parties concerned. For avoidance of doubt, it is hereby clarified that all cheques and other negotiable instruments,



payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date, shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. Similarly, the banker of the Transferee Company shall honour all cheques issued by the Transferor Company for payment after the Effective Date;

- (g) all letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, and other instruments of whatsoever nature to which the Transferor Company is a party to or to the benefit of which the Transferor Company may be eligible for, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. Upon coming into effect of the Scheme, the past track record of the Transferor Company shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes; and
- (h) all the security interest over any moveable and/ or immoveable properties and security in any other form (both present and future) including but not limited to any pledges, or guarantees, if any, created/ executed by any person in favour of the Transferor Company or any other person acting on behalf of or for the benefit of the Transferor Company for securing the obligations of the persons to whom the Transferor Company has advanced loans and granted other funded and non-funded financial assistance, by way of letter of comfort or through other similar instruments shall without any further act, instrument or deed stand vested in and be deemed to be in favour of the Transferee Company and the benefit of such security shall be available to the Transferee Company as if such security was ab initio created in favour of the Transferee Company. The mutation or substitution of the charge in relation to the movable and immovable properties of the Transferor Company shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities and third parties (including any depository participants) pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof;

#### 12.2.2 Transfer of Liabilities

- (a) all secured and unsecured Liabilities howsoever arising, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of the Transferee Company and the Transferee Company undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or any other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Clause. Necessary modification, as may be required would be carried out to the debt instrument issued by the Transferor Company, if any;
- (b) all loans raised and used and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company after the Appointed Date and prior to the Effective Date shall also be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and, to the extent they are outstanding on the



Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of the Act and all other applicable provisions of Applicable Laws, without any further act, instrument or deed shall stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same;

- (c) where any of the debts, liabilities, duties and obligations incurred before the Appointed Date by the Transferor Company, deemed to have been transferred to the Transferee Company by virtue of this Scheme, have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company;
- (d) loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company; and
- (e) subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of this Clause shall operate notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security document, all of which instruments shall stand modified and / or superseded by the foregoing provisions of this Scheme. It is expressly provided that, no other terms or conditions of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication;

#### 12.2.3 Transfer of Encumbrances

- (a) the transfer and vesting of movable and immovable properties as stated above, shall be subject to Encumbrances, if any, affecting the same;
- (b) all Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secure or relate to any liability, shall, after the Effective Date, without any further act, instrument or deed, continue to be related and attached to such assets or any part thereof to which they related or were attached prior to the Effective Date and as are transferred to the Transferee Company. Provided that if any of the assets of the Transferor Company have not been Encumbered in respect of the liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or any third party shall not affect the operation of the foregoing provisions of this Scheme;
- (c) the existing Encumbrances over the other assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate to such assets and properties and shall not



extend to or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of the Scheme; and

- (d) any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferor Company and the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the Registrar of Companies to give formal effect to the above provisions, if required;

#### 12.2.4 Transfer of Contracts, Deeds, etc.

- (a) all contracts, agreements, memoranda of undertakings, memoranda of agreement, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings whether written or otherwise, lease rights, deeds, bonds, understandings, insurance policies, applications, schemes and instruments of whatsoever nature to which the Transferor Company is a party, or to the benefit of which, the Transferor Company may be eligible/entitled, and which are subsisting and having effect immediately before the Effective Date, shall without any further act, instrument or deed continue in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto or thereunder. If the Transferee Company enters into and/ or issues and/ or executes deeds, writings or confirmations or enters into any tripartite arrangements, confirmations or novations, the Transferor Company may, if necessary, also be party to such documents in order to give formal effect to the provisions of this Scheme, if so required and permitted under the law. The Transferor Company may also execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Company is a party as may be necessary to be executed in order to give formal effect to the above provisions. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of the Transferor Company;
- (b) without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after coming into effect of the Scheme, in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company is a party, including any filings with the regulatory authority or any writings, as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed; and



- (c) on and from the Effective Date, and thereafter, the Transferee Company shall be entitled to complete and enforce all pending contracts and transactions in respect of the Transferor Company, in the name of the Transferor Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme has been given effect to under such contracts and transactions;

#### 12.2.5 Transfer of Licenses and Approvals

- (a) all approvals, allotments, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, rehabilitation schemes, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisation, pre-qualifications, bid acceptances, tenders, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions, privileges, powers, facilities, letter of allotments and certificates of every kind and description whatsoever in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible/ entitled, and which are subsisting or having effect immediately before the Effective Date, including the benefits of any applications made for any of the foregoing, shall be and remain in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/ endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/ documents with relevant authorities concerned for information and record purposes;
- (b) all statutory licenses, no objection certificates, consents, permissions, approvals, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company or any applications made for the same by the Transferor Company shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company;
- (c) all trademarks, trade names, service marks, copyrights, patents, logos, corporate names, brand names, domain names and all registrations, applications and renewals in connection therewith, and software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information shall stand transferred to and vested in the Transferee Company without any further act, instrument or deed, upon the sanction of this Scheme by the Competent Authority;
- (d) benefits of any and all corporate approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or otherwise, including without limitation approvals under Sections 42, 62, 180, 185, 186, etc., of the Act, read with the rules



and regulations made thereunder, shall stand transferred to the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken/ complied with by the Transferee Company; it being clarified that if any such resolutions have any monetary limits approved subject to the provisions of the Act and of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of the Transferee Company, shall be added to the limits, if any, under the like resolutions passed by the Transferee Company;

- (e) the Transferor Company and/ or the Transferee Company as the case may be, shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under Applicable Laws or otherwise, do all such acts or things as may be necessary to transfer/ obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Transferor Company. It is hereby clarified that if the consent of any third party or Appropriate Authority, if any, is required to give effect to the provisions of this Clause, the said third party or Appropriate Authority shall make and duly record the necessary substitution/ endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the provisions of the Act and with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/ documents with relevant authorities concerned for information and record purposes.
- (f) since each of the permissions, approvals, consents, sanctions, remissions, special reservations, holidays, incentives, concessions and other authorizations, shall stand vested by the order of sanction of the Competent Authority in the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning courts; and
- (g) the Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard;

#### 12.2.6 Transfer of Legal and other Proceedings

- (a) any pending suits/appeals, all legal or other proceedings including before any statutory or quasi-judicial authority or tribunal or other proceedings of whatsoever nature relating to the Transferor Company, whether by or against the Transferor Company, whether pending on the Effective Date or which may be instituted any time in the future, if such proceedings are capable of being continued by or against the Transferee Company, shall not abate, be discontinued or in any way prejudicially be affected by reason of this amalgamation of the Undertaking or because of the provisions contained in this Scheme. The proceedings shall continue by or against the Transferee Company in the same manner and to the same extent as they would have been continued, prosecuted and/or enforced by or against the Transferor Company, if this Scheme had not been implemented;
- (b) in case of any litigation, suits, recovery proceedings which are to be initiated by or may be





initiated against the Transferor Company, the Transferee Company shall be made party thereto and shall prosecute or defend such proceedings;

- (c) the Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company, which are capable of being continued by or against the Transferee Company, transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by or against the Transferee Company; and
- (d) the Transferee Company shall be deemed to be authorized under this Scheme to execute any pleadings, applications, forms, etc., as are required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme;

#### 12.2.7 Taxation related provisions

- (a) All the expenses incurred by the Transferor Company and the Transferee Company in relation to the amalgamation of the Undertaking with the Transferee Company as per this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Transferee Company in accordance with Section 35DD of the IT Act over a period of 5 (five) years beginning with the previous year in which the Scheme becomes effective.
- (b) Upon the Scheme becoming effective, the Transferor Company (if required) and the Transferee Company are expressly permitted to revise, its financial statements and returns (including tax deducted at source (“TDS”) or tax collected at source (“TCS”) returns) along with prescribed forms, filings and annexures (including but not limited to TDS certificates) under the IT Act (including for the purpose of re-computing income-tax under the normal provisions, minimum alternative tax, and claiming other tax benefits), central sales tax, applicable state value added tax, entry tax, octroi, local tax law, service tax laws, excise and central value added tax (“CENVAT”) duty laws, customs duty laws, goods and services tax laws and other tax laws, if required to give effect to the provisions of the Scheme. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired. The Transferee Company is also expressly permitted to claim refunds / credits in respect of any transaction by and between the Transferor Company and the Transferee Company. With respect to the TDS certificates issued in the name of Transferor Company after the Appointed Date, the same will be deemed to be issued in the name of the Transferee Company for the income tax purposes.
- (c) Upon the Scheme becoming effective, the Transferee Company shall be entitled to (i) claim deductions with respect to provisions, expenses, etc., disallowed in earlier years in the hands of the Transferor Company, which may be allowable in accordance with the provisions of the IT Act on or after the Appointed Date; and (ii) exclude items such as provisions, reversals, etc., for which no deduction or tax benefit has been claimed by the Transferor Company prior to the Appointed Date.
- (d) With effect from Appointed Date, the Transferee Company is expressly permitted to claim any deduction (including deferred revenue expenditure, whether or not recorded for tax purposes) otherwise admissible such as under section 40, 40A, 43B, etc. of the IT Act / exemption, refunds and/or input tax credit/ cenvat, credit for taxes paid (including MAT,



TDS/TCS, income tax including, advance tax, self-assessment tax, dividend distribution tax, carry forward of accumulated losses, unabsorbed depreciation, foreign tax credit, etc.) and for matters incidental thereto under the IT Act, central sales tax, applicable state value added tax, service tax laws, local body tax, entry tax, excise duty and CENVAT duty laws, customs duty laws, goods and service tax laws and other applicable tax laws. All tax assessment proceedings/ appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date by the Transferor Company. In the event of the Transferor Company failing to continue or enforce any proceeding/ appeal, the same may be continued or enforced by the Transferee Company, at the cost of the Transferee Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.

- (e) Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Undertaking with the Transferee Company or anything contained in the Scheme.
- (f) Any tax liabilities under the IT Act, service tax laws, excise duty laws, central sales tax, customs duty laws, local body tax, entry tax, wealth tax, GST Act, applicable state value added tax laws or other Applicable Laws dealing with taxes/ duties or levies of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to or stand transferred to the Transferee Company. Any surplus in the provision for taxation / duties or levies account including advance tax, foreign tax credit, MAT credit and TDS as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.
- (g) Any refund under the IT Act, service tax laws, excise duty laws, central sales tax, customs duty, goods and services tax laws, applicable state value added tax laws or other Applicable Laws dealing with taxes/ duties or levies due to the Transferor Company consequent to the assessment made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company upon this Scheme becoming effective.
- (h) The tax payments (including, without limitation income tax, including advance tax, self-assessment tax, dividend distribution tax, MAT, service tax, excise duty, central sales tax, customs duty, local body tax, entry tax, wealth tax, goods and services tax, applicable state value added tax, etc.) whether by way of TDS/TCS, foreign tax credit, advance tax, all earnest monies, security deposits provisional payments, payment under protest, or otherwise howsoever, by the Transferor Company after the Appointed Date, shall be deemed to be paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Credit for such taxes shall be allowed to the Transferee Company notwithstanding that certificates or challans for taxes paid are in the name of the Transferor Company and not in the name of the Transferee Company.
- (i) Further, any TDS by the Transferor Company / Transferee Company on transactions with the Transferee Company/ Transferor Company, if any (from Appointed Date to Effective Date)



shall be deemed to be advance tax paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.

- (j) Obligation for TDS on any payment made by or to be made by the Transferor Company under the IT Act, service tax laws, excise duty laws, central sales tax, customs duty, goods and services tax laws, applicable state value added tax laws or other Applicable Laws dealing with taxes/ duties or levies shall be made or deemed to have been made and duly complied with by the Transferee Company.
- (k) Without prejudice to the generality of the above, all benefits, entitlements, incentives, accumulated losses, and allowance for unabsorbed depreciation as per Section 72A of the IT Act, losses brought forward and unabsorbed depreciation as per books of accounts, credits, registrations (including, without limitation income tax, minimum alternate tax, TDS/TCS, taxes withheld/paid in foreign country, wealth tax, service tax, excise duty, central sales tax, applicable state value added tax, customs duty, goods and services tax, CENVAT, registrations, etc.) to which the Transferor Company is entitled to in terms of Applicable Laws, shall be available to and vest in the Transferee Company, upon this Scheme coming into effect.
- (l) Upon coming into effect of this Scheme, all tax compliances under any tax laws by the Transferor Company on or after Appointed Date shall be deemed to be made by the Transferee Company.
- (m) All deductions otherwise admissible to the Transferor Company including payment admissible on actual payment or on deduction of appropriate taxes or on payment of tax deducted at source (such as under Sections 40, 40A, 43B etc. of the IT Act) shall be available for deduction to the Transferee Company as it would have been available to the Transferor Company.
- (n) The accumulated losses and the allowance for unabsorbed depreciation of the Transferor Company shall be deemed to be the loss and the allowance for unabsorbed depreciation of the Transferee Company in accordance with Section 72A of the IT Act.
- (o) Further, the losses and unabsorbed depreciation as per books of account of the Transferor Company as on the date immediately preceding the Appointed Date shall be deemed to be the brought forward losses and unabsorbed depreciation of the Transferee Company for the purpose of computation of book profit to calculate the minimum alternate tax payable by the Transferee Company.
- (p) Without prejudice to the generality of the above, accumulated losses and allowance for unabsorbed depreciation as per Section 72A of the IT Act, losses brought forward and unabsorbed depreciation as per books of account, credits (including, without limitation income tax, minimum alternate tax, tax deducted at source, taxes withheld/ paid in a foreign country, wealth tax, service tax, excise duty, central sales tax, applicable state value added tax, customs duty drawback, goods and service tax, etc.) to which the Transferor Company is entitled to in terms of applicable laws, shall be available to and vest in the Transferee Company upon coming into effect of this Scheme.



- (q) The Companies shall be entitled to file/revise its respective income tax returns, TDS certificates, TDS returns, wealth tax returns and other statutory returns, if required, and shall have the right to claim refunds, advance tax credits, credit of tax deducted at source, dividend distribution tax credits, credit of foreign taxes paid/ withheld, excise, service tax credits, set off, goods and services tax, etc., if any, as may be required consequent to implementation of this Scheme.

#### 12.2.8 Transfer of Employees

- (a) all Employees of the Transferor Company, if any, remaining on the Effective Date, shall become employees of the Transferee Company with the benefit of continuity of service on such terms and conditions as are no less favourable than those on which they are currently engaged by the Transferor Company, without any interruption of service as a result of the amalgamation of the Undertaking into the Transferee Company;
- (b) save as expressly provided for in this Scheme, the Employees, if any, who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the benefit of the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the other employees of the Transferee Company (including the benefits if or under any employee stock option schemes applicable to or covering all or any of the other employees of the Transferee Company), unless otherwise determined by the Transferee Company;
- (c) It is expressly provided that, on the Scheme becoming effective, insofar as the provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the Employees are concerned, such proportion of the investments made in the funds and liabilities which are attributable/referable to the Employees (collectively referred to as the “**Funds**”) shall be transferred to similar funds created and/or nominated by the Transferee Company and shall be held for their benefit pursuant to this Scheme, or at the sole discretion of the Transferee Company, maintained as separate funds by the Transferee Company. Pending the transfer as aforesaid, the Funds of the employees may be continued to be deposited in the existing funds of the Transferor Company. Without prejudice to the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Applicable Laws, shall be entitled to: (a) retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company; or (b) merge the pre-existing funds of the Transferor Company with other similar funds of the Transferee Company;
- (d) Further to the transfer of Funds as set out herein above, for all purposes whatsoever in relation to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, all rights, duties, powers and obligations of the Transferor Company as on the Effective Date in relation to such Funds shall become those of the Transferee Company. It is clarified that the services of the Employees will be treated as having been continuous for the purpose of the said Funds;
- (e) in relation to any funds (including any funds set up by the government for employee benefits) created or existing for the benefit of the transferred Employees, the Transferee Company



shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said funds in accordance with the provisions of such scheme, funds, bye laws, etc. in respect of such transferred Employees;

- (f) the Transferee Company shall continue to abide by any agreement(s) / settlement(s) entered into with any employees by the Transferor Company. The Transferee Company agrees that for the purpose of payment of any retrenchment compensation, gratuity, grants, stock options or other terminal benefits, the past services of such employees with the Transferor Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable; and
- (g) the Directors of the Transferor Company will not be entitled to any directorships in the Transferee Company by virtue of the provisions of this Scheme. It is clarified that this Scheme will not affect any directorship of any person who is already a director in the Transferee Company as on the Effective Date.

#### 12.2.9 Inter-Se Transaction

- (a) Without prejudice to the foregoing provisions, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes.
- (b) With effect from the Effective Date, there will be no accrual of income or expense on account of any transactions, including, *inter alia*, any transactions in the nature of sale or transfer of any goods, materials or services, between the Companies. For avoidance of doubt, it is hereby clarified that with effect from the Effective Date, there will be no accrual of interest or other charges in respect of any *inter se* loans, deposits or balances between the Companies.
- (c) From the Effective Date, the Transferee Company shall commence, carry on and be authorized to carry on the business of the Transferor Company.
- (d) With effect from the Effective Date, any liabilities, loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.
- (e) All inter se contracts solely between the Transferor Company and the Transferee Company shall stand cancelled and cease to operate and appropriate effect shall be given in the books of accounts and records of the Transferee Company.

#### 12.2.10 Miscellaneous

For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure the smooth transition and sales of products and inventory of the Transferor Company manufactured and/or branded and/or



labelled and/or packed in the name of the Transferor Company prior to the Effective Date, the Transferee Company shall have the right to own, use, market, sell, exhaust or to in any manner deal with any such products and inventory (including packing material) pertaining to the Transferor Company at manufacturing locations or warehouses or retail stores or elsewhere, without making any modifications whatsoever to such products and/or their branding, packing or labelling. All invoices/ payment related documents pertaining to such products and inventory (including packing material) may be raised in the name of the Transferee Company after the Effective Date.

**13. BUSINESS AND PROPERTY IN TRUST**

13.1 The Transferor Company has agreed that during the period between the approval of the Scheme by the respective Boards of the Transferor Company and the Transferee Company and up to the Effective Date, the business of the Transferor Company shall be carried out with reasonable diligence and business prudence in the ordinary course consistent with past practice, in good faith and in accordance with Applicable Law.

13.2 With effect from the Appointed Date and up to and including the Effective Date:

- (a) the Transferor Company shall be deemed to have been carrying on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all the estates, assets, rights, title, interest, authorities, contract, investments and strategic decisions, for and on account of, and in trust for, the Transferee Company;
- (b) all profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of the Transferee Company;
- (c) any of the rights, powers, authorities, privileges, exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company;
- (d) all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of the Transferor Company which arise or accrue to the Transferor Company on or after the Appointed Date, shall be deemed to be of the Transferee Company;
- (e) all assets and properties comprised in the Transferor Company as on the date immediately preceding the Appointed Date, whether or not included in the books of the Transferor Company and all assets and properties relating thereto, which are acquired by the Transferor Company, on or after the Appointed Date, shall be deemed to be the assets and properties of the Transferee Company;



- (f) all taxes (including without limitation, income tax, wealth tax, sales tax, excise duty, customs duty, service tax, value added tax, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the Transferor Company before the Appointed Date, shall be on account of the Transferor Company and, in so far as it relates to the tax payment (including, without limitation, income tax, minimum alternate tax, dividend distribution tax, wealth tax, sales tax, excise duty, customs duty, goods and services tax, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferor Company with effect from the Appointed Date, shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly; and
- (g) any refund (including interest, if any) under any tax laws due to the Transferor Company consequent to the assessment made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company. The Transferee Company is expressly permitted to revise and file income tax returns, goods and services tax returns and other tax returns, and to claim refunds / credits pursuant to the provisions of this Scheme. The Transferee Company shall be entitled to such tax benefits including but not limited to minimum alternate tax paid under Section 115JA/115JB of the IT Act, and the right to claim credit therefore in accordance with the provisions of Section 115JAA of the IT Act, including the benefit of brought forward losses or depreciation as admissible under the provisions of the IT Act, including Section 72A, to the extent applicable to the taxable profits of the Transferee Company with effect from the Appointed Date. The Transferee Company shall continue to enjoy the tax benefits/concessions provided to the Transferor Company through notifications, circulars, etc. issued by the concerned Appropriate Authorities.
- (h) Notwithstanding anything contained in this Scheme, the Parties shall be entitled to declare, distribute and pay dividend, whether interim or final, to their respective shareholders prior to this Scheme becoming effective.

#### **14. SAVING OF CONCLUDED TRANSACTION**

- 14.1 The transfer and vesting of the assets, liabilities and obligations of the Transferor Company and the continuance of the proceedings by or against the Transferee Company shall not affect any transaction or proceedings already completed by the Transferor Company on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by and / or on behalf of the Transferor Company as acts, deeds and things made, done and executed by and on behalf of the Transferee Company.

#### **15. CANCELLATION OF SHARES OF THE TRANSFEROR COMPANY AND ISSUANCE OF SHARES BY THE TRANSFEE COMPANY**

- 15.1 Upon coming into effect of this Scheme, all the shares of the Transferor Company held by the Transferee Company (either directly or through nominees) on the Effective Date shall stand cancelled without any further application, act or deed. Further, the investment in the shares of the Transferor Company, appearing in the books of accounts of the Transferee Company shall, without any further act or deed, stand cancelled. It is clarified that no new shares shall be issued





nor payment shall be made in cash whatsoever by the Transferee Company in lieu of cancellation of such shares of the Transferor Company.

- 15.2 Upon coming into effect of this Scheme, and in consideration of the amalgamation of the Undertaking into and with the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Company (other than the Transferee Company), whose names are recorded in the register of members as a member of the Transferor Company, including register and index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, on the Record Date (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of the Transferee Company) (the “**Eligible Member**”) in the following manner:

*“79 (seventy-nine) fully paid up ordinary equity shares of Re. 1/- (Rupee one) each of the Transferee Company, for every 10 (ten) fully paid up equity shares of Rs. 10 (Rupees ten) each held in the Transferor Company (“**Share Exchange Ratio**”).”*

The shares to be issued by the Transferee Company to the shareholders of the Transferor Company in accordance with this Clause 15.2 of this Scheme shall be hereinafter referred to as the “**New Shares**”.

## 16. **ISSUANCE MECHANISM**

- 16.1 The New Shares to be issued pursuant to Clause 15.2 above, shall be issued to the shareholders of the Transferor Company in such form, physical or dematerialized as permitted under Applicable Law. Provided that, in the event the Transferee Company is mandated to issue the shares only in the dematerialized form and the Transferee Company has not been provided with relevant account details with a depository participant by a shareholder of the Transferor Company holding shares in physical form prior to the Record Date, the Board of the Transferee Company may, in the interests of allottees, approve such method for allotment of the New Shares as it may, in its absolute discretion, deem fit.
- 16.2 Where New Shares are to be issued and allotted to heirs, executors or administrators, as the case may be, to successors of deceased shareholders or legal representatives of the shareholders of the Transferor Company, the concerned heirs, executors, administrators, successors or legal representatives shall be obliged to produce evidence of title satisfactory to the Board of the Transferee Company.
- 16.3 In the event that the Companies restructure their share capital by way of share split/consolidation/issue of bonus shares during the pendency of the Scheme, the Share Exchange Ratio, shall be adjusted accordingly to take into account the effect of any such corporate actions.
- 16.4 Upon this Scheme becoming effective and upon the issue of New Shares to the Eligible Members, the equity shares of the Transferor Company, both in demat form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date.
- 16.5 The equity shares to be issued by the Transferee Company pursuant to Clause 15.2 above in



respect of such equity shares of Transferor Company which are held in abeyance under the provisions of Section 126 of the Act or which the Transferee Company is unable to issue due to non-receipt of relevant approvals or due to Applicable Law shall, pending allotment or settlement of the dispute by order of a court or otherwise, also shall be kept in abeyance in like manner by the Transferee Company.

- 16.6 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of the Transferor Company, the Board of the Transferor Company, shall be empowered prior to the Record Date, to effectuate such transfers in the Transferor Company as if such changes in registered holders were operative as on the Record Date, in order to remove any difficulties arising to the transferors of the shares and in relation to the shares to be issued by the Transferee Company pursuant to Clause 15.2 above after the Scheme is effected. The Board of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Transferee Company on account of difficulties faced in the transition period.
- 16.7 The equity shares issued and allotted by the Transferee Company, in terms of Clause 15.2 above, shall be subject to the provisions of the memorandum and articles of association of the Transferee Company and shall rank *pari passu* in all respects with the ordinary equity shares of the Transferee Company including as regards entitlement to dividend and other distributions and repayment of capital declared or paid on or after the Effective Date and voting and other rights.
- 16.8 At the time of issue and allotment of equity shares in terms of Clause 15.2 above, the Board of the Transferee Company shall aggregate all fractional entitlements, and allot equity shares in lieu thereof to a corporate trustee or such other authorized representative(s) as the Board of the Transferee Company shall appoint in this behalf, who shall hold such New Shares with all additions or accretions thereto, in trust on behalf of the equity shareholders entitled to fractional entitlements (and their respective heirs, executors, administrators or successors) with the express understanding that such trustee or other authorized representative(s) shall sell the same in the market at such time or times and at such price or prices and to such person or persons, as it/he/they may deem fit, within a period of 90 (ninety) days from the date of allotment, of equity shares or such additional period as may be permissible under Applicable Law and on such sale, distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. The Board of the Transferee Company, if it deems necessary, in the interests of allottees, approve such other method for distribution of the net proceeds in this behalf as it may, in its absolute discretion, deem fit.
- 16.9 The equity shares allotted and issued in terms of Clause 15.2 above, shall be listed and/or admitted to trading on the Stock Exchanges, where the equity shares of the Transferee Company are listed and/or admitted to trading; subject to the Transferee Company obtaining the requisite governmental approvals pertaining to their listing.
- 16.10 It is clarified that upon the approval of this Scheme by the shareholders of the Transferor Company and the Transferee Company under Sections 230 to 232 of the Act, the shareholders shall be deemed to have approved this Scheme under Sections 13, 14, 62, 188 and any other applicable provisions under the Act and the SEBI Circulars, and that no separate approval from or any shareholders and/or the creditors nor any further action, to that extent shall be required to be



sought or undertaken by the Transferor Company and the Transferee Company respectively, for the matters specified in this Scheme.

**17. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEEE COMPANY**

17.1 Notwithstanding anything to the contrary contained herein, the Transferee Company shall account for the amalgamation of the Transferor Company in its books of accounts in accordance with 'pooling of interest method' of accounting as laid down in the Appendix C of Indian Accounting Standards (INDAS) 103 – Business Combinations, other accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Act and relevant clarifications issued by Institute of Chartered Accountants of India ("ICAI"). Accordingly, the financial information in the financial statements in respect of the prior periods will be 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 and such restatement shall not be considered or treated to be a revision of financial statements in terms of the provisions of Section 131 of the Act.

**18. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEROR COMPANY**

18.1 As the Transferor Company shall stand dissolved without being wound up upon the Scheme becoming effective, hence no accounting treatment is being prescribed under this Scheme in the books of the Transferor Company.

**19. AMALGAMATION AS PER INCOME TAX ACT**

19.1 This Scheme has been drawn up to comply and come within the definition and conditions relating to "amalgamation" as specified under Section 2(1B) of the IT Act. If any term(s) or provision(s) of the Scheme are found or interpreted to be inconsistent with the provisions of the said sections of the IT Act, at a later date, including resulting from an amendment of law or for any other reason whatsoever, the Scheme shall stand modified / amended to the extent determined necessary to comply and come within the definition and conditions relating to "amalgamation" as specified in the IT Act. In such an event, where the Clauses which are inconsistent are modified or deemed to be deleted, such modification / deemed deletion shall, however, not affect the other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Companies, which power shall be exercised reasonably in the best interests of the Companies concerned and their stakeholders.

**20. DISSOLUTION WITHOUT WINDING UP**

20.1 Upon the Scheme coming into effect, with effect from the Appointed Date, the Transferor Company shall stand dissolved without being wound up by the order of the Competent Authority, or any other act or deed.

20.2 The Transferor Company's name shall be removed from the Register of Companies by the Registrar of Companies upon this Scheme becoming effective.



### PART III: GENERAL TERMS AND CONDITIONS

#### 21. APPLICATIONS

- 21.1 The Companies shall make applications and/ or petitions under Sections 230 to 232 and other applicable provisions of the Act to the Competent Authority for approval of the Scheme and all matters ancillary or incidental thereto, as may be necessary to give effect to the terms of the Scheme.
- 21.2 On this Scheme becoming effective, the members of the Companies shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme. The Companies shall also make all other necessary applications before the Competent Authority for sanction of this Scheme.
- 21.3 The Companies shall be entitled, pending the effectiveness of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law for such consents and approvals, as agreed between the Companies, which the Companies may require to effect the transactions contemplated under the Scheme, in any case subject to the terms as may be mutually agreed between the Companies.

#### 22. SCHEME CONDITIONAL UPON

- 22.1 The Scheme is conditional and is subject to:
- (a) receipt of consents, no-objection letters, approvals from the Stock Exchanges in accordance with the LODR Regulations and the SEBI Circulars in respect of the Scheme (prior to filing the Scheme with the Competent Authority), which shall be in form and substance acceptable to the Companies, each acting reasonably and in good faith;
  - (b) the Scheme being agreed to (in the manner prescribed herein) by the respective requisite majorities of the various classes of shareholders of the Companies as required under the Act;
  - (c) The Scheme being approved by the PUBLIC shareholders through e-voting in terms of Part – I (A)(10)(a) of SEBI Master circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 and the Scheme shall be acted upon only if votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it;
  - (d) there having been no interim or final ruling, decree or direction by any Appropriate Authority, which has not been stayed by an appellate authority, which has the effect of prohibiting or making unlawful, the consummation of the proposed Scheme by any of the Companies; and
  - (e) the Scheme being sanctioned by the Competent Authority under Section 230 to 232 of the Act, on terms as originally approved by or with such modifications as are acceptable to the Companies.

#### 23. AMENDMENT TO MEMORANDUM OF ASSOCIATION OF TRANSFEREE COMPANY



### 23.1 Change in Object Clause

- (a) In order to carry on the activities currently being carried on by the Transferor Company in relation to the Undertaking, upon coming into effect of the Scheme, the applicable main objects in the memorandum of association of the Transferor Company shall be added to the matters which are necessary for furtherance of the objects of the memorandum of association of the Transferee Company, to the extent such objects are not already covered in the memorandum of association of the Transferee Company, pursuant to the applicable provisions of the Act.
- (b) Under the accepted principle of single window clearance, it is hereby provided that the amendments pursuant to this Clause 23.1 shall become operative on the Scheme becoming effective by virtue of the fact that the shareholders of the Transferee Company, while approving the Scheme as a whole, have approved and accorded the relevant consents as required under the Act for amendment of the memorandum of association of the Transferee Company and shall not be required to pass separate resolutions under the applicable provisions of the Act.

### 23.2 Increase of Authorised Share Capital

- (a) As an integral part of the Scheme, and, upon coming into effect of the Scheme, the authorised share capital of the Transferor Company shall stand merged with the authorized share capital representing the ordinary shares of the Transferee Company and consequently, the authorized share capital of the Transferee Company shall stand suitably increased, without any further act, instrument or deed.
- (b) Clause V of the Memorandum of Association of the Transferee Company (relating to authorised share capital) and without any further instrument, act or deed be stand altered, modified and amended pursuant to Sections 13, 14, 61, 62 and 64 and other applicable provisions of the Act.
- (c) Pursuant to this Scheme, the Transferee Company shall file the requisite forms, if any, with the Registrar of Companies for alteration of its authorized share capital. The fee paid by the Transferor Company on its authorised capital, shall be set off against any fees payable by the Transferee Company on its authorised capital subsequent to the amalgamation and dissolution of the Transferor Company.
- (d) Under the accepted principle of single window clearance, it is hereby provided that the amendments pursuant to this Clause 23.2 shall become operative on the Scheme becoming effective by virtue of the fact that the shareholders of the Transferee Company, while approving the Scheme as a whole, have approved and accorded the relevant consents as required under the Act for amendment of the memorandum of association of Transferee Company and shall not be required to pass separate resolutions under the applicable provisions of the Act.



## 24. MODIFICATIONS

24.1 The Companies (acting through their respective Boards or committees or such other person or persons, as the respective Board of Directors may authorize) may, in their full and absolute discretion, jointly and as mutually agreed in writing:

- (a) assent/ make and/ or consent to any modifications or amendments to this Scheme, or to any conditions or limitations as may be mutually agreed and which the Competent Authority and/or any other authorities may deem fit to direct or impose, and/or effect any other modification or amendment, and to do all acts, deeds and things which may otherwise be considered necessary or desirable or appropriate for settling any question or doubt or difficulty that may arise for implementing and / or carrying out this Scheme;
- (b) take such steps and do all such acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and give such directions (acting jointly) as to resolve any doubts, difficulties or questions, arising under this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any insolvent or deceased shareholders, debenture holders, depositors of the respective Companies), whether by reason of any order(s) of the Competent Authority or of any direction or orders of any other Appropriate Authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith, or to review the position relating to the satisfaction of the various conditions of the Scheme and if necessary, to waive any of those (to the extent permissible under the law);
- (c) modify or vary this Scheme prior to the Effective Date in any manner at any time subject to Applicable Law; and
- (d) determine jointly whether any asset, liability, employee, legal or other proceedings pertains to the Transferor Company or not, on the basis of any evidence that they may deem relevant for this purpose.

24.2 In case, post approval of the Scheme by the Competent Authority, there is any confusion in interpreting any Clause of this Scheme, or otherwise, the Board of Directors of the respective Companies shall have complete power to mutually take the most sensible interpretation so as to render the Scheme operational.

## **25. Effect of non-receipt of Approvals**

25.1 The Scheme shall not come into effect unless the aforementioned conditions mentioned in Clause 22.1 above are satisfied and in such an event, the Scheme shall become null and void. Unless each of the conditions are satisfied, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Companies or their respective shareholders or creditors or employees or any other person.

25.2 In the event of this Scheme failing to take effect, the Board of Directors of any of the Companies may opt to terminate this Scheme and the Scheme shall stand revoked, cancelled and be of no effect and any of the Companies, if required, may file appropriate proceedings before the Competent Authority in this respect.

25.3 Upon the termination of the Scheme, no rights and liabilities whatsoever shall accrue to or be



incurred *inter-se* between the Companies or their shareholders or creditors or employees or any other person.

**26. Conflict between Scheme and other arrangement**

26.1 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Companies and their respective shareholders and the terms and conditions of this Scheme, the latter shall prevail.

**27. Removal of Difficulties**

27.1 The Companies through mutual consent and acting through their respective Boards, jointly and as mutually agreed in writing may:

- (a) give such directions (acting jointly) and agree to take steps, as may be necessary, desirable or proper, to resolve all doubts, difficulties or questions arising under this Scheme, whether by reason of any orders of the Competent Authority or of any directive or orders of any Appropriate Authority, under or by virtue of this Scheme in relation to the arrangement contemplated in this Scheme and/ or matters concerning or connected therewith or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any manner whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those to the extent permissible under Applicable Law; and/or
- (b) do all such acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.

27.2 Without prejudice to the other provisions of the Scheme and notwithstanding the vesting of the Undertaking into the Transferee Company by virtue of the Scheme itself, in order to ensure (i) implementation of the provisions of the Scheme; and (ii) continued vesting of the benefits, exemptions available to the Transferor Company in favour of the Transferee Company, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under Applicable Law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement in relation to which the Transferor Company has been a party, including any filings with the regulatory authorities in order to give formal effect to the above provisions and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.

**28. Severability**

28.1 If any part of this Scheme hereof is invalid, ruled illegal by Competent Authority or any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Companies that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to either of the Companies, in which case the Companies, acting through their respective Boards of Directors, shall attempt to bring about a modification in the Scheme, as will best preserve for the Companies the benefits and obligations of the Scheme





including but not limited to such part, which is invalid, ruled illegal or rejected by the Competent Authority or any court of competent jurisdiction, or unenforceable under present or future Applicable Laws.

29. Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred on the Appointed Date and become effective and operative only in the sequence and in the order mentioned hereunder:
  - (a) amalgamation of the Undertaking into the Transferee Company in accordance with Part II of the Scheme;
  - (b) cancellation of all the issued share capital of the Transferor Company which shall be affected as a part of the Scheme and not in accordance with Section 66 of the Act and issue of New Shares as provided in Clause 15.2 of this Scheme, to the Eligible Members (other than the Transferee Company) as per the approved valuation report, in accordance with Part II of this Scheme;
  - (c) transfer of the authorised share capital of the Transferor Company to the Transferee Company as provided in Part III of this Scheme, and consequential increase in the authorised share capital of the Transferee Company as provided in Part III of this Scheme; and
  - (d) dissolution of the Transferor Company, without winding up.
30. Upon this Scheme becoming effective, the accounts of the Companies, as on the Appointed Date shall be reconstructed in accordance with the terms of this Scheme.
31. All costs, charges expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.), of the Transferor Company and the Transferee Company arising out of or incurred in connection with and implementing this Scheme and matters incidental shall be borne by the Transferee Company.
32. Upon the Scheme coming into effect, with effect from the Appointed Date, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company. If any such resolutions have any monetary limits approved as per the provisions of the Act, or any other applicable statutory provisions, then such limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.
33. Upon this Scheme becoming effective, the Transferee Company shall be entitled to occupy and use all premises, whether owned, leased or licensed, relating to the Transferor Company until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally accepted by the parties concerned.
34. Even after the Scheme becomes effective, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Company and realise all monies and complete and enforce all pending contracts and transactions in respect of the Transferor Company in the name of the



Transferor Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally accepted by the parties concerned.

35. The Companies shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority, if required, under any law for such consents and approvals which the Transferee Company may require to carry on the business of the Transferor Company.
36. The provisions contained in this Scheme are inextricably inter-linked and the Scheme constitutes an integral whole. The Scheme would be given effect to only if it is approved in its entirety unless specifically agreed otherwise by the respective Board of Directors of the Transferor Company and the Transferee Company or any committee constituted by such Boards.
37. The Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the respective Board of Directors of the Companies prior to the Effective Date. In such a case, each of the Companies shall respectively bear their own cost or as may be mutually agreed. It is hereby clarified that notwithstanding anything to the contrary contained in this Scheme, any one of the Companies shall not be entitled to withdraw the Scheme unilaterally: (a) without the prior written consent of the other Company; or (b) unless such withdrawal is in accordance with any written agreement entered into between the Companies.

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## Price Waterhouse & Co Chartered Accountants LLP

### INDEPENDENT AUDITOR'S REPORT

#### To the Board of Directors of Tata Steel Limited

#### Report on the Audit of Standalone Financial Results

#### Opinion

1. We have audited the standalone annual financial results of Tata Steel Limited (hereinafter referred to as the "Company") for the year ended March 31, 2023 and the standalone statement of assets and liabilities and the standalone statement of cash flows as at and for the year ended on that date (the "Standalone Financial Results" comprising of Standalone Statement of Profit and Loss for the quarter/ twelve months ended on 31<sup>st</sup> March 2023 Standalone Balance Sheet as at 31<sup>st</sup> March 2023 and Standalone Statement of Cash Flows for the year ended on 31<sup>st</sup> March 2023), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial results:
  - (i) are presented in accordance with the requirements of Regulation 33 and Regulation 52 of the Listing Regulations in this regard; and
  - (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2023 and the standalone statement of assets and liabilities and the standalone statement of cash flows as at and for the year ended on that date.

#### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Results' 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

4. We draw your attention to Note 4 to the standalone financial results which states that the ability of the Tata Steel Europe (TSE), the step-down subsidiary of T Steel Holdings Pte. Ltd. (TSH), a subsidiary of the Company, to continue as a going concern is dependent on the outcome of measures taken as stated therein and the availability of future funding requirements, which may have a consequential impact on the carrying amount of investment of Rs. 19,684.89 crores in TSH as at March 31, 2023.

Our Opinion is not modified in respect of the above matter.

#### Board of Directors' Responsibilities for the Standalone Financial Results

5. These Standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company and the standalone statement of assets and liabilities and the standalone statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing

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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP number in LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E-300009 (ICAI registration number before conversion was 304026E)





# Price Waterhouse & Co Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT  
To the Board of Directors of Tata Steel Limited  
Report on the Standalone Financial Results  
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Regulations. The Board of Directors of the Company are responsible for 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 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 standalone 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 standalone financial results by the Directors of the Company, as aforesaid.

6. In preparing the standalone financial results, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

## Auditor's Responsibilities for the Audit of the Standalone Financial Results

8. Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 results.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the standalone financial results, 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 the Board of Directors.
  - Conclude on the appropriateness of the Board of Directors 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 Company 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 results 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.



# Price Waterhouse & Co Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT  
To the Board of Directors of Tata Steel Limited  
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- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance of the Company 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. 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.

## Other Matters

11. The Standalone Financial Results include the results for the quarter ended March 31, 2023 being the balancing figures between the audited figures in respect of the full financial year and the published audited year to date figures up to the third quarter of the current financial year. The figures for the quarter ended March 31, 2023 are neither subject to limited review nor audited by us.
12. The standalone annual financial results dealt with by this report has been prepared for the express purpose of filing with National Stock Exchange of India Limited and BSE Limited. These results are based on and should be read with the audited standalone financial statements of the Company for the year ended March 31, 2023 on which we issued an unmodified audit opinion vide our report dated May 2, 2023.

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



Subramanian Vivek  
Partner  
Membership Number: 100332  
UDIN:23100332BGYYTL5217

Mumbai  
May 2, 2023



# Price Waterhouse & Co Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Tata Steel Limited

### Report on the Audit of Consolidated Financial Results

#### Opinion

1. We have audited the consolidated annual financial results 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 for the year ended March 31, 2023 and the consolidated statement of assets and liabilities and the consolidated statement of cash flows as at and for the year ended on that date (the "Consolidated Financial Results" comprising of Consolidated Statement of Profit and Loss for the quarter/twelve months ended on 31<sup>st</sup> March 2023, Consolidated Balance Sheet as at 31<sup>st</sup> March 2023 and Consolidated Statement of Cash Flows for the year ended on 31<sup>st</sup> March 2023), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements /special purpose financial information of the subsidiaries, associate companies and jointly controlled entities, the aforesaid Consolidated Financial Results:
  - (i) include the Consolidated Financial Results of the Holding Company and the entities as listed in Annexure A;
  - (ii) are presented in accordance with the requirements of Regulation 33 and Regulation 52 of the Listing Regulations in this regard; and
  - (iii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Group, its associate companies and jointly controlled entities for the year ended March 31, 2023 and the consolidated statement of assets and liabilities and the consolidated statement of cash flows as at and for the year ended on that date.

#### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Results' section of our report. We are independent of the Group, its associate companies and jointly controlled entities 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 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 and the audit evidence obtained by other auditors in terms of their reports referred to in paragraph 12 of the Other Matter section below, other than the unaudited financial statements/special purpose financial information as certified by the management and referred to in paragraph 13 of the Other Matter section below and financial information not available as referred to in paragraph 14 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

#### Material Uncertainty Related to Going Concern

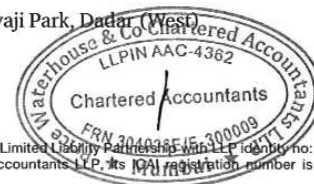
4. Our opinion is not modified in respect of the following Material Uncertainty Relating to Going Concern that has been communicated to us by the auditors of Tata Steel Europe Limited, a subsidiary of the Holding Company, vide their audit report dated April 30, 2023:

"Without modifying our opinion on the special purpose financial information, we have considered the adequacy of the disclosure concerning the entity's ability to continue as a going concern. Tata Steel Europe Limited, via its UK business, has received a letter of support from T S Global Holdings Pte. Ltd. to either refinance or repay its Revolving Credit Facility and uncommitted facilities due to expire on or before June 2024. T S Global Procurement Company Pte. Ltd. has also provided a letter of support to the UK business for access to £300m of additional working capital, which is more than estimated to be required under a severe but plausible downside scenario over

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Registered office and Head office: Plot No. 56 & 57, Block DN, Sector-V, Salt Lake, Kolkata - 700 091

Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no. LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E300009 (ICAI registration number before conversion was 304026E)





# Price Waterhouse & Co Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Tata Steel Limited

Report on the Consolidated Financial Results

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the next twelve months. The letters state that they represent present policy, are given by way of comfort only and are not to be construed as constituting a promise as to the future conduct of the entities or Tata Steel Limited. Accordingly, there can be no certainty that the funds required by Tata Steel Europe Limited will be made available. These conditions, along with the other matters explained in the special purpose financial information, indicate the existence of a material uncertainty which may cast significant doubt about the entity's ability to continue as a going concern. The special purpose financial information does not include the adjustments that would result if the entity were unable to continue as a going concern."

Refer Note 4 to the Consolidated Financial Results in this regard.

### Board of Directors' Responsibilities for the Consolidated Financial Results

5. These consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group including its associate companies and jointly controlled entities and the consolidated statement of assets and liabilities and the consolidated statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations. 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 of the assets of the Group and its associate companies and jointly controlled entities 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 results by the Directors of the Holding Company, as aforesaid.
6. In preparing the consolidated financial results, 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 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 the respective Board of Directors either intends to liquidate the Group and its associate companies and jointly controlled entities or to cease operations, or has no realistic alternative but to do so.
7. 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 Results

8. Our objectives are to obtain reasonable assurance about whether the consolidated financial results 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 results.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the consolidated financial results, 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





# Price Waterhouse & Co Chartered Accountants LLP

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To the Board of Directors of Tata Steel Limited  
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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 financial statements in place and the operating effectiveness of such controls. (Refer paragraph 16 below).
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - Conclude on the appropriateness of the Board of Directors 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 results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate companies and jointly controlled entities to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial results/ special purpose financial information of the entities within the Group and its associate companies and jointly controlled entities to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, 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.
10. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results 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. 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.
11. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

### Other Matters

12. We did not audit the financial statements / special purpose financial information of twelve subsidiaries included in the Consolidated Financial Results, whose financial statements / special purpose financial information reflect total assets of Rs. 98,425.66 crore and net assets of Rs. 35,811.96 crore as at March 31, 2023, total revenues of Rs. 100,659.13 crore, total net (loss) after tax of Rs. (4,037.90) crore, total comprehensive income (comprising of loss and other comprehensive income) of Rs. (14,769.69) crore and net cash flows of Rs. 2,965.12 crore for the year ended March 31, 2023, as considered in the Consolidated Financial Results. The consolidated financial statements/ special purpose financial information of these subsidiaries also include their stepdown associate companies and jointly controlled entities constituting Rs. 8.28 crore and Rs. 15.95 crore respectively of the Group's share of total comprehensive income for the year ended March 31, 2023. The Consolidated Financial Results also include the Group's share of total comprehensive income (comprising of profit and other comprehensive income) of Rs. 30.19 crore for the year ended March 31, 2023 as considered in the Consolidated Financial Results, in respect of one jointly controlled entity, whose financial statements/ special purpose financial information have not been audited





# Price Waterhouse & Co Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Tata Steel Limited

Report on the Consolidated Financial Results

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by us. These financial statements / special purpose financial information have been audited by other auditors whose reports have been furnished to us by the other auditors/ Management and our opinion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate companies and jointly controlled entities, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 11 above.

13. The Consolidated Financial Results includes the unaudited financial statements/ special purpose financial information of eighteen subsidiaries, whose unaudited financial statements/ special purpose financial information reflect total assets of Rs. 9,615.76 crore and net assets of Rs. 5,000.14 crore as at March 31, 2023, total revenue of Rs. 742.53 crore, total net profit after tax of Rs. 37.91 crore, and total comprehensive income (comprising of profit and other comprehensive income) of Rs. 360.19 crore and net cash flows of Rs. (37.86) crore for the year ended March 31, 2023, as considered in the Consolidated Financial Results. The Consolidated Financial Results also include the Group's share of net profit after tax and total comprehensive income of Rs. 4.59 crore and Rs. (2.36) crore respectively for the year ended March 31, 2023, as considered in the Consolidated Financial Results, in respect of four associate companies and three jointly controlled entities, 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 Results, in so far as it relates to the amounts and disclosures included in respect of these 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 unaudited financial statements / special purpose financial information are not material to the Group.
14. In the case of one subsidiary, three associate companies and one jointly controlled entity, the financial statements/ special purpose financial information for the year ended March 31, 2023 is not available. In absence of the aforesaid financial statements/ special purpose financial information, the financial statements/ special purpose financial information in respect of aforesaid subsidiaries and the Group's share of total comprehensive income of these associate companies and jointly controlled entities for the year ended March 31, 2023 have not been included in the Consolidated Financial Results. 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 Results is not modified in respect of the matters set out in paragraphs 12, 13 and 14 above.

15. The Consolidated Financial Results include the results for the quarter ended March 31, 2023 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year. The figures for the quarter ended March 31, 2023 are neither subject to limited review nor audited by us.
16. The Consolidated annual Financial Results dealt with by this report have been prepared for the express purpose of filing with National Stock Exchange of India Limited and BSE Limited. These results are based on and should be read with the audited consolidated financial statements of the Group, its associate companies and jointly controlled entities, for the year ended March 31, 2023 on which we have issued an unmodified audit opinion vide our report dated May 2, 2023.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/ E-300009



Subramanian Vivek

Partner

Membership Number: 100332

UDIN: 23100332BGVVTM4257

Mumbai

May 2, 2023

## Price Waterhouse & Co Chartered Accountants LLP

### List of entities:

Sl. No	Name of the Company
<b>A.</b>	<b>Subsidiaries (Direct)</b>
1	ABJA Investment Co. Pte. Ltd.
2	Indian Steel & Wire Products Ltd.
3	Tata Steel Utilities and Infrastructure Services Limited
4	Mohar Export Services Pvt. Ltd
5	Rujuvalika Investments Limited
6	Tata Steel Mining Limited
7	Tata Korf Engineering Services Ltd.
8	Tata Metaliks Limited
9	Tata Steel Long Products Limited
10	T Steel Holdings Pte. Ltd.
11	Tata Steel Downstream Products Limited
12	Tayo Rolls Limited *
13	The Tinsplate Company of India Limited
14	Tata Steel Foundation
15	Jamshedpur Football and Sporting Private Limited
16	Bhubaneshwar Power Private Limited
17	Creative Port Development Private Limited
18	Angul Energy Limited
19	Tata Steel Support Services Limited (formerly Bhushan Steel (Orissa) Ltd.)
20	Bhushan Steel (South) Ltd.
21	Tata Steel Technical Services Limited (formerly Bhushan Steel (Madhya Bharat) Ltd.)
22	Bhushan Steel (Australia) PTY Ltd.
23	S & T Mining Company Limited
24	Medica TS Hospital Pvt. Ltd.
25	Tata Steel Advanced Materials Limited (formerly Tata Steel Odisha Limited)
<b>B.</b>	<b>Subsidiaries (Indirect)</b>
1	Haldia Water Management Limited
2	Kalimati Global Shared Services Limited
3	Tata Steel Special Economic Zone Limited
4	Tata Pigments Limited
5	Adityapur Toll Bridge Company Limited
6	Neelachal Ispat Nigam Limited
7	Ceramat Private Limited
8	Tata Steel TABB Limited
9	T S Global Holdings Pte. Ltd.
10	Orchid Netherlands (No.1) B.V.
11	The Siam Industrial Wire Company Ltd.
12	TSN Wires Co., Ltd.
13	Tata Steel Europe Limited
14	Apollo Metals Limited
15	British Steel Corporation Limited
16	British Steel Directors (Nominees) Limited
17	British Steel Nederland International B.V.
18	C V Benine
19	Catnic GmbH
20	Catnic Limited
21	Tata Steel Mexico SA de CV
22	Cogent Power Limited





## Price Waterhouse & Co Chartered Accountants LLP

B.	Subsidiaries (Indirect)
23	Corbeil Les Rives SCI
24	Corby (Northants) & District Water Company Limited
25	Corus CNBV Investments
26	Corus Engineering Steels (UK) Limited
27	Corus Engineering Steels Limited
28	Corus Group Limited
29	Corus Holdings Limited
30	Corus International (Overseas Holdings) Limited
31	Corus International Limited
32	Corus International Romania SRL.
33	Corus Investments Limited
34	Corus Ireland Limited
35	Corus Liaison Services (India) Limited
36	Corus Management Limited
37	Corus Property
38	Corus UK Healthcare Trustee Limited
39	Crucible Insurance Company Limited
40	Degels GmbH
41	Demka B.V.
42	00026466 Limited (Formerly known as Firsteel Group Limited)
43	Fischer Profil GmbH
44	Gamble Simms Metals Limited
45	H E Samson Limited
46	Hadfields Holdings Limited
47	Halmstad Steel Service Centre AB
48	Hille & Muller GmbH
49	Hille & Muller USA Inc.
50	Hoogovens USA Inc.
51	Huizenbezit "Breesaap" B.V.
52	Inter Metal Distribution SAS
53	Layde Steel S.L.
54	London Works Steel Company Limited
55	Montana Bausysteme AG
56	Naantali Steel Service Centre OY
57	Norsk Stal Tynnplater AS
58	Norsk Stal Tynnplater AB
59	Orb Electrical Steels Limited
60	Oremco Inc.
61	Rafferty-Brown Steel Co Inc Of Conn.
62	S A B Profil B.V.
63	S A B Profil GmbH
64	Service Center Gelsenkirchen GmbH
65	Service Centre Maastricht B.V.
66	Societe Europeenne De Galvanisation (Segal) Sa
67	Staalverwerking en Handel B.V.
68	Surahammar Bruks AB
69	Swinden Housing Association Limited
70	Tata Steel Belgium Packaging Steels N.V.
71	Tata Steel Belgium Services N.V.



## Price Waterhouse & Co Chartered Accountants LLP

B.	Subsidiaries (Indirect)
72	Tata Steel Denmark Byggsystemer A/S
73	Tata Steel France Holdings SAS
74	Tata Steel Germany GmbH
75	Tata Steel IJmuiden BV
76	Tata Steel International (Americas) Holdings Inc
77	Tata Steel International (Americas) Inc
78	Tata Steel International (Czech Republic) S.R.O
79	Tata Steel International (France) SAS
80	Tata Steel International (Germany) GmbH
81	Tata Steel International (South America) Representações LTDA
82	Tata Steel International (Italia) SRL
83	Tata Steel International (Middle East) FZE
84	Tata Steel International (Nigeria) Ltd.
85	Tata Steel International (Poland) sp Zoo
86	Tata Steel International (Sweden) AB
87	Tata Steel International (India) Limited
88	Tata Steel International Iberica SA
89	Tata Steel Istanbul Metal Sanayi ve Ticaret AS
90	Tata Steel Maubeuge SAS
91	Tata Steel Nederland BV
92	Tata Steel Nederland Consulting & Technical Services BV
93	Tata Steel Nederland Services BV
94	Tata Steel Nederland Technology BV
95	Tata Steel Nederland Tubes BV
96	Tata Steel Netherlands Holdings B.V.
97	Tata Steel Norway Byggsystemer A/S
98	Tata Steel Sweden Byggsystem AB
99	Tata Steel UK Consulting Limited
100	Tata Steel UK Holdings Limited
101	Tata Steel UK Limited
102	Tata Steel USA Inc.
103	The Newport And South Wales Tube Company Limited
104	Thomas Processing Company
105	Thomas Steel Strip Corp.
106	TS South Africa Sales Office Proprietary Limited
107	Tulip UK Holdings (No.2) Limited
108	Tulip UK Holdings (No.3) Limited
109	UK Steel Enterprise Limited
110	Unitol SAS
111	Fischer Profil Produktions -und-Vertriebs - GmbH
112	Al Rimal Mining LLC
113	TSMUK Limited
114	Tata Steel Minerals Canada Limited
115	T S Canada Capital Ltd
116	Tata Steel International (Shanghai) Ltd.
117	Tata Steel (Thailand) Public Company Ltd.
118	Tata Steel Manufacturing (Thailand) Public Company Limited
119	The Siam Construction Steel Co. Ltd.
120	The Siam Iron And Steel (2001) Co. Ltd.
121	T S Global Procurement Company Pte. Ltd.
122	Bowen Energy PTY Ltd.
123	Bowen Coal PTY Ltd.
124	Bowen Consolidated PTY Ltd.
125	Subarnarekha Port Private Limited





## Price Waterhouse & Co Chartered Accountants LLP

<b>C.</b>	<b>Jointly Controlled Entities (Direct)</b>
1	mjunction services limited
2	Tata NYK Shipping Pte Ltd.
3	TM International Logistics Limited
4	Industrial Energy Limited
5	Andal East Coal Company Pvt. Ltd.

<b>D.</b>	<b>Jointly Controlled Entities (Indirect)</b>
1	Tata BlueScope Steel Private Limited
2	Jamshedpur Continuous Annealing & Processing Company Private Limited
3	Naba Diganta Water Management Limited
4	Jamipol Limited
5	Nicco Jubilee Park Limited *
6	Himalaya Steel Mills Services Private Limited
7	Laura Metaal Holding B.V.
8	Ravenscraig Limited
9	Tata Steel Ticaret AS
10	Texturing Technology Limited
11	Air Products Llanwern Limited
12	Hoogovens Court Roll Service Technologies VOF
13	Minas De Benga (Mauritius) Limited
14	BlueScope Lysaght Lanka (Pvt) Ltd
15	Tata NYK Shipping (India) Pvt. Ltd.
16	International Shipping and Logistics FZE
17	TKM Global China Limited
18	TKM Global GmbH
19	TKM Global Logistics Limited

<b>E.</b>	<b>Associates (Direct)</b>
1	Kalinga Aquatics Ltd *
2	Kumardhubi Fireclay & Silica Works Ltd.
3	Kumardhubi Metal Casting and Engineering Limited
4	Strategic Energy Technology Systems Private Limited
5	Tata Construction & Projects Ltd.
6	TRF Limited
7	Malusha Travels Pvt Ltd.
8	Bhushan Capital & Credit Services Private Limited *
9	Jawahar Credit & Holdings Private Limited *

<b>F.</b>	<b>Associates (Indirect)</b>
1	European Profiles (M) Sdn. Bhd.
2	GietWalsOnderhoudCombinatie B.V.
3	Hoogovens Gan Multimedia S.A. De C.V.
4	ISSB Limited
5	Wupperman Staal Nederland B.V.
6	9336-0634 Québec Inc
7	TRF Singapore Pte Limited
8	TRF Holding Pte Limited
9	Dutch Lanka Trailer Manufacturers Limited
10	Dutch Lanka Engineering (Private) Limited
11	Fabsec Limited

\* Not consolidated as the financial information is not available.





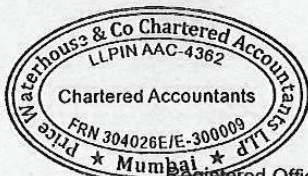


Standalone Statement of Profit and Loss for the quarter/twelve months ended on 31st March 2023

₹ Crore

Particulars	Quarter ended on 31.03.2023	Quarter ended on 31.12.2022	Quarter ended on 31.03.2022	Financial year ended on 31.03.2023	Financial year ended on 31.03.2022
	Audited	Audited	Audited	Audited	Audited
<b>1 Revenue from operations</b>					
a) Gross sales / income from operations	33,798.07	30,121.07	36,245.50	1,27,466.52	1,27,681.40
b) Other operating revenues	477.18	344.22	435.43	1,540.10	1,339.95
Total revenue from operations [ 1(a) + 1(b) ]	34,275.25	30,465.29	36,680.93	1,29,006.62	1,29,021.35
<b>2 Other income</b>	665.27	906.95	506.16	3,325.48	1,452.02
<b>3 Total income [ 1 + 2 ]</b>	<b>34,940.52</b>	<b>31,372.24</b>	<b>37,187.09</b>	<b>1,32,332.10</b>	<b>1,30,473.37</b>
<b>4 Expenses</b>					
a) Cost of materials consumed	10,948.76	12,676.57	11,438.30	54,011.50	35,256.98
b) Purchases of stock-in-trade	2,260.32	1,921.44	1,208.41	7,467.30	4,089.03
c) Changes in inventories of finished and semi-finished goods, stock-in-trade and work-in-progress	1,470.57	451.24	1,825.56	(1,142.06)	(1,820.87)
d) Employee benefits expense	1,819.53	1,609.79	1,723.17	6,616.29	6,365.80
e) Finance costs	1,038.37	1,073.25	645.59	3,792.14	2,792.08
f) Depreciation and amortisation expense	1,371.17	1,370.54	1,379.78	5,434.61	5,463.69
g) Other expenses	9,645.85	8,646.56	8,251.24	34,351.62	34,000.56
Total expenses [ 4(a) to 4(g) ]	28,554.57	27,749.39	26,472.05	1,10,531.40	86,147.27
<b>5 Profit / (Loss) before exceptional items &amp; tax [ 3 - 4 ]</b>	<b>6,385.95</b>	<b>3,622.85</b>	<b>10,715.04</b>	<b>21,800.70</b>	<b>44,326.10</b>
<b>6 Exceptional items :</b>					
a) Profit / (loss) on sale of non-current investments	338.56	-	-	338.56	343.68
b) Provision for impairment of investments / doubtful advances (net)	(1,044.00)	-	(95.10)	(1,056.39)	(93.22)
c) Employee separation compensation	4.58	(7.22)	(31.09)	(91.94)	(330.81)
d) Restructuring and other provisions	-	-	-	-	(204.84)
e) Gain/(loss) on non-current investments classified as fair value through profit and loss (net)	1.88	1.65	49.74	30.99	49.74
Total exceptional items [ 6(a) to 6(e) ]	(698.98)	(5.57)	(76.45)	(778.78)	(235.45)
<b>7 Profit / (Loss) before tax [ 5 + 6 ]</b>	<b>5,686.97</b>	<b>3,617.28</b>	<b>10,638.59</b>	<b>21,021.92</b>	<b>44,090.65</b>
<b>8 Tax Expense</b>					
a) Current tax	1,449.82	917.15	2,844.88	4,928.05	11,611.94
b) Deferred tax	216.29	(5.00)	(45.75)	598.76	(532.47)
Total tax expense [ 8(a) + 8(b) ]	1,666.11	912.15	2,799.13	5,526.81	11,079.47
<b>9 Net Profit / (Loss) for the period [ 7 - 8 ]</b>	<b>4,020.86</b>	<b>2,705.13</b>	<b>7,839.46</b>	<b>15,495.11</b>	<b>33,011.18</b>
<b>10 Other comprehensive income</b>					
A (i) Items that will not be reclassified to profit or loss	149.53	0.42	349.10	87.45	662.49
(ii) Income tax relating to items that will not be reclassified to profit or loss	(49.51)	(4.36)	(74.08)	(48.05)	(69.79)
B (i) Items that will be reclassified to profit or loss	(45.79)	(51.76)	97.11	81.47	136.57
(ii) Income tax relating to items that will be reclassified to profit or loss	11.53	13.03	(24.44)	(20.50)	(34.37)
Total other comprehensive income	65.76	(42.67)	347.69	100.37	694.90
<b>11 Total Comprehensive Income for the period [ 9 + 10 ]</b>	<b>4,086.62</b>	<b>2,662.46</b>	<b>8,187.15</b>	<b>15,595.48</b>	<b>33,706.08</b>
<b>12 Paid-up equity share capital [Face value ₹ 1 per share]</b>	<b>1,222.40</b>	<b>1,222.37</b>	<b>1,222.37</b>	<b>1,222.40</b>	<b>1,222.37</b>
<b>13 Paid-up debt capital</b>				15,058.49	13,674.99
<b>14 Reserves excluding revaluation reserves</b>				1,33,575.11	1,24,211.39
<b>15 Securities premium reserve</b>				31,290.24	31,288.89
<b>16 Earnings per equity share</b>					
Basic earnings per share (not annualised) - in Rupees (after exceptional items)	3.29	2.21	6.41	12.68	27.03
Diluted earnings per share (not annualised) - in Rupees (after exceptional items)	3.29	2.21	6.41	12.67	27.01

(a) Paid up debt capital represents debentures



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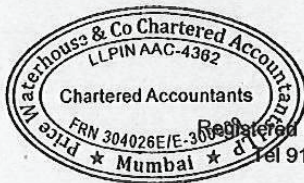






Standalone Balance Sheet as at 31st March 2023

Particulars	As at	As at
	31.03.2023	31.03.2022
	Audited	Audited
₹ Crore		
<b>A ASSETS</b>		
(1) Non-current assets		
(a) Property, plant and equipment	84,942.31	87,946.22
(b) Capital work-in-progress	21,091.92	14,159.32
(c) Right-of-use assets	5,480.11	5,538.18
(d) Goodwill	3.22	-
(e) Other intangible assets	760.65	806.03
(f) Intangible assets under development	514.96	382.64
(g) Financial assets		
(i) Investments	44,138.90	43,401.43
(ii) Loans	32,779.08	30,195.27
(iii) Derivative assets	403.40	133.21
(iv) Other financial assets	2,263.36	1,211.81
(h) Non-current tax assets (net)	4,145.27	3,620.76
(i) Other assets	3,318.72	3,301.78
<b>Sub-total - Non current assets</b>	<b>1,99,841.90</b>	<b>1,90,696.65</b>
(2) Current assets		
(a) Inventories	20,795.56	19,942.94
(b) Financial assets		
(i) Investments	2,050.40	96.11
(ii) Trade receivables	3,351.72	3,280.30
(iii) Cash and cash equivalents	858.98	2,671.59
(iv) Other balances with banks	218.35	183.70
(v) Loans	3,191.21	2,368.01
(vi) Derivative assets	82.21	89.54
(vii) Other financial assets	760.96	718.30
(c) Other assets	2,640.13	1,939.08
<b>Sub-total - Current assets</b>	<b>33,949.52</b>	<b>31,289.57</b>
<b>TOTAL - ASSETS</b>	<b>2,33,791.42</b>	<b>2,21,986.22</b>
<b>B EQUITY AND LIABILITIES</b>		
(1) Equity		
(a) Equity share capital	1,222.40	1,222.37
(b) Other equity	1,33,575.11	1,24,211.39
<b>Sub-total - Total Equity</b>	<b>1,34,797.51</b>	<b>1,25,433.76</b>
(2) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	30,880.89	20,290.81
(ii) Lease liabilities	3,649.33	3,726.90
(iii) Derivative liabilities	-	10.18
(iv) Other financial liabilities	928.81	883.23
(b) Provisions	2,555.25	2,685.00
(c) Retirement benefit obligations	1,979.33	2,315.91
(d) Deferred income	0.35	0.74
(e) Deferred tax liabilities (net)	8,684.15	8,087.57
(f) Other liabilities	3,878.50	4,887.29
<b>Sub-total - Non current liabilities</b>	<b>52,556.61</b>	<b>42,887.63</b>
(3) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	7,298.12	11,984.66
(ii) Lease liabilities	544.05	522.14
(iii) Trade payables		
(a) Total outstanding dues of micro and small enterprises	791.87	678.20
(b) Total outstanding dues of creditors other than micro and small enterprises	17,290.53	20,412.94
(iv) Derivative liabilities	65.58	81.48
(v) Other financial liabilities	5,806.15	5,137.54
(b) Provisions	1,080.94	1,082.42
(c) Retirement benefit obligations	109.51	114.99
(d) Deferred income	9.81	67.84
(e) Current tax liabilities (net)	1,714.98	1,079.69
(f) Other liabilities	11,725.76	12,502.93
<b>Sub-total - Current liabilities</b>	<b>46,437.30</b>	<b>53,664.83</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>2,33,791.42</b>	<b>2,21,986.22</b>



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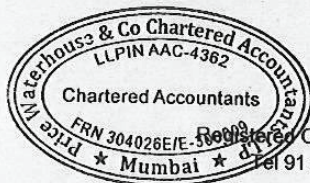


Standalone Statement of Cash Flows for the year ended on 31st March 2023

Particulars	₹ Crore	
	Financial year ended on 31.03.2023	Financial year ended on 31.03.2022
	Audited	Audited
<b>(A) Cash flows from operating activities:</b>		
Profit before tax	21,021.92	44,090.65
Adjustments for:		
Depreciation and amortisation expense	5,434.61	5,463.69
Dividend income	(285.38)	(243.92)
(Gain) loss on sale of property, plant and equipment including intangible assets (net of loss on assets scrapped written off)	68.00	(17.28)
Exceptional (income) expenses	778.78	235.45
(Gain) loss on cancellation of forwards, swaps and options	0.58	(39.05)
Interest income and income from current investments	(2,852.86)	(1,125.57)
Finance costs	3,792.14	2,792.08
Foreign exchange (gain) loss	(2,542.96)	(851.60)
Other non-cash items	(50.05)	2.25
	4,342.86	6,216.05
<b>Operating profit before changes in non-current/current assets and liabilities</b>	<b>25,364.78</b>	<b>50,306.70</b>
Adjustments for:		
Non-current current financial and other assets	(679.28)	(1,119.44)
Inventories	(1,011.54)	(7,072.78)
Non-current current financial and other liabilities provisions	(4,555.71)	11,111.87
	(6,246.53)	2,919.65
<b>Cash generated from operations</b>	<b>19,118.25</b>	<b>53,226.35</b>
Income taxes paid (net of refund)	(4,891.32)	(11,240.23)
<b>Net cash from/(used in) operating activities</b>	<b>14,226.93</b>	<b>41,986.12</b>
<b>(B) Cash flows from investing activities:</b>		
Purchase of capital assets	(8,554.58)	(6,288.29)
Sale of capital assets	19.08	132.61
Purchase of investments in subsidiaries	(1,245.77)	(12,897.00)
Purchase of other non-current investments	(314.00)	(55.39)
Purchase of business undertaking	(130.00)	-
Sale of investments in subsidiaries	1,112.42	-
Sale of other non-current investments	-	9.99
(Purchase) sale of current investments (net)	(1,822.14)	7,183.31
Loans given	(1,241.15)	(23,104.83)
Repayment of loans given	564.65	483.74
Principal receipts under sublease	-	1.43
Fixed/restricted deposits with banks (placed) realised (net)	(12.21)	(21.60)
Interest received	277.71	144.32
Dividend received from subsidiaries	234.93	113.89
Dividend received from associates and joint ventures	26.83	109.64
Dividend received from others	23.62	20.39
<b>Net cash from/(used in) investing activities</b>	<b>(11,060.61)</b>	<b>(34,167.79)</b>
<b>(C) Cash flows from financing activities:</b>		
Proceeds from issue of equity shares (net of issue expenses)	1.37	325.72
Proceeds from long-term borrowings (net of issue expenses)	16,628.55	36.88
Repayment of long-term borrowings	(2,904.30)	(9,380.72)
Proceeds (repayments) of short term borrowings (net)	(8,106.56)	8,794.21
Payment of lease obligations	(495.00)	(483.03)
Amount received (paid) on utilisation/cancellation of derivatives	(13.85)	33.33
Repayment of Hybrid Perpetual securities	-	(775.00)
Distribution on Hybrid Perpetual securities	-	(44.19)
Interest paid	(3,856.03)	(2,868.17)
Dividend paid	(6,233.11)	(3,007.08)
<b>Net cash from/(used in) financing activities</b>	<b>(4,978.93)</b>	<b>(7,368.05)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1,812.61)</b>	<b>450.28</b>
<b>Opening cash and cash equivalents</b>	<b>2,671.59</b>	<b>2,221.31</b>
<b>Closing cash and cash equivalents</b>	<b>858.98</b>	<b>2,671.59</b>

(i) Significant non-cash movements in borrowings during the year include:

- (a) amortisation/effective interest rate adjustments of upfront fees ₹27.02 crore (2021-22: ₹138.99 crore).
- (b) exchange loss ₹277.74 crore (2021-22: ₹137.10 crore).
- (c) adjustments to lease obligations, increase ₹439.34 crore (2021-22: ₹196.68 crore).



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Additional information pursuant to Regulation 52(4) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, for Standalone financial results as at and for the quarter/twelve months ended on 31st March, 2023:

Particulars	Quarter ended on 31.03.2023	Quarter ended on 31.12.2022	Quarter ended on 31.03.2022	Financial year ended on 31.03.2023	Financial year ended on 31.03.2022
<b>Net debt equity ratio</b> (Net debt / Average equity)					
1 [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 earn marked balances)]	0.30	0.34	0.30	0.30	0.30
[Equity: Equity share capital + Other equity + Hybrid perpetual securities]					
<b>Debt service coverage ratio</b> (EBIT / (Net finance charges + Interest income from group companies + Scheduled principal repayments of non-current borrowings and lease obligations (excluding prepayments) during the period))					
2 [EBIT : Profit before taxes +/- Exceptional items + Net finance charges]	8.25	5.06	10.82	3.90	14.36
[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]					
<b>Interest service coverage ratio</b> (EBIT / (Net finance charges + Interest income from group companies))					
3 [EBIT : Profit before taxes +/- Exceptional items + Net finance charges]	10.09	6.20	28.83	10.40	22.84
[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]					
<b>Current ratio</b> (Total current assets / Current liabilities)					
4 [Current liabilities: Total current liabilities - Current maturities of non-current borrowings and lease obligations]	0.86	0.74	0.62	0.86	0.62
<b>Long term debt to working capital ratio</b> (Non-current borrowings + Non-current lease liabilities + Current maturities of non-current borrowings and lease obligations) / (Total current assets - Current liabilities)					
5 [Current liabilities: Total current liabilities - Current maturities of non-current borrowings and lease obligations]	*	*	*	*	*
<b>Bad debts to account receivable ratio<sup>a</sup></b> (Bad debts / Average trade receivables)					0.00
6					
<b>Current liability ratio</b> (Total current liabilities / Total liabilities)					
7	0.47	0.53	0.56	0.47	0.56
<b>Total debts to total assets ratio</b> (Non-current borrowings + Current borrowings + Non-current and current lease liabilities) / Total assets					
8	0.18	0.20	0.16	0.18	0.16
<b>Debtors turnover ratio (in days)</b> (Average trade receivables / Turnover in days)					
9 [Turnover: Revenue from operations]	9	11	9	9	9
<b>Inventory turnover ratio (in days)</b> (Average inventory / Sale of products in days)					
10	57	70	51	59	47
<b>Operating EBITDA margin (%)</b> (EBITDA / Turnover)					
11 [EBITDA: Profit before taxes +/- Exceptional items + Net finance charges + Depreciation and amortisation]	23.60	17.51	33.70	21.84	39.88
[Net finance charges: Finance costs - Interest income - Dividend income from current investments - Net gain/ (loss) on sale of current investments]					
[Turnover: Revenue from operations]					
<b>Net profit margin (%)</b> (Net profit after tax / Turnover)					
12 [Turnover: Revenue from operations]	11.73	8.88	21.37	12.01	25.59
<b>Debt redemption reserve (in ₹ Crore)</b>					
13	2,046.00	2,046.00	2,046.00	2,046.00	2,046.00
<b>Net worth (in ₹ Crore)</b> (Equity share capital + Other equity - Capital reserve - Amalgamation reserve)					
14	1,33,067.00	1,28,979.00	1,23,703.25	1,33,067.00	1,23,703.25
<b>Outstanding redeemable preference shares (quantity and value)</b>					
15				Not applicable	

\* Net working capital is negative  
<sup>a</sup> 0.00 represents value less than 0.01



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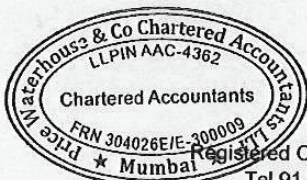




**Consolidated Statement of Profit and Loss for the quarter/twelve months ended on 31st March 2023**

₹ Crore

Particulars	Quarter ended on 31.03.2023	Quarter ended on 31.12.2022	Quarter ended on 31.03.2022	Financial year ended on 31.03.2023	Financial year ended on 31.03.2022
	Unaudited	Unaudited	Unaudited	Audited	Audited
<b>1 Revenue from operations</b>					
a) Gross sales / income from operations	62,238.78	56,756.61	68,710.60	2,41,636.25	2,42,326.87
b) Other operating revenues	722.76	326.95	612.90	1,716.44	1,632.30
<b>Total revenue from operations [ 1(a) + 1(b) ]</b>	<b>62,961.54</b>	<b>57,083.56</b>	<b>69,323.50</b>	<b>2,43,352.69</b>	<b>2,43,959.17</b>
<b>2 Other income</b>	<b>169.54</b>	<b>270.60</b>	<b>292.20</b>	<b>1,037.48</b>	<b>784.89</b>
<b>3 Total income [ 1 + 2 ]</b>	<b>63,131.08</b>	<b>57,354.16</b>	<b>69,615.70</b>	<b>2,44,390.17</b>	<b>2,44,744.06</b>
<b>4 Expenses</b>					
a) Cost of materials consumed	22,679.34	24,695.38	21,420.96	1,01,483.08	75,763.70
b) Purchases of stock-in-trade	3,308.75	3,535.93	3,451.81	15,114.11	15,312.91
c) Changes in inventories of finished and semi-finished goods, stock-in-trade and work-in-progress	2,667.98	1,791.28	2,757.43	(3,358.89)	(7,597.87)
d) Employee benefits expense	5,795.27	5,342.40	6,056.24	22,419.32	23,264.10
e) Finance costs	1,793.60	1,767.92	1,098.51	6,298.70	5,462.20
f) Depreciation and amortisation expense	2,382.21	2,368.38	2,243.39	9,335.20	9,100.87
g) Other expenses	21,291.00	17,670.73	20,607.45	75,394.91	73,726.38
<b>Total expenses [ 4(a) to 4(g) ]</b>	<b>59,918.15</b>	<b>57,172.02</b>	<b>57,635.79</b>	<b>2,26,686.43</b>	<b>1,95,032.29</b>
<b>5 Profit / (Loss) before share of profit/(loss) of joint ventures &amp; associates, exceptional items &amp; tax [ 3 - 4 ]</b>	<b>3,212.93</b>	<b>182.14</b>	<b>11,979.91</b>	<b>17,703.74</b>	<b>49,711.77</b>
<b>6 Share of profit / (loss) of joint ventures &amp; associates</b>	<b>96.25</b>	<b>60.49</b>	<b>159.35</b>	<b>418.12</b>	<b>649.16</b>
<b>7 Profit / (Loss) before exceptional items &amp; tax [ 5 + 6 ]</b>	<b>3,309.18</b>	<b>242.63</b>	<b>12,139.26</b>	<b>18,121.86</b>	<b>50,360.93</b>
<b>8 Exceptional items :</b>					
a) Profit / (loss) on sale of subsidiaries and non-current investments	(20.19)	71.49	4.69	66.86	724.84
b) Profit on sale of non current assets	-	-	30.83	-	30.83
c) Provision for impairment of investments / doubtful advances (net)	-	96.07	(94.71)	83.68	(99.74)
d) Provision for impairment of non-current assets (net)	25.37	-	(211.87)	25.37	(252.68)
e) Employee separation compensation	4.58	(7.22)	(31.09)	(91.94)	(330.81)
f) Restructuring and other provisions	(0.05)	(1.65)	(21.88)	(1.70)	(256.24)
g) Gain/(loss) on non-current investments classified as fair value through profit and loss (net)	1.88	1.65	49.74	30.99	49.74
<b>Total exceptional items [ 8(a) to 8(g) ]</b>	<b>11.59</b>	<b>160.34</b>	<b>(274.29)</b>	<b>113.26</b>	<b>(134.06)</b>
<b>9 Profit / (Loss) before tax [ 7 + 8 ]</b>	<b>3,320.77</b>	<b>402.97</b>	<b>11,864.97</b>	<b>18,235.12</b>	<b>50,226.87</b>
<b>10 Tax Expense</b>					
a) Current tax	1,156.51	754.95	3,005.95	5,361.33	7,049.88
b) Deferred tax	598.02	2,149.97	(976.10)	4,798.44	1,427.67
<b>Total tax expense [ 10(a) + 10(b) ]</b>	<b>1,754.53</b>	<b>2,904.92</b>	<b>2,029.85</b>	<b>10,159.77</b>	<b>8,477.55</b>
<b>11 Net Profit / (Loss) for the period [ 9 - 10 ]</b>	<b>1,566.24</b>	<b>(2,501.95)</b>	<b>9,835.12</b>	<b>8,075.35</b>	<b>41,749.32</b>
<b>12 Profit/ (Loss) for the period attributable to:</b>					
Owners of the Company	1,704.86	(2,223.84)	9,756.20	8,760.40	40,153.93
Non controlling interests	(138.62)	(278.11)	78.92	(685.05)	1,595.39
<b>13 Other comprehensive income</b>					
<b>A (i) Items that will not be reclassified to profit or loss</b>	<b>(805.77)</b>	<b>(7,125.23)</b>	<b>(1,425.76)</b>	<b>(13,529.65)</b>	<b>1,170.95</b>
(ii) Income tax relating to items that will not be reclassified to profit or loss	186.35	1,785.92	368.01	3,353.56	(203.02)
<b>B (i) Items that will be reclassified to profit or loss</b>	<b>320.49</b>	<b>1,208.39</b>	<b>1,904.14</b>	<b>(4,175.40)</b>	<b>531.30</b>
(ii) Income tax on items that will be reclassified to profit or loss	103.67	501.99	(327.77)	502.42	(193.81)
<b>Total other comprehensive income</b>	<b>(195.26)</b>	<b>(3,628.93)</b>	<b>518.62</b>	<b>(13,849.07)</b>	<b>1,305.42</b>
<b>14 Total Comprehensive Income for the period [ 11 + 13 ]</b>	<b>1,370.98</b>	<b>(6,130.88)</b>	<b>10,353.74</b>	<b>(5,773.72)</b>	<b>43,054.74</b>
<b>15 Total comprehensive income for the period attributable to:</b>					
Owners of the Company	1,514.38	(5,917.75)	10,257.72	(5,107.74)	41,468.40
Non controlling interests	(143.40)	(213.13)	96.02	(665.98)	1,586.34
<b>16 Paid-up equity share capital [Face value ₹ 1 per share]</b>	<b>1,221.24</b>	<b>1,221.21</b>	<b>1,221.21</b>	<b>1,221.24</b>	<b>1,221.21</b>
<b>17 Reserves (excluding revaluation reserves) and Non controlling interest</b>				<b>1,03,953.97</b>	<b>1,15,877.25</b>
<b>18 Earnings per equity share:</b>					
Basic earnings per share (not annualised) - in Rupees (after exceptional items)	1.40	(1.82)	7.99	7.17	33.24
Diluted earnings per share (not annualised) - in Rupees (after exceptional items)	1.40	(1.82)	7.99	7.17	33.21



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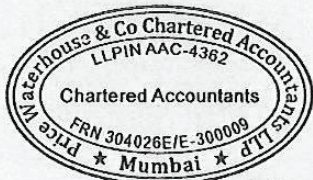






Consolidated Balance Sheet as at 31st March 2023

Particulars	₹ Crore	
	As at 31.03.2023 Audited	As at 31.03.2022 Audited
<b>A ASSETS</b>		
(1) Non-current assets		
(a) Property, plant and equipment	1,18,696.74	1,16,166.46
(b) Capital work-in-progress	30,307.90	21,227.62
(c) Right-of-use assets	9,222.52	8,337.70
(d) Goodwill	5,601.65	4,311.20
(e) Other intangible assets	13,100.55	4,472.47
(f) Intangible assets under development	905.12	817.93
(g) Advance against equity	-	1,210.00
(h) Equity accounted investments	3,233.33	2,961.65
(i) Financial assets		
(i) Investments	1,546.92	1,653.78
(ii) Loans	64.74	72.44
(iii) Derivative assets	403.40	318.15
(iv) Other financial assets	510.88	442.64
(j) Retirement benefit assets	6,990.83	20,397.96
(k) Non-current tax assets	4,369.03	3,785.01
(l) Deferred tax assets	2,625.96	3,023.93
(m) Other assets	3,776.63	3,690.05
<b>Sub-total - Non current assets</b>	<b>2,01,356.20</b>	<b>1,92,888.99</b>
(2) Current assets		
(a) Inventories	54,415.33	48,824.39
(b) Financial assets		
(i) Investments	3,630.06	8,324.42
(ii) Trade receivables	8,257.24	12,246.43
(iii) Cash and cash equivalents	12,129.90	15,604.68
(iv) Other balances with banks	1,227.36	294.23
(v) Loans	1.84	5.84
(vi) Derivative assets	561.46	1,172.74
(vii) Other financial assets	1,435.51	2,011.62
(c) Retirement benefit assets	-	1.25
(d) Current tax assets	117.69	61.63
(e) Other assets	4,829.75	3,508.82
<b>Sub-total - Current assets</b>	<b>86,606.14</b>	<b>92,256.07</b>
(3) Assets held for sale	59.40	300.54
<b>TOTAL - ASSETS</b>	<b>2,88,021.74</b>	<b>2,85,445.60</b>
<b>B EQUITY AND LIABILITIES</b>		
(1) Equity		
(a) Equity share capital	1,221.24	1,221.21
(b) Other equity	1,01,860.86	1,13,221.83
Equity attributable to shareholders of the company	1,03,082.10	1,14,443.04
Non controlling interest	3,093.11	2,655.42
<b>Sub-total - Total Equity</b>	<b>1,05,175.21</b>	<b>1,17,098.46</b>
(2) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	51,446.33	44,764.07
(ii) Lease Liabilities	5,811.08	5,696.46
(iii) Derivative liabilities	-	10.35
(iv) Other financial liabilities	1,871.51	989.57
(b) Provisions	4,775.84	4,825.98
(c) Retirement benefit obligations	2,931.37	3,413.71
(d) Deferred income	132.36	137.16
(e) Deferred tax liabilities	14,115.64	12,325.78
(f) Other liabilities	4,467.27	5,596.06
<b>Sub-total - Non current liabilities</b>	<b>85,551.40</b>	<b>77,759.14</b>
(3) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	26,571.37	24,064.61
(ii) Lease Liabilities	1,064.27	1,026.21
(a) Total outstanding dues of micro and small enterprises	1,170.33	897.50
(b) Total outstanding dues of creditors other than micro and small enterprises	36,662.21	35,867.37
(iv) Derivative liabilities	1,630.53	196.91
(v) Other financial liabilities	9,590.21	8,381.41
(b) Provisions	3,882.73	2,768.49
(c) Retirement benefit obligations	162.47	158.22
(d) Deferred income	91.93	130.45
(e) Current tax liabilities	1,923.98	1,382.70
(f) Other liabilities	14,545.10	15,513.02
<b>Sub-total - Current liabilities</b>	<b>97,295.15</b>	<b>90,396.89</b>
(4) Liabilities held for sale	-	191.11
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>2,88,021.74</b>	<b>2,85,445.60</b>



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**Consolidated Segment Revenue, Results, Assets and Liabilities**

₹ Crore

Particulars	Quarter ended on 31.03.2023	Quarter ended on 31.12.2022	Quarter ended on 31.03.2022	Financial year ended on 31.03.2023	Financial year ended on 31.03.2022
	Unaudited	Unaudited	Unaudited	Audited	Audited
<b>Segment Revenue:</b>					
Tata Steel India	34,275.25	30,465.29	36,680.93	1,29,006.62	1,29,021.35
Tata Steel Long Products	3,015.81	2,112.54	1,799.40	8,991.78	6,801.63
Other Indian Operations	6,323.83	5,635.63	6,192.41	23,035.00	21,274.90
Tata Steel Europe	22,036.15	20,744.61	26,388.73	90,300.39	90,022.96
Other Trade Related Operations	17,208.11	14,788.82	17,188.51	73,973.53	60,123.91
South East Asian Operations	2,198.52	1,945.63	2,419.93	8,731.44	11,481.81
Rest of the World	26.77	231.61	(19.88)	648.77	739.38
<b>Total</b>	<b>85,084.44</b>	<b>75,924.13</b>	<b>90,650.03</b>	<b>3,34,687.53</b>	<b>3,19,465.94</b>
Less: Inter Segment Revenue	22,122.90	18,840.57	21,326.53	91,334.84	75,506.77
<b>Total Segment Revenue from operations</b>	<b>62,961.54</b>	<b>57,083.56</b>	<b>69,323.50</b>	<b>2,43,352.69</b>	<b>2,43,959.17</b>
<b>Segment Results before exceptional items, interest, tax and depreciation :</b>					
Tata Steel India	8,089.02	5,334.35	12,362.59	28,174.58	51,456.30
Tata Steel Long Products	1.49	(351.85)	176.57	(613.08)	1,288.31
Other Indian Operations	547.87	116.37	(969.64)	1,107.90	546.79
Tata Steel Europe	(1,641.20)	(1,550.98)	4,348.77	4,632.06	12,163.85
Other Trade Related Operations	355.47	876.94	(1,263.62)	168.49	39.40
South East Asian Operations	63.75	(1.69)	189.66	473.64	1,255.26
Rest of the World	(129.99)	(256.15)	(122.20)	(480.91)	(382.98)
<b>Total</b>	<b>7,286.41</b>	<b>4,166.99</b>	<b>14,722.13</b>	<b>33,462.68</b>	<b>66,366.93</b>
Less: Inter Segment Eliminations	61.04	13.32	(451.95)	765.17	2,537.35
<b>Total Segment Results before exceptional items, interest, tax and depreciation</b>	<b>7,225.37</b>	<b>4,153.67</b>	<b>15,174.08</b>	<b>32,697.51</b>	<b>63,829.58</b>
Add: Finance income	163.37	164.77	147.73	640.13	445.26
Less: Finance costs	1,793.60	1,767.92	1,098.51	6,298.70	5,462.20
Less: Depreciation and Amortisation	2,382.21	2,368.38	2,243.39	9,335.20	9,100.87
Add: Share of profit / (loss) of joint ventures and associates	96.25	60.49	159.35	418.12	649.16
<b>Profit / (Loss) before exceptional items &amp; tax</b>	<b>3,309.18</b>	<b>242.63</b>	<b>12,139.26</b>	<b>18,121.86</b>	<b>50,360.93</b>
Add: Exceptional items	11.59	160.34	(274.29)	113.26	(134.06)
<b>Profit / (Loss) before tax</b>	<b>3,320.77</b>	<b>402.97</b>	<b>11,864.97</b>	<b>18,235.12</b>	<b>50,226.87</b>
Less: Tax expense	1,754.53	2,904.92	2,029.85	10,159.77	8,477.55
<b>Net Profit / (Loss) for the period</b>	<b>1,566.24</b>	<b>(2,501.95)</b>	<b>9,835.12</b>	<b>8,075.35</b>	<b>41,749.32</b>
<b>Segment Assets:</b>					
Tata Steel India	2,05,650.43	2,05,424.22	1,93,514.38	2,05,650.43	1,93,514.38
Tata Steel Long Products	22,206.99	21,536.67	19,797.39	22,206.99	19,797.39
Other Indian Operations	18,717.36	17,948.42	16,706.49	18,717.36	16,706.49
Tata Steel Europe	84,399.40	83,168.74	93,089.02	84,399.40	93,089.02
Other Trade Related Operations	30,362.20	26,566.15	28,563.12	30,362.20	28,563.12
South East Asian Operations	4,888.17	4,753.70	4,425.23	4,888.17	4,425.23
Rest of the World	7,082.40	7,381.26	6,893.03	7,082.40	6,893.03
Less: Inter Segment Eliminations	85,344.61	81,587.53	77,843.60	85,344.61	77,843.60
<b>Total Segment Assets</b>	<b>2,87,962.34</b>	<b>2,85,191.63</b>	<b>2,85,145.06</b>	<b>2,87,962.34</b>	<b>2,85,145.06</b>
Assets held for sale	59.40	62.56	300.54	59.40	300.54
<b>Total Assets</b>	<b>2,88,021.74</b>	<b>2,85,254.19</b>	<b>2,85,445.60</b>	<b>2,88,021.74</b>	<b>2,85,445.60</b>
<b>Segment Liabilities:</b>					
Tata Steel India	1,01,980.42	1,07,254.15	99,538.97	1,01,980.42	99,538.97
Tata Steel Long Products	20,833.83	19,930.91	16,608.80	20,833.83	16,608.80
Other Indian Operations	8,693.97	8,344.48	7,675.92	8,693.97	7,675.92
Tata Steel Europe	53,039.52	48,740.63	47,631.73	53,039.52	47,631.73
Other Trade Related Operations	73,889.08	69,044.69	65,277.81	73,889.08	65,277.81
South East Asian Operations	933.31	836.37	906.53	933.31	906.53
Rest of the World	9,560.37	9,596.84	8,164.08	9,560.37	8,164.08
Less: Inter Segment Eliminations	86,083.97	82,296.63	77,647.81	86,083.97	77,647.81
<b>Total Segment Liabilities</b>	<b>1,82,846.53</b>	<b>1,81,451.44</b>	<b>1,68,156.03</b>	<b>1,82,846.53</b>	<b>1,68,156.03</b>
Liabilities held for sale	-	-	191.11	-	191.11
<b>Total Liabilities</b>	<b>1,82,846.53</b>	<b>1,81,451.44</b>	<b>1,68,347.14</b>	<b>1,82,846.53</b>	<b>1,68,347.14</b>



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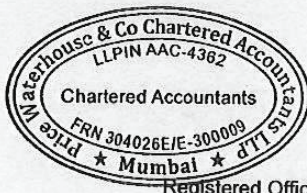


Consolidated Statement of Cash Flows for the year ended on 31st March 2023 <sup>(1/2)</sup>

₹ Crore

Particulars	Financial year ended on 31.03.2023		Financial year ended on 31.03.2022	
	Audited		Audited	
<b>(A) Cash flows from operating activities:</b>				
Profit / (Loss) before tax		18,235.12		50,226.87
Adjustments for:				
Depreciation and amortisation expense	9,335.20		9,100.87	
Dividend income	(39.66)		(35.30)	
(Gain) loss on sale of non-current investments	(0.88)		(0.22)	
(Gain) loss on sale of property, plant and equipment including intangible assets (net of loss on assets scrapped/written off)	43.57		(95.33)	
Exceptional (income) expenses	(113.26)		134.06	
(Gain) loss on cancellation of forwards, swaps and options	0.96		(39.05)	
Interest income and income from current investments	(640.12)		(445.26)	
Finance costs	6,298.70		5,462.20	
Foreign exchange (gain) loss	(1,793.96)		1,579.15	
Share of profit or loss of joint ventures and associates	(418.12)		(649.16)	
Other non-cash items	0.79		661.56	
		12,673.22		15,673.52
<b>Operating profit before changes in non-current/current assets and liabilities</b>		<b>30,908.34</b>		<b>65,900.39</b>
Adjustments for:				
Non-current/current financial and other assets	3,393.94		(6,220.09)	
Inventories	(4,031.37)		(16,916.83)	
Non-current/current financial and other liabilities/provisions	(3,069.07)		13,519.22	
		(3,706.50)		(9,617.70)
<b>Cash generated from operations</b>		<b>27,201.84</b>		<b>56,282.69</b>
Income taxes paid (net of refund)		(5,518.76)		(11,901.70)
<b>Net cash from/(used in) operating activities</b>		<b>21,683.08</b>		<b>44,380.99</b>
<b>(B) Cash flows from investing activities:</b>				
Purchase of capital assets	(14,142.49)		(10,522.20)	
Sale of capital assets	327.70		569.48	
Purchase of non-current investments	(326.27)		(48.70)	
Advance against equity paid	-		(1,210.00)	
Sale of non-current investments	1.71		62.56	
(Purchase) sale of current investments (net)	5,188.84		(1,104.05)	
Loans given	(20.93)		-	
Repayment of loans given	102.48		(80.97)	
Principal receipts under sublease	2.95		17.68	
Fixed restricted deposits with banks (placed) realised (net)	23.63		(18.26)	
Interest received	248.08		137.38	
Dividend received from associates and joint ventures	277.30		126.19	
Dividend received from others	39.68		35.31	
Acquisition of subsidiaries/undertakings <sup>(1)</sup>	(10,568.95)		(53.23)	
Sale of subsidiaries/undertakings <sup>(2)</sup>	166.43		1,207.58	
<b>Net cash from/(used in) investing activities</b>		<b>(18,679.84)</b>		<b>(10,881.23)</b>

table continued on next page



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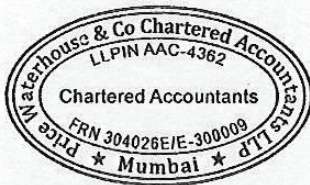




**Consolidated Statement of Cash Flows for the year ended on 31st March 2023 <sup>(2/2)</sup>**

Particulars	₹ Crore	
	Financial year ended on 31.03.2023	Financial year ended on 31.03.2022
	Audited	Audited
<b>(C) Cash flows from financing activities:</b>		
Proceeds from issue of equity shares (net of issue expenses)	1.37	325.74
Proceeds from long-term borrowings (net of issue expenses)	16,768.65	906.66
Repayment of long-term borrowings	(4,605.68)	(26,359.60)
Proceeds (repayments) of short term borrowings (net)	(5,620.41)	11,532.27
Payment of lease obligations	(1,114.43)	(1,310.07)
Amount received (paid) on utilisation/cancellation of derivatives	2.16	29.90
Repayment of Hybrid Perpetual securities	-	(775.00)
Distribution on Hybrid Perpetual securities	-	(44.20)
Interest paid	(6,119.72)	(4,686.67)
Dividend paid	(6,292.63)	(3,020.12)
<b>Net cash from/(used in) financing activities</b>	<b>(6,980.69)</b>	<b>(23,401.09)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(3,977.45)</b>	<b>10,098.67</b>
<b>Opening cash and cash equivalents <sup>(iii)</sup></b>	<b>15,606.96</b>	<b>5,532.08</b>
Effect of exchange rate on translation of foreign currency cash and cash equivalents	500.39	(23.79)
<b>Closing cash and cash equivalents <sup>(iii)</sup></b>	<b>12,129.90</b>	<b>15,606.96</b>

- (i) Includes ₹12.83 crore (2021-22: ₹54.18 crore) crore paid in respect of deferred consideration on acquisition of subsidiary.
- (ii) Includes ₹50.69 crore (2021-22: Nil) received in respect of deferred consideration on disposal of an undertaking.
- (iii) Opening cash and cash equivalents includes ₹2.28 crore (2021-22: Nil) and closing cash and cash equivalents includes Nil (2021-22: ₹ 2.28 crore) in respect of subsidiaries classified as held for sale.
- (iv) Significant non-cash movements in borrowings during the year include:
- addition on account of subsidiaries acquired during the year ₹4.09 crore (2021-22: ₹0.87 crore)
  - reduction on account of subsidiaries disposed off and liquidated Nil (2021-22: ₹149.60 crore)
  - exchange loss (including translation) ₹2,591.08 crore (2021-22: ₹897.63 crore)
  - amortisation/effective interest rate adjustments of upfront fees ₹168.03 crore (2021-22: ₹1,156.35 crore)
  - adjustment to lease obligations, increase ₹1,148.82 crore (2021-22: ₹385.42 crore)



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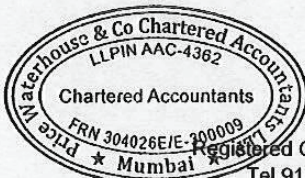




**Additional information pursuant to Regulation 52(4) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, for Consolidated financial results as at and for the quarter/twelve months ended on 31st March, 2023 :**

Particulars	Quarter ended on 31.03.2023	Quarter ended on 31.12.2022	Quarter ended on 31.03.2022	Financial year ended on 31.03.2023	Financial year ended on 31.03.2022
<b>Net debt equity ratio</b> (Net debt / Average equity)					
1 [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)]	0.61	0.65	0.52	0.61	0.52
[Equity: Equity share capital + Other equity + Hybrid perpetual securities + Non controlling interest]					
<b>Debt service coverage ratio</b> (EBIT / (Net finance charges + Scheduled principal repayments of non-current borrowings and lease obligations (excluding repayments during the period)))					
2 [EBIT : Profit before taxes +/- Exceptional items + Net finance charges]	2.99	0.93	9.74	2.79	9.18
[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]					
<b>Interest service coverage ratio</b> (EBIT / Net finance charges)					
3 [EBIT : Profit before taxes +/- Exceptional items + Net finance charges]	4.07	1.24	17.59	6.01	12.82
[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]					
<b>Current ratio</b> (Total current assets / Current liabilities)					
4 [Current liabilities: Total current liabilities - Current maturities of non-current borrowings and lease obligations]	1.01	0.99	1.07	1.01	1.07
<b>Long term debt to working capital ratio</b> (Non-current borrowings + Non-current lease liabilities + Current maturities of non-current borrowings and lease obligations) / (Total current assets - Current liabilities)					
5 [Current liabilities: Total current liabilities - Current maturities of non-current borrowings and lease obligations]	60.78	9	9.42	60.78	9.42
<b>Bad debts to account receivable ratio*</b> (Bad debts / Average trade receivables)					
6	0.00	0.00	0.01	0.00	0.02
<b>Current liability ratio</b> (Total current liabilities / Total liabilities)					
7	0.53	0.55	0.54	0.53	0.54
<b>Total debts to total assets ratio</b> (Non-current borrowings + Current borrowings + Non-current and current lease liabilities) / Total assets)					
8	0.29	0.31	0.26	0.29	0.26
<b>Debtors turnover ratio (in days)</b> (Average trade receivables / Turnover in days)					
9 [Turnover: Revenue from operations]	12	15	16	15	16
<b>Inventory turnover ratio (in days)</b> (Average Inventory / Sale of products in days)					
10	80	93	65	79	62
<b>Operating EBITDA margin (%)</b> (EBITDA / Turnover)					
11 [EBITDA: Profit before taxes +/- Exceptional items + Net finance charges + Depreciation and amortisation - Share of results of equity accounted investments]	11.48	7.28	21.89	13.44	26.16
[Net finance charges: Finance costs - Interest income - Dividend income from current investments - Net gain/ (loss) on sale of current investments]					
[Turnover: Revenue from operations]					
<b>Net profit margin (%)</b> (Net profit after tax / Turnover)					
12 [Turnover: Revenue from operations]	2.49	(4.38)	14.19	3.32	17.11
<b>Debt redemption reserve (in ₹ Crore)</b>					
13	2,046.00	2,046.00	2,046.00	2,046.00	2,046.00
<b>Net worth (in ₹ Crore)</b> (Equity share capital + Other equity - Capital reserve - Capital reserve on consolidation - Amalgamation reserve)					
14	1,00,462.79	98,956.53	1,11,825.00	1,00,462.79	1,11,825.00
15 <b>Outstanding redeemable preference shares (quantity and value)</b>					
				Not applicable	

\* Net working capital is negative  
\* 0.00 represents value less than 0.01



**TATA STEEL LIMITED**

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**Notes:**

1. The results have been reviewed by the Audit Committee and were approved by the Board of Directors in meetings on May 02, 2023.
2. The Board of Directors of the Company had considered and approved amalgamation of Tata Steel Long Products Limited ("TSLP"), Tata Metaliks Limited ("TML"), The Tinsplate Company of India Limited ("TCIL"), TRF Limited ("TRF"), The Indian Steel & Wire Products Limited ("ISWP"), Tata Steel Mining Limited ("TSML") and S & T Mining Company Limited ("S & T Mining") into and with the Company by way of separate schemes of amalgamation and had recommended a share exchange ratio /cash consideration as below:
  - a) 67 fully paid-up equity shares of ₹1/- each of the Company for every 10 fully paid-up equity shares of ₹10/- each held by the public shareholders of TSLP.
  - b) 79 fully paid-up equity shares of ₹1/- each of the Company for every 10 fully paid-up equity shares of ₹10/- each held by the public shareholders of TML.
  - c) 33 fully paid-up equity shares of ₹1/- each of the Company for every 10 fully paid-up equity shares of ₹10/- each held by the public shareholders of TCIL.
  - d) 17 fully paid-up equity shares of ₹1/- each of the Company for every 10 fully paid-up equity shares of ₹10/- each held by the public shareholders of TRF.
  - e) cash consideration of ₹426/- for every 1 fully paid-up equity share of ₹10/- each held by the minority shareholders of ISWP.

As part of the scheme of amalgamations, equity shares and preference shares, if any, held by the Company in the above entities shall stand cancelled. No shares of the Company shall be issued nor any cash payment shall be made whatsoever by the Company in lieu of cancellation of shares of TSML and S & T Mining (both being wholly owned subsidiary companies).

The proposed amalgamations will enhance management efficiency, drive sharper strategic focus and improve agility across businesses based on the strong parental support from the Company's leadership. The amalgamations will also drive synergies through operational efficiencies, raw material security and better facility utilisation.

As part of defined regulatory process, the following schemes have received approval(s) from stock exchanges and Securities and Exchange Board of India:

- i. TSLP into and with the Company.
- ii. TCIL into and with the Company.
- iii. TML into and with the Company.
- iv. TRF into and with the Company.
- v. ISWP into and with the Company.

Further the schemes as listed in (i) to (iv) above, have been filed and are pending with the Hon'ble National Company Law Tribunal ("NCLT"). The amalgamation scheme of TSML and S & T Mining into and with the



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Company have been filed and are pending with NCLT and are subject to defined regulatory approval process.

3. The Board of Directors of the Company had considered and approved the amalgamation of Angul Energy Limited ("AEL") into and with the Company by way of a scheme of amalgamation and had recommended a cash consideration of ₹1,045/- for every 1 fully paid-up equity share of ₹10/- each held by the shareholders (except the Company) in AEL. Upon the scheme coming into effect, the entire paid-up share capital of AEL shall stand cancelled in its entirety.

The amalgamation will ensure consolidation of all power assets under a single entity, which will increase system agility for power generation and allocation. It will help the Company to improve its plant reliability, ensuring steady source of power supply while optimising cost. Further, such restructuring will lead to simplification of group structure by eliminating multiple companies in similar operation, optimum use of infrastructure, rationalisation of cost in the areas of operations and administrative overheads, thereby maximising shareholder value of the Company post amalgamation.

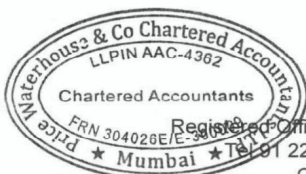
The scheme is subject to defined regulatory approval process, which would require approval by stock exchanges and the Hon'ble National Company Law Tribunal.

4. Tata Steel Europe Limited ("TSE"), a wholly owned indirect subsidiary of the Company, has assessed the potential impact of the economic downturn in Europe caused by external factors including higher inflation, higher interest rates and supply chain disruption caused by the war in Ukraine on its future business outlook for UK and Mainland Europe (MLE) value chains.

The Board has considered reasonably possible scenarios to stress test the financial position of both the UK and MLE businesses, including the impact of lower steel margins against the Annual Plan and the mitigating actions the Group could take to limit any adverse consequences to liquidity in the annual impairment assessments.

Based on the assessment, the MLE business is expected to have adequate liquidity under all the reasonably possible scenarios considered. The outlook for Tata Steel UK Limited ("TSUK"), a wholly owned indirect subsidiary of TSE, however, is expected to be adversely impacted towards meeting its liquidity requirements and accordingly with respect to its ability to continue as a going concern. In response to the challenging market and business conditions, TSUK continues to implement various measures aimed at improving its business performance and conserving cash including but not limited to ensuring adequate liquidity, if required, through available financing options, management of working capital, implementation of cost reduction measures and discussions with the UK Government to seek adequate support for transition to Green Steel as part of its decarbonization strategy. The progress of discussions with the UK government is also being monitored closely given that based on the initial and subsequent discussions it remains uncertain whether adequate support for the decarbonisation strategy would be agreed. Given the risks and challenges associated with the underlying market and business conditions, the uncommitted nature of available financing options and the uncertainty with respect to whether adequate government support would be agreed, there exists a material uncertainty surrounding the impact of such adversities on the financial situation of TSUK.

The financial statements of TSE have been prepared on a going concern basis recognising the material uncertainty in relation to TSUK.



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Whilst the Company's carrying amount of its equity investment in T Steel Holdings Pte. Ltd. after recognising impairment (refer note 5 below), which holds TSE, is considered recoverable in the standalone financial results, the associated uncertainties have been explained above.

The Group has assessed its ability to meet any liquidity requirements at TSE, if required, and concluded that its cashflow and liquidity position remains adequate.

5. Exceptional item 6(a) in the standalone financial results represents profit on sale of investment to a wholly owned subsidiary of the Company as part of the simplification exercise within the Group.

Exceptional item 6(b) in the standalone financial results represents impairment charge (net of reversal) in respect of investments held by the Company in T Steel Holdings Pte. Ltd. on account of Tata Steel UK Limited, and other Group affiliates.

Exceptional item 8(d) in the consolidated financial results primarily represents impairment reversal (net of charge) within the Group's European Operations.

Exceptional item 8(f) in the consolidated financial results represents stamp duty and registration fees paid within the Group's Indian Operations.

6. The Board of Directors at its meeting held on May 03, 2022, recommended the sub-division of the Ordinary (equity) Shares of face value ₹10/- each into Ordinary (equity) Shares of face value of ₹1/- each. The Company had fixed July 29, 2022, as the record date for the purpose of sub-division of Ordinary (equity) Shares.

The basic and diluted EPS for the prior periods of standalone and the consolidated financial results have been restated considering the face value of ₹1/- each in accordance with Ind AS 33 – "Earnings per Share".

7. On July 26, 2022, the Company completed the acquisition of assets of Stork Ferro Alloys and Mineral Industries Private Limited. The acquisition was carried out for a purchase consideration of ₹155 crore. The acquisition had been accounted for in accordance with Ind AS 103 - "Business Combinations".
8. On July 4, 2022, Tata Steel Long Products Limited ("TSLP"), a non-wholly owned subsidiary of the Company, had completed the acquisition of Neelachal Ispat Nigam Limited ("NINL") for a total purchase consideration of ₹12,100 crore as per the terms and conditions of the Share Sale and Purchase Agreement ("SPA").

During the previous quarter, TSLP subscribed to further issue of equity shares by NINL for an amount aggregating to ₹600 crore. The Company also acquired further equity stake in NINL for an amount aggregating to ₹96.69 crore. During the quarter, the Company has subscribed to further issue of equity shares by NINL for an amount aggregating to ₹300 crore resulting in decrease in TSLP's holding in NINL to 92.68% as at March 31, 2023.

The Company directly holds 5.24% stake in NINL raising the Group's effective holding in NINL to 74.67% as on March 31, 2023.

The fair value of assets and liabilities acquired have been determined in accordance with Ind AS 103 "Business Combinations".

9. 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 ("TSMML"), an unlisted wholly owned subsidiary of the



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Company completed the acquisition of a controlling stake of 90% in Rohit Ferro-Tech Limited ("RFT") on April 11, 2022, under the Corporate Insolvency Resolution Process ("CIRP") of the Insolvency and Bankruptcy Code 2016 ("Code"). Vide the same order, 'Hon'ble NCLT' of Kolkata also approved the amalgamation of RFT with TSML subject to TSML acquiring 100% equity stake in RFT.

On June 14, 2022, TSML acquired the balance equity stake of 10% in RFT, post which RFT became a wholly owned subsidiary of TSML. Subsequently, basis the order of the Hon'ble NCLT and as approved by the TSML Board on July 6, 2022, RFT had been amalgamated with TSML.

The acquisition had been given effect to in the consolidated financial statements in accordance with the provisions of Ind AS 103 – "Business Combinations". The fair value of assets and liabilities acquired had been determined in accordance with Ind AS 103- "Business combinations".

10. During the quarter ended June 30, 2022, in accordance with Ind AS 21 – "The Effects of Changes in Foreign Exchange Rates", T Steel Holdings Pte. Ltd. and T S Global Holdings Pte. Ltd., wholly owned subsidiaries of the Company re-assessed and changed their functional currency from GBP to USD with effect from April 1, 2022. The change was based on a re-assessment of the relative impact of different currencies on the functioning of these entities which among other factors included how cash flows are managed and retained for the investment's portfolio held by these entities, change in their funding structure, currency in which significant costs are incurred and the increasing relevance of USD denominated transactions as compared to GBP both in terms of volume and frequency.
11. Figures for the quarter ended March 31, 2023, represents the difference between audited figures in respect of the full financial year and the published figures of nine months ended December 31, 2022.
12. The Board of Directors has recommended a dividend of ₹3.60 per fully paid-up Ordinary Share of ₹1/- each for the financial year 2022-23.
13. The Annual General Meeting of the Company will be held on July 5, 2023 to adopt the accounts for the financial year 2022-23.

T V Narendran  
Chief Executive Officer &  
Managing Director

Mumbai: May 02, 2023

Koushik Chatterjee  
Executive Director &  
Chief Financial Officer



### TATA STEEL LIMITED

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# Price Waterhouse & Co Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Tata Metaliks Limited

Report on the Audit of Financial Results

### Opinion

1. We have audited the annual financial results of Tata Metaliks Limited (hereinafter referred to as the "Company") for the year ended March 31, 2023 and the statement of assets and liabilities and the statement of cash flows as at and for the year ended on that date, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial results:
  - (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
  - (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2023 and the statement of assets and liabilities and the statement of cash flows as at and for the year ended on that date.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Results' 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 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

### Board of Directors' Responsibilities for the Financial Results

4. These financial results have been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company and the statement of assets and liabilities and the statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for 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 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 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 financial results by the Directors of the Company, as aforesaid.
5. In preparing the financial results, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

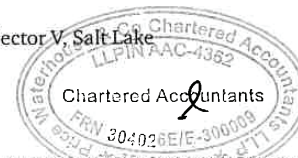
### Auditor's Responsibilities for the Audit of the Financial Results

7. Our objectives are to obtain reasonable assurance about whether the financial results 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 financial results.

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Kolkata - 700 091, India  
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Registered office and Head office: Plot No. 56 & 57, Block DN, Sector-V, Salt Lake, Kolkata - 700 091

Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership) with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E300009 (ICAI registration number before conversion was 304026E)



# Price Waterhouse & Co Chartered Accountants LLP


INDEPENDENT AUDITOR'S REPORT  
To the Board of Directors of Tata Metaliks Limited  
Report on the Financial Results

8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial results, 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 financial statements in place and the operating effectiveness of such controls. (Refer paragraph 11 below)
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - Conclude on the appropriateness of the Board of Directors 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 Company 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 financial results 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 financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance of the Company 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. 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.

## Other Matters

10. The Financial Results include the results for the quarter ended March 31, 2023 being the balancing figures between the audited figures in respect of the full financial year and the published audited year to date figures up to the third quarter of the current financial year. The figures for the quarter ended March 31, 2023 are neither subject to limited review nor audited by us.
11. The annual financial results dealt with by this report has been prepared for the express purpose of filing with the stock exchanges (BSE Limited and National Stock Exchange of India Limited). These results are based on and should be read with the audited financial statements of the Company for the year ended March 31, 2023 on which we issued an unmodified audit opinion vide our report dated April 28, 2023.

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

  
Pinaki Chowdhury  
Partner  
Membership Number: 057572  
UDIN: 23057572BGXVOX3641  
Kolkata  
April 28, 2023

TATA METALIKS LIMITED

Registered Office: TATA Centre, 10th Floor, 43, J. L. Nehru Road, Kolkata - 700 071

CIN L27310WB1990PLC050000

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

(Rs. in lakhs)

Sr. No	Particulars	3 months	3 months	3 months	Year	Year
		Ended 31.03.2023 Audited (Refer Note 5)	Ended 31.12.2022 Audited	Ended 31.03.2022 Audited (Refer Note 5)	Ended 31.03.2023 Audited	Ended 31.03.2022 Audited
1.	Revenue from Operations	92,599	79,023	80,792	325,957	274,553
2.	Other Income	367	220	673	1,364	1,665.00
3.	<b>Total Income</b>	<b>92,966</b>	<b>79,243</b>	<b>81,465</b>	<b>327,321</b>	<b>276,218</b>
4.	Expenses					
a)	Cost of materials consumed	57,432	53,645	54,267	227,618	169,660
b)	Changes in inventories of finished goods and work-in-progress	1,182	(132)	1,762	(6,939)	963
c)	Employee benefits expense	4,699	4,065	3,952	16,352	14,552
d)	Finance costs	869	1,002	669	3,274	2,450
e)	Depreciation and amortisation expense	2,169	1,867	1,459	7,729	6,169
f)	Other expenses	19,956	17,571	15,120	69,217	51,575
	<b>Total expenses</b>	<b>86,307</b>	<b>78,018</b>	<b>77,229</b>	<b>317,251</b>	<b>245,369</b>
5.	<b>Profit before exceptional items &amp; tax (3-4)</b>	<b>6,659</b>	<b>1,226</b>	<b>4,236</b>	<b>10,070</b>	<b>30,849</b>
6.	Exceptional items:					
a)	Profit on sale of land	-	-	3,083	-	3,083
7.	<b>Profit before tax (5 + 6)</b>	<b>6,659</b>	<b>1,226</b>	<b>7,319</b>	<b>10,070</b>	<b>33,932</b>
8.	Tax expense:					
a)	Current tax: current year	1,182	181	687	1,778	7,519
b)	Current tax: earlier year	-	-	133	-	133
c)	Deferred tax	(79)	96	1,253	237	2,474
	<b>Total tax expense</b>	<b>1,103</b>	<b>277</b>	<b>2,073</b>	<b>2,015</b>	<b>10,126</b>
9.	<b>Profit for the period/ year from continuing operations (7-8)</b>	<b>5,556</b>	<b>949</b>	<b>5,246</b>	<b>8,055</b>	<b>23,806</b>
10.	Loss for the period/ year from discontinued operations	-	-	-	-	(61)
11.	<b>Profit for the period/ year (9+10)</b>	<b>5,556</b>	<b>949</b>	<b>5,246</b>	<b>8,055</b>	<b>23,745</b>
12.	Other Comprehensive Income					
	Items that will not be reclassified to profit or loss	(330)	55	53	(166)	61
	Income tax on above	115	(19)	(18)	58	(21)
13.	<b>Total Comprehensive Income for the period/ year (11+12)</b>	<b>5,341</b>	<b>985</b>	<b>5,281</b>	<b>7,947</b>	<b>23,785</b>
14.	Paid-up equity share capital (Face value Rs.10/- per share)	3,158	3,158	3,158	3,158	3,158
15.	Other Equity	N.A.	N.A.	N.A.	154,789	149,369
16.	Earnings per equity share (for continuing operations):					
(1)	Basic [Face Value Rs. 10 each] (*not annualised)	17.59*	3.01*	16.61*	25.51	75.39
(2)	Diluted [Face Value Rs. 10 each] (*not annualised)	17.59*	3.01*	16.61*	25.51	75.39
17.	Earnings per equity share (for discontinued operations):					
(1)	Basic [Face Value Rs. 10 each] (*not annualised)	-	-	-	-	(0.19)
(2)	Diluted [Face Value Rs. 10 each] (*not annualised)	-	-	-	-	(0.19)
18.	Earnings per equity share (for discontinued and continuing operations):					
(1)	Basic [Face Value Rs. 10 each] (*not annualised)	17.59*	3.01*	16.61*	25.51	75.20
(2)	Diluted [Face Value Rs. 10 each] (*not annualised)	17.59*	3.01*	16.61*	25.51	75.20



TATA METALIKS LIMITED

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CIN L27310WB1990PLC050000

AUDITED STATEMENT OF ASSETS AND LIABILITIES AS ON MARCH 31, 2023

(Rs. in lakhs)

Particulars		As at 31.03.2023 Audited	As at 31.03.2022 Audited
<b>A</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
	(a) Property, Plant and Equipment	102,893	84,207
	(b) Right of use assets	15,271	16,120
	(c) Capital work-in-progress	16,350	23,306
	(d) Intangible Assets	82	155
	(e) Financial Assets		
	(i) Investments	1	1
	(ii) Other Financial Assets(*)	-	-
	(f) Non Current Tax Assets (Net)	1,673	851
	(g) Other Non Current Assets	1,791	2,102
	<b>Sub-total - Non-current assets</b>	<b>138,061</b>	<b>126,742</b>
<b>2</b>	<b>Current assets</b>		
	(a) Inventories	56,874	47,739
	(b) Financial Assets		
	(i) Investments	10,025	6,030
	(ii) Loans	-	15,000
	(iii) Trade receivables	30,418	21,101
	(iv) Cash and Cash equivalents	10,225	7,377
	(v) Other balances with banks	404	5,319
	(vi) Other Financial Assets	1,110	2,325
	(c) Other Current Assets	3,475	3,285
	<b>Sub-total - Current assets</b>	<b>112,531</b>	<b>108,176</b>
	<b>TOTAL- ASSETS</b>	<b>250,592</b>	<b>234,918</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>EQUITY</b>		
	(a) Equity Share capital	3,158	3,158
	(b) Other Equity	154,789	149,369
	<b>Sub-total- Total equity</b>	<b>157,947</b>	<b>152,527</b>
<b>2</b>	<b>Non-current liabilities</b>		
	(a) Financial Liabilities		
	(i) Lease Liability	13,351	14,024
	(b) Provisions	2,142	2,004
	(c) Deferred tax liabilities (Net)	5,739	5,502
	<b>Sub-total- Non-current liabilities</b>	<b>21,232</b>	<b>21,530</b>
<b>3</b>	<b>Current liabilities</b>		
	(a) Financial Liabilities		
	(i) Lease Liability	1,189	814
	(ii) Trade payables		
	outstanding dues of micro enterprises and small enterprises	186	26
	outstanding dues of creditors other than micro enterprises and small enterprises	52,896	44,711
	(iii) Other Financial Liabilities	4,011	4,429
	(b) Provisions	1,876	1,471
	(c) Current Tax Liabilities (Net)	429	429
	(d) Other current liabilities	10,826	8,981
	<b>Sub-total- Current liabilities</b>	<b>71,413</b>	<b>60,861</b>
	<b>TOTAL- EQUITY AND LIABILITIES</b>	<b>250,592</b>	<b>234,918</b>

(\*) Below rounding-off amount



TATA METALIKS LIMITED

Registered Office: TATA Centre, 10th Floor, 43, J. L. Nehru Road, Kolkata - 700 071

CIN L27310WB1990PLC050000

AUDITED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in lakhs)

Sr. No	Particulars	For the year ended 31.03.2023 Audited	For the year ended 31.03.2022 Audited
A.	<b>Cash Flow from Operating activities:</b>		
	Profit before tax (including Loss on discontinued operations)	10,070	33,871
	Adjustments for:		
	Finance Costs	3,274	2,450
	Depreciation and amortisation expense	7,729	6,169
	Interest Income from financial assets at amortised cost	(571)	(1,071)
	Dividend Income on investment carried at fair value through profit or loss	(88)	(83)
	(Gain)/ Loss on cancellation of forward contracts	(82)	47
	Profit on disposal of Property, Plant and Equipment	(9)	(156)
	Profit on disposal of Land	-	(3,083)
	Gain on foreign currency transactions	(69)	(67)
	Other non-cash items	(234)	(70)
	<b>Operating profit before working capital changes</b>	<b>20,020</b>	<b>38,007</b>
	Adjustment for working capital		
	Inventories	(9,137)	(6,869)
	Non-Current/Current financial and non-financial Assets	(8,415)	2,870
	Non-Current/Current financial and non-financial liabilities/provisions	9,274	18,890
	<b>Cash generated from operations</b>	<b>11,742</b>	<b>52,898</b>
	Income Taxes paid	(2,542)	(5,868)
	<b>Net cash generated from operating activities</b>	<b>9,200</b>	<b>47,030</b>
B.	<b>Cash Flow from Investing activities:</b>		
	Interest income received	805	996
	Dividend Income on investment carried at fair value through profit or loss	88	83
	Payments for property, plant and equipment, capital work-in-progress, other intangible assets and right of use assets	(16,462)	(32,461)
	Repayment of Inter Corporate Loan given	15,000	-
	Fixed deposit placed with banks (net)	5,000	(5,101)
	Proceeds on disposal of property, plant and equipment	14	171
	Proceeds on disposal of Land	-	4,270
	Net Proceeds/ (payment) from/ for sale/purchase of investments	(3,995)	(6,030)
	<b>Net Cash from/(used) in investing activities</b>	<b>450</b>	<b>(38,072)</b>
C.	<b>Cash Flow from Financing activities:</b>		
	Proceeds from short term borrowings	14,009	6,582
	Repayment of short term borrowings	(14,270)	(7,584)
	Principal elements of lease payment	(908)	(850)
	Interest and other borrowing costs paid	(3,274)	(2,450)
	Dividend paid	(2,441)	(1,263)
	Gain/ (Loss) on cancellation of forward contracts	82	(47)
	<b>Net cash used in financing activities</b>	<b>(6,802)</b>	<b>(5,612)</b>
	Net increase in cash and cash equivalents	2,848	3,346
	Cash and cash equivalents as at 1 April	7,377	4,031
	<b>Cash and cash equivalents as at 31 March</b>	<b>10,225</b>	<b>7,377</b>





TATA METALIKS LIMITED

Registered Office: TATA Centre, 10th Floor, 43, J. L. Nehru Road, Kolkata - 700 071

CIN L27310WB1990PLC050000

SEGMENT REVENUE, SEGMENT RESULTS, SEGMENT ASSETS AND SEGMENT LIABILITIES

(Rs. in lakhs)

Particulars	3 months	3 months	3 months	Year	Year
	Ended 31.03.2023 Audited (Refer Note 5)	Ended 31.12.2022 Audited	Ended 31.03.2022 Audited (Refer Note 5)	Ended 31.03.2023 Audited	Ended 31.03.2022 Audited
<b>1 Segment Revenue</b>					
Pig Iron	61,971	61,626	64,148	254,439	223,442
Ductile Iron Pipe	68,292	48,786	36,332	189,577	116,601
Total	130,263	110,412	100,480	444,016	340,043
Less: Inter Segment Revenue	(37,664)	(31,389)	(19,688)	(118,059)	(65,490)
<b>Revenue from Operations</b>	<b>92,599</b>	<b>79,023</b>	<b>80,792</b>	<b>325,957</b>	<b>274,553</b>
<b>2 Segment Results</b>					
Pig Iron	240	269	2,631	922	24,819
Ductile Iron Pipe	7,256	1,881	1,956	11,805	7,563
<b>Total Segment results before exceptional items, finance cost and tax</b>	<b>7,496</b>	<b>2,150</b>	<b>4,587</b>	<b>12,727</b>	<b>32,382</b>
Add: Exceptional item	-	-	3,083	-	3,083
Add: Finance Income	32	77	318	617	917
Finance Costs	(869)	(1,002)	(669)	(3,274)	(2,450)
<b>Profit before tax</b>	<b>6,659</b>	<b>1,225</b>	<b>7,319</b>	<b>10,070</b>	<b>33,932</b>
Tax Expenses	1,103	277	2,073	2,015	10,126
<b>Profit for the period/ year from continuing operations</b>	<b>5,556</b>	<b>948</b>	<b>5,246</b>	<b>8,055</b>	<b>23,806</b>
Loss for the period/ year from discontinued operations	-	-	-	-	(61)
<b>Profit for the period/ year from discontinued and continuing operations</b>	<b>5,556</b>	<b>948</b>	<b>5,246</b>	<b>8,055</b>	<b>23,745</b>
Other comprehensive income (net of tax)	(215)	36	35	(108)	40
<b>Total Comprehensive income for the period/ year</b>	<b>5,341</b>	<b>984</b>	<b>5,281</b>	<b>7,947</b>	<b>23,785</b>
<b>3 Segment Assets</b>					
Pig Iron	109,134	120,368	105,154	109,134	105,154
Ductile Iron Pipe	119,129	113,537	94,952	119,129	94,952
Unallocable	22,329	10,344	34,812	22,329	34,812
Total	250,592	244,250	234,918	250,592	234,918
<b>4 Segment Liabilities</b>					
Pig Iron	57,920	60,919	56,466	57,920	56,466
Ductile Iron Pipe	28,255	24,173	19,772	28,255	19,772
Unallocable	6,470	6,550	6,153	6,470	6,153
Total	92,645	91,642	82,391	92,645	82,391

Notes:

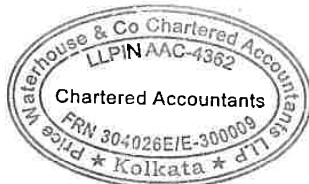
- The above results were reviewed by the Audit Committee on April 26, 2023 and approved by the Board of Directors at its meeting held on April 28, 2023.
- The Board of Directors of the Company and Tata Steel Limited ("the Holding Company") approved the Scheme for Amalgamation of the Company into the Holding Company at their respective meetings held on September 22, 2022. The Board of Directors recommended an exchange ratio of 79 fully paid-up equity shares of Re. 1 each of the Holding Company for every 10 fully paid-up equity shares of Rs. 10 each held in the Company. The Company had submitted the scheme of amalgamation to the Stock Exchanges on October 11, 2022 for approval. The Company vide letters dated March 31, 2023 from National Stock Exchange of India Limited and BSE Limited has, inter-alia, received 'No Objection' in terms of Regulation 94 of SEBI (LODR) Regulations 2015 and no adverse observations within the provisions of Listing Agreement respectively, so as to enable the Company to file the Scheme with NCLT. The Company has subsequently filed the Scheme with Hon'ble NCLT, Kolkata on April 19, 2023 for approval.
- Exceptional item for the quarter and year ended March 31, 2022 represents profit on sale of land, at Redi, which was not in use pursuant to discontinued operation in earlier year.
- The Board has recommended a dividend of Rs. 5 per equity share of Rs. 10 each for the financial year ended March 31, 2023 (March 31, 2022 - Rs. 8 per share).
- The figures of the last quarter of the financial year are the balancing figures between the audited figures in respect of the full financial year and the published audited year to date figures upto the third quarter of the respective financial years.

For and on behalf of Board of Directors

*Alok Krishna*  
Alok Krishna  
Managing Director  
DIN: 08066195

Place: Kolkata

Date: April 28, 2023







**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TATA STEEL LIMITED AT ITS MEETING HELD ON THURSDAY, SEPTMEBER 22, 2022 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION OF TATA METALIKS LIMITED INTO AND WITH TATA STEEL LIMITED, ON EACH CLASS OF SHAREHOLDERS (PROMOTER AND NON-PROMOTERS), CREDITORS, KEY MANAGERIAL PERSONNEL, AND EMPLOYEES OF TATA STEEL LIMITED AND LAYING OUT IN PARTICULAR THE SHARE EXCHANGE RATIO, SPECIFYING ANY SPECIAL VALUATION DIFFICULTIES**

**1. Background:**

1. Based on the recommendations of the Committee of Independent Directors and the Audit Committee, the Board of Directors ("**Board**") of Tata Steel Limited ("**Transferee Company**" or "**Company**"), at its meeting held on September 22, 2022, approved the Scheme of Amalgamation involving the Company and its subsidiary, Tata Metaliks Limited ("**Transferor Company**") and their respective shareholders (hereinafter referred to as "**Scheme**"), wherein the Transferor Company shall amalgamate into and with the Transferee Company in terms of Sections 230 to 232 and other applicable provisions, if any of the Companies Act, 2013 ("**Companies Act**") read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) or other amendment(s) thereof for the time being in force), Section 2(1B), read with other applicable provisions of the Income-tax Act, 1961 (as amended) ("**IT Act**") and other applicable laws including SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and the SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 as amended from time to time ("**SEBI Circulars**").
2. In terms of Section 232(2)(c) of the Companies Act, a report from the Board of the Company, explaining the effect of the Scheme on each class of shareholders (promoters and non-promoter shareholders), creditors, key managerial personnel ("**KMP**"), and employees of the Company, setting out, among other things, the Share Exchange Ratio (*as defined in the Scheme*), specifying any special valuation difficulties, is required to be adopted by the Board. Such report is then required to be appended with the notice of the meeting of shareholders and creditors, if such meeting is ordered by the National Company Law Tribunal.
3. Accordingly, this report of the Board is prepared to comply with the requirements of Section 232(2)(c) of the Companies Act.
4. While deliberating on the Scheme, the Board, *inter-alia*, considered and took on record the following documents:
  - a) Draft of the proposed Scheme;

**TATA STEEL LIMITED**

Registered Office Bombay House 24 Homi Mody Street Fort Mumbai 400 001 India  
Tel 91 22 6665 8282 Fax 91 22 6665 7724 Website www.tatasteel.com  
Corporate Identity Number L27100MH1907PLC000260





- b) Valuation Report dated September 22, 2022, issued by Mr. Vikrant Jain, Registered Valuer (IBBI Reg no. IBBI/RV/05/2018/10204) ("**Valuation Report**"), who in his report has recommended the share exchange ratio of 79 (seventy-nine) fully paid-up equity shares of nominal value of ₹1/- each of the Transferee Company for every 10 (ten) fully paid-up equity shares of nominal value of ₹10/- each held in Transferor Company ("**Share Exchange Ratio**");
  - c) Fairness opinion dated September 22, 2022, issued by Ernst & Young Merchant Banking Services LLP, an independent SEBI registered Category-I Merchant Banker providing fairness opinion on the Share Exchange Ratio recommended in the Valuation Report prepared by Mr. Vikrant Jain ("**Fairness Opinion**");
  - d) Draft Auditor's Certificate dated September 22, 2022, issued by the Statutory Auditors of the Company i.e. Price Waterhouse & Co. Chartered Accountants LLP ("**Auditors Certificate**"), in terms of Para (A)(5) of Part I of the SEBI Circulars and *proviso* to sub-clause (j) of Section 232(3) of the Companies Act to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government under Section 133 of the Companies Act;
  - e) Report of the Committee of Independent Directors of the Company dated September 22, 2022, recommending the Scheme, taking into consideration *inter alia*, that the Scheme is not detrimental to the shareholders of the Company; and
  - f) Report of the Audit Committee of the Company dated September 22, 2022, recommending the Scheme taking into consideration *inter alia*, the valuation report, and commenting on the need for the Scheme, rationale of the Scheme, cost benefit analysis of the Scheme, impact of the Scheme on the shareholders of the Company and synergies of business of entities involved.
5. The Scheme, amongst others, contemplates the following arrangements:
- a) Amalgamation of the Transferor Company into and with the Transferee Company in accordance with Section 2(1B) and other provisions of the IT Act, Sections 230 to 232 of the Companies Act and other applicable laws.
  - b) Pursuant to the sanction of the Scheme by the Competent Authority (*as defined in the Scheme*) and upon the fulfilment of conditions for the Scheme, the Scheme shall become effective from the opening of business on April 1, 2022 or such other date as may be determined by the Board of Directors of the concerned Transferor Company and the Transferee Company (collectively, "**Companies**") or directed / allowed by the Competent Authority ("**Appointed Date**").

TATA STEEL LIMITED





- c) With effect from the Appointed Date and upon the Scheme becoming effective, the entire Undertaking (*as defined in the Scheme*) of the Transferor Company shall stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Company to become the Undertaking of the Company, in the manner provided for in the Scheme, in accordance with Sections 230 to 232 of the Companies Act, the IT Act and other applicable laws.
  - d) The entire paid-up share capital of the Transferor Company including the shares held by the Transferee Company in the Transferor Company shall stand cancelled in its entirety, without being required to comply with the provisions of Section 66 of the Companies Act.
  - e) Issue and allotment of New Shares (*as defined in the Scheme*) to the Eligible Members (*as defined in the Scheme*) of the Transferor Company (except the Transferee Company) as of the Record Date (*as defined in the Scheme*) in accordance with Part II of the Scheme. No shares shall be issued or allotted by the Company in respect of the shares held by the Company itself in the Transferor Company and all such shares shall stand cancelled and extinguished without any further act, application or deed.
  - f) Transfer of the authorized share capital of the Transferor Company to the Company and consequential increase in the authorized share capital of the Company as provided in Part III of the Scheme.
  - g) New Shares to be issued by the Transferee Company to the equity shareholders of the Transferor Company pursuant to the Scheme, would be listed on the BSE Limited and National Stock Exchange of India Limited ("**Stock Exchanges**").
  - h) The Transferor Company shall stand dissolved without being wound up.
6. The effectiveness of the Scheme is conditional upon fulfilment of the actions specified in the Scheme, which *inter alia* include:
- a) receipt of consents, no-objection letters, approvals from the Stock Exchanges accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI Circulars in respect of the Scheme (prior to filing the Scheme with the Competent Authority), which shall be in form and substance acceptable to the Companies, each acting reasonably and in good faith;
  - b) the Scheme being agreed to (in the manner prescribed herein) by the respective requisite majorities of the various classes of shareholders of the Companies as required under the Companies Act;

**TATA STEEL LIMITED**







- c) the Scheme being approved by the public shareholders through e-voting in terms of Part – I (A)(10)(a) of SEBI Master circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 and the Scheme shall be acted upon only if votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it;
- d) there having been no interim or final ruling, decree or direction by any Appropriate Authority (as defined in the Scheme), which has not been stayed by an appellate authority, which has the effect of prohibiting or making unlawful, the consummation of the proposed Scheme by any of the Companies; and
- e) the Scheme being sanctioned by the Competent Authority under Sections 230 to 232 of the Companies Act, on terms as originally approved by or with such modifications as are acceptable to the Companies.

Upon the fulfilment of the aforementioned conditions, the Scheme shall become effective on the date or last of the dates on which the certified copies of the order of the Competent Authority sanctioning the Scheme are filed by the Transferor Company and the Transferee Company with their respective Registrar of Companies (whichever is later) ("Effective Date").

**2. Effect of the Scheme on each class of shareholders and Key Managerial Personnel and promoter shareholders and non-promoter shareholders of Tata Steel Limited:**

1. The Valuation Report recommends the following Share Exchange Ratio

79 (seventy-nine) fully paid-up equity shares of nominal value of ₹1/- each of the Transferee Company for every 10 (ten) fully paid up equity shares of nominal value of ₹10/- each held in the Transferor Company as on the Record Date (as defined in the Scheme);

No special valuation difficulties were reported by the Valuer.

2. Effect on the equity shareholders (promoter shareholders and non-promoter shareholders)

As far as the equity shareholders of the Transferee Company i.e. both promoter shareholders as well as non-promoter shareholders, are concerned, the amalgamation of the Transferor Company with the Company will result in dilution of holding of promoter group in the Transferee Company's shares by approximately 0.27% and in turn will increase the public shareholding of the Transferee Company's shares to that extent. There will also be an increase in the trading stock of the shares of the Transferee Company.

**TATA STEEL LIMITED**







Further, the Transferee Company shall without any further application, act, instrument or deed, issue and allot 79 (seventy-nine) fully paid-up equity shares of nominal value of ₹1/- each of the Transferee Company to be allotted to the shareholders of the Transferor Company (except the Transferee Company) for every 10 (ten) fully paid-up equity shares of nominal value of ₹10/- each held by the shareholders (except the Transferee Company) in the Transferor Company, whose name(s) appear(s) in the register of members, including register and index of beneficial owners maintained by a depository(ies) under Section 11 of the Depositories Act, 1996 as on the Record Date (as defined in the Scheme). Thus, the shareholders of the Transferor Company will become the shareholders of the Transferee Company, which is part of both BSE SENSEX and NIFTY- 50 indices, the two most significant stock indices of the country. The issuance of New Shares in terms of the Scheme will have no significant impact on the shareholders of the Transferee Company, except consequent dilution upon issuance of the New Shares.

3. Effect on the KMPs

There shall be no effect on the KMPs of the Transferee Company except to the extent that Mr. Koushik Chatterjee, Executive Director and Chief Financial Officer of the Company, currently holding directorship in the Transferor Company, shall cease to be the director in the Transferor Company and except to the extent of the equity shares held (if any) by the KMPs or their relatives in the Transferor Company.

The effect of the Scheme on the interests of the KMPs and their relatives holding shares in the Company, is not different from the effect of the Scheme on other shareholders of the Company.

4. Effect on the creditors

Under the Scheme no arrangement or compromise is being proposed with the creditors (secured or unsecured, including debenture holders) of the Company. The liability of the creditors of the Company, under the Scheme, is neither being reduced nor being extinguished.

5. Effect on staff or employees

Under the Scheme, no rights of the staff and employees (who are on payroll of the Company) of the Company are being affected. The services of the staff and employees of the Company shall continue on the same terms and conditions applicable prior to the proposed Scheme.

**TATA STEEL LIMITED**





Further, upon the Scheme becoming effective, the employees of the Transferor Company (“**Employees**”) will be deemed to have become employees of the Company pursuant to the Scheme with effect from the Effective Date.

All such Employees shall be deemed to have become employees of the Company, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Company, shall not be less favorable than those applicable to them with reference to their employment in the Transferor Company as on the Effective Date.

**3. Conclusion:**

While deliberating on the Scheme, the Board has considered its impact on each of the shareholders (promoters and non-promoter shareholders), KMPs, creditors and employees. In the opinion of the Board, the Scheme is in the best interest of the shareholders (promoters and non-promoter shareholders), KMPs, creditors and employees of the Company and there will be no prejudice caused to them in any manner by the Scheme.

The Board has adopted this Report after noting and considering the documents and information set forth in this Report. In order for the Transferee Company to comply with the requirements of extant regulations applicable to companies undertaking any scheme of amalgamation, this report of the Board may please be taken on record while considering the Scheme.

**By order of the Board of Directors of Tata Steel Limited**

A handwritten signature in black ink, appearing to read 'N. Chandrasekaran'.

**N. Chandrasekaran**  
**Chairman**

Date: September 22, 2022  
Place: Mumbai

**TATA STEEL LIMITED**



**REPORT ADOPTED BY THE AUDIT COMMITTEE OF TATA STEEL LIMITED AT ITS MEETING HELD ON SEPTEMBER 22, 2022, IN RELATION TO THE PROPOSED SCHEME OF AMALGAMATION OF TATA METALIKS LIMITED INTO AND WITH TATA STEEL LIMITED AND THEIR RESPECTIVE SHAREHOLDERS**

**Members Present:**

Mr. Deepak Kapoor - Independent Director and Chairman of the Committee  
 Mr. O. P. Bhatt - Independent Director and Member of the Committee  
 Mr. Saurabh Agrawal - Non-Executive Director and Member of the Committee

**In attendance:**

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

**Management:**

Mr. T.V. Narendran, Chief Executive Officer and Managing Director  
 Mr. Koushik Chatterjee, Executive Director and Chief Financial Officer

**Auditors:**

Mr. Subramanian Vivek, Price Waterhouse & Co Chartered Accountants LLP  
 Mr. Pinaki Chowdhury, Price Waterhouse & Co Chartered Accountants LLP

**Registered Valuers:**

Mr. Vikrant Jain, Registered Valuer  
 Mrs. Sadaf Saiyed, Representative from Registered Valuer's office

**Merchant Bankers:**

Mr. Navin Vohra, Ernst & Young Merchant Banking Services LLP  
 Mr. Vipul Agarwal, Ernst & Young Merchant Banking Services LLP

**1. BACKGROUND**

- 1.1 The Audit Committee, at its meeting held on September 22, 2022, was requested to consider, and if thought fit, recommend to the board of directors ("Board") of Tata Steel Limited ("Transferee Company" or "Company"), a draft of the proposed scheme of amalgamation involving the Company and its subsidiary Tata Metaliks Limited ("Transferor Company") and their respective shareholders, (hereinafter referred to as 'Scheme'), wherein the Transferor Company shall amalgamate into and with the

**TATA STEEL LIMITED**

Registered Office Bombay House 24 Homi Mody Street Fort Mumbai 400 001 India  
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 Corporate Identity Number L27100MH1907PLC000260





Transferee Company in terms of Sections 230 to 232 and other applicable provisions, if any of the Companies Act, 2013 ('Companies Act') read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) or other amendments thereof for the time being in force), Section 2(1B), read with other applicable provisions of the Income-tax Act, 1961 (as amended) ("IT Act") and other applicable laws including SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 as amended from time to time ('SEBI Circulars').

- 1.2 The Scheme is subject to the receipt of approval from the Board of Directors and (a) requisite majority of the shareholders of the respective Transferor Company and Transferee Company (collectively 'Companies'); (b) Competent Authority (as defined in the Scheme), (c) SEBI (d) The National Stock Exchange of India Limited and the BSE Limited (hereinafter collectively referred to as "Stock Exchanges"); and (e) such other approvals, permissions and sanctions of regulatory and other statutory or governmental authorities / quasi-judicial authorities, as may be necessary as per applicable laws.
- 1.3 As per the SEBI Circulars, the Audit Committee is required to issue a report recommending the Scheme, taking into consideration *inter alia*, the valuation report, and commenting on the need for the Scheme, rationale of the Scheme, cost benefit analysis of the Scheme, impact of the Scheme on the shareholders of the Company and synergies of business of entities involved.
- 1.4 This report of the Audit Committee is made to comply with the requirements of SEBI Circulars.
- 1.5 The following documents were placed before the Audit Committee and while deliberating on the Scheme, the Audit Committee had, *inter alia*, considered and took on record these documents:
  - a) A draft of the proposed Scheme;
  - b) Valuation Report dated September 22, 2022, issued by Mr. Vikrant Jain, Registered Valuer (IBBI Reg no. IBBI/RV/05/2018/10204) ('Valuation Report'), who in his report has recommended the share exchange ratio of 79 (seventy-nine) fully paid-up equity shares of nominal value of Re. 1/- each of the Transferee Company for every 10 (ten) fully paid-up equity shares of nominal value of Rs. 10/- each held in Transferor Company ("Share Exchange Ratio");
  - c) Fairness opinion dated September 22, 2022, issued by Ernst & Young Merchant Banking Services LLP (Reg No. INM000010700), an independent SEBI registered Category-I Merchant Banker providing fairness opinion on the Share Exchange Ratio recommended in the Valuation Report prepared by Mr. Vikrant Jain ('Fairness Opinion'); and

**TATA STEEL LIMITED**







- d) Draft Auditor's Certificate dated September 22, 2022, from the Statutory Auditors of the Company i.e. Price Waterhouse & Co. Chartered Accountants LLP ('**Auditors Certificate**'), in terms of Para (A)(5) of Part I of the SEBI Circular and *Proviso* to sub-clause (j) of Section 232(3) of the Companies Act, to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government under Section 133 of the Companies Act.

## 2. PROPOSED SCHEME OF AMALGAMATION:

2.1 The Audit Committee noted the salient features of the Scheme which *inter alia* are as under:

- a) Amalgamation of Transferor Company into and with Transferee Company in accordance with Section 2(1B) and other provisions of the IT Act, Sections 230 to 232 of the Companies Act and other applicable laws.
- b) Pursuant to the sanction of the Scheme by the Competent Authority and upon the conditions for the Scheme to become effective being fulfilled, the Scheme shall become effective from the opening of business hours on April 1, 2022 or such other date as may be determined by the Board of Directors of the Transferee Company and Transferor Company or directed / allowed by the Competent Authority ("**Appointed Date**").
- c) With effect from the Appointed Date and upon the Scheme becoming effective, the entire Undertaking (*as defined in the Scheme*) of the Transferor Company shall stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Company to become Undertaking of the Company, in the manner provided for in the Scheme, in accordance with Sections 230 to 232 of the Companies Act, the IT Act and other applicable laws.
- d) The entire paid-up share capital of the Transferor Company including the shares issued by the Transferor Company to the Transferee Company shall stand cancelled in its entirety without being required to comply with the provisions of Section 66 of the Companies Act, 2013.
- e) Issue and allotment of New Shares (*as defined in the Scheme*) to the Eligible Members (*as defined in the Scheme*) of the Transferor Company (except the Transferee Company) as of the Record Date (*as defined in the Scheme*) in accordance with Part II of this Scheme. No shares shall be issued or allotted by the Company in respect of the shares held (including beneficial rights held in shares) by the Company itself in the Transferor Company and all such shares shall stand cancelled and extinguished without any further application or deed.
- f) Transfer of the authorized share capital of the Transferor Company to the Company and consequential increase in the authorized share capital of the Company as provided in Part III of the Scheme.

**TATA STEEL LIMITED**





- g) New Shares issued by the Transferee Company to the equity shareholders of the Transferor Company pursuant to the Scheme, would be listed on Stock Exchanges.
- h) The Transferor Company shall stand dissolved without being wound up.

2.2 The effectiveness of the Scheme is conditional upon fulfilment of the actions specified in the Scheme, which *inter alia* include:

- (a) receipt of consents, no-objection letters, approvals from the Stock Exchanges in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI Circulars in respect of the Scheme (prior to filing the Scheme with the Competent Authority), which shall be in form and substance acceptable to the companies, each acting reasonably and in good faith;
- (b) the Scheme being agreed to (in the manner prescribed herein) by the respective requisite majorities of the various classes of shareholders of the Companies as required under the Companies Act;
- (c) the Scheme being approved by the public shareholders through e-voting in terms of Part – I (A)(10)(a) of SEBI Master circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 and the Scheme shall be acted upon only if votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it;
- (d) there having been no interim or final ruling, decree or direction by any Appropriate Authority (as defined in the Scheme), which has not been stayed by an appellate authority, which has the effect of prohibiting or making unlawful, the consummation of the proposed Scheme by any of the Companies;
- (e) the Scheme being sanctioned by the Competent Authority under Section 230 to 232 of the Companies Act, on terms as originally approved by or with such modifications as are acceptable to the Companies; and

Upon the fulfilment of the aforementioned conditions, the Scheme shall become effective on the date or last of the dates on which the certified copies of the order of the Competent Authority sanctioning the Scheme are filed by the Transferor Company and the Transferee Company with their respective Registrar of Companies (whichever is later) ("**Effective Date**").

**3. NEED FOR THE SCHEME:**

The Transferee Company is one of the leading global steel companies, with over 100 (hundred) years of experience in the steel sector and is a pioneer of steel manufacturing in India. The Transferor Company is a subsidiary of the Transferee Company is engaged

**TATA STEEL LIMITED**





in the business of manufacture and sale of pig iron and ductile iron pipes and its manufacturing plant is located at Kharagpur, West Bengal. The amalgamation will consolidate the business of Transferor Company and Transferee Company which will result in focused growth, operational efficiencies and business synergies. In addition, resulting corporate holding structure will bring agility to business ecosystem of the merged entities.

**4. RATIONALE AND OBJECTIVE OF THE SCHEME:**

- 4.1 The Companies believe that the resources of the merged entity can be pooled to unlock the opportunity for creating shareholder value.
- 4.2 The Companies will be able to share best practices, cross-functional learnings, and utilize each other's facilities in a more efficient manner.
- 4.3 Marketing and distribution network of both entities can be collaborated.

**5. SYNERGIES OF BUSINESS OF THE ENTITIES INVOLVED IN THE SCHEME:**

The proposed scheme would result in the following synergies:

- (a) **Operational Integration and better facility utilisation:** The amalgamation will provide an opportunity for reduction of operational costs through transfer of intermediary products between companies, better order loads, synergies from sales and production planning across the business.
- (b) **Operational efficiencies:** Centralized sourcing would result in procurement synergies and reduction in stores/ spare through common inventory management. The proposed Scheme would also result in sharing of best practices, cross functional learnings, better utilisation of common facilities and greater efficiencies in debt and cash management.
- (c) **Simplified structure and management efficiency:** In line with group level 5S strategy – simplification, synergy, scale, sustainability, and speed – proposed Scheme will simplify group holding structure, improve agility to enable quicker decision making, eliminate administrative duplications, consequently reducing administrative costs of maintaining separate entities.
- (d) **Faster execution of projects in pipeline:** The growth projects of Transferor Company will be fast tracked by leveraging Transferee Company's technical expertise and financial resources;
- (e) **Rationalization of Logistics Cost:** Clubbing of shipments and rationalizing warehouse/stockyard would significantly reduce logistics and distribution costs for both the companies.

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- (f) **Improving Customer Satisfaction and Services:** The proposed amalgamation would make it easier to address needs of customers by providing them uniform product and service experience, on time supplies, and improved service levels thereby improving customer satisfaction. With common credit management, the customers are expected to be benefited from the channel financing from the combined entity.
- (g) **Sharing of best practices in Sustainability, Safety, Health and Environment:** Adoption of improved safety, environment and sustainability practices owing to a centralized committee at combined level to provide focused approach towards safety, environment and sustainability practices resulting in overall improvement. Further, overall technology maturity can be enhanced by the Companies through unfettered access to each other's information technology applications and systems.

#### **6. IMPACT OF SCHEME ON SHAREHOLDERS:**

- 6.1 Based on the (a) presentations made by the Registered Valuer and the SEBI registered independent Category – I Merchant Banker and the discussion(s) that ensued thereafter; (b) review of the documents placed at the meeting, (c) Committee's deliberations and consideration of various factors including but not limited to the synergies mentioned in paragraph 5, need for the Scheme, rationale and objective, salient features and expected benefits of the Scheme, the Committee concluded that the proposed Scheme is fair and in the best interest of the shareholders, as the proposed amalgamation is expected to result in economies of scale and consolidation of opportunities, thereby enhancing the value of the merged entity and overall shareholder value.
- 6.2 Further, the Audit Committee noted that, upon the Scheme coming into effect, the Transferee Company shall without any further application, act, instrument or deed, issue and allot 79 (seventy-nine) fully paid-up equity shares of nominal value of Re. 1/- each of the Transferee Company to be allotted to the shareholders of the Transferor Company (except the Transferee Company) for every 10 (ten) fully paid-up equity shares of nominal value of Rs. 10/- each held by the shareholders (except the Transferee Company) in the Transferor Company, whose name(s) appear(s) in the register of members, including register and index of beneficial owners maintained by a depository(ies) under Section 11 of the Depositories Act, 1996 as on the Record Date (as defined in the Scheme).
- 6.3 Given, that the Scheme envisages issue of New Shares by the Transferee Company to the shareholders of the Transferor Company, the Audit Committee also considered the impact of issuance of New Shares on the shareholders of the Transferee Company. After due deliberations, the Audit Committee unanimously concluded that the issuance of New Shares in terms of the Scheme will have no significant impact on the shareholders of the Transferee Company.

**TATA STEEL LIMITED**







**7. COST BENEFIT ANALYSIS OF THE SCHEME:**

The implementation of the Scheme will involve incurring costs including, administrative/ statutory levy(ies), fees payable to financial/legal advisors, etc. However, the benefits as stated in paragraph 5 – Synergies of Business of the Entities involved in the Scheme, are expected to outweigh costs towards implementation of the Scheme.

**8. VALUATION REPORT AND FAIRNESS OPINION:**

8.1 The Audit Committee reviewed the Valuation Report, discussed the methods of valuation and recommended the Share Exchange Ratio with the independent Registered Valuer and the SEBI registered Category-I Merchant Banker who were present at the meeting.

8.2 Based on the discussions, with the Registered Valuer and the SEBI registered Category – I Merchant Bankers, review of documents including the Fairness Opinion placed at the meeting, the Audit Committee is of the view that the Share Exchange Ratio is fair to the shareholders of the Company.

**9. RECOMMENDATION OF THE AUDIT COMMITTEE:**

The Audit Committee, after taking into consideration the Valuation Report and the Fairness Opinion and based on its discussions with the Registered Valuer and the independent SEBI Registered Category-I Merchant Banker, and after reviewing the documents placed at the meeting, recommended the draft Scheme in its present form for favourable consideration by the Board of Directors of Company, the Stock Exchanges and SEBI.

In order for the Transferee Company to comply with the requirements of extant regulations applicable to the listed companies undertaking any scheme of amalgamation, this report of the Audit Committee may please be taken on record by the Board while considering the Scheme for approval and further authorisations.

**For and on behalf of the Audit Committee of Tata Steel Limited**

**Deepak Kapoor**  
**(DIN: 00162957)**  
**Chairman of the Audit Committee**



Date: September 22, 2022  
Place: Mumbai

**TATA STEEL LIMITED**



**REPORT OF THE COMMITTEE OF INDEPENDENT DIRECTORS OF TATA STEEL LIMITED HELD ON SEPTEMBER 22, 2022, RECOMMENDING THE SCHEME OF AMALGAMATION OF TATA METALIKS LIMITED INTO AND WITH TATA STEEL LIMITED AND THEIR RESPECTIVE SHAREHOLDERS.**

**Members Present:**

Mr. O. P. Bhatt - Independent Director and Chairman of the Committee  
Mr. Deepak Kapoor - Independent Director and Member of the Committee  
Mr. Vijay Kumar Sharma - Independent Director and Member of the Committee

**In attendance:**

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

**Management:**

Mr. T.V. Narendran - Chief Executive Officer and Managing Director  
Mr. Koushik Chatterjee - Executive Director and Chief Financial Officer

**Registered Valuers:**

Mr. Vikrant Jain - Registered Valuer  
Mrs. Sadaf Saiyed - Representative from Registered Valuer's office

**Merchant Bankers:**

Mr. Navin Vohra - Ernst & Young Merchant Banking Services LLP  
Mr. Vipul Agarwal - Ernst & Young Merchant Banking Services LLP

**1. BACKGROUND:**

1.1 A meeting of the Committee of Independent Directors ("ID Committee") of Tata Steel Limited ("Transferee Company" or "Company") was held on September 22, 2022, to consider and, if thought fit, recommend the proposed scheme of amalgamation involving the Company and its subsidiary Tata Metaliks Limited ("Transferor Company") and their respective shareholders, (hereinafter referred to as 'Scheme') wherein the Transferor Company shall amalgamate into and with the Transferee Company in terms of Sections 230 to 232 and other applicable provisions, if any of the Companies Act, 2013 ("Companies Act") read with the rules made thereunder (including any statutory

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Corporate Identity Number L27100MH1907PLC000260





modification(s) or re-enactment(s) or other amendments thereof for the time being in force), Section 2(1B), read with other applicable provisions of the Income-tax Act, 1961 (as amended) ("IT Act"), and other applicable laws including SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 as amended from time to time ('SEBI Circulars').

- 1.2 The Scheme is subject to the receipt of approval from the Board of Directors and (a) requisite majority of the shareholders of the respective Transferor Company and Transferee Company (collectively '**Companies**'); (b) Competent Authority (as defined in the Scheme), (c) SEBI (d) The National Stock Exchange of India Limited and the BSE Limited (hereinafter collectively referred to as "**Stock Exchanges**"); and (e) such other approvals, permissions and sanctions of regulatory and other statutory or governmental authorities / quasi-judicial authorities, as may be necessary as per applicable laws.
- 1.3 As per the SEBI Circulars, the ID Committee is required to issue a report recommending the Scheme, taking into consideration, *inter alia*, that the Scheme is not detrimental to the shareholders of the Company.
- 1.4 This report of the ID Committee, is made in order to comply with the requirements of the SEBI Circular.
- 1.5 The following documents were placed before the ID Committee and while deliberating on the Scheme, the ID Committee, *inter alia*, considered and took on record these documents:
  - i. A draft of the proposed Scheme;
  - ii. Valuation Report dated September 22, 2022 issued by Mr. Vikrant Jain, Registered Valuer (IBBI Reg no. IBBI/RV/05/2018/10204) ('**Valuation Report**'), who in his report has recommended the share exchange ratio of 79 (seventy-nine) fully paid-up equity shares of nominal value of Re. 1/- each of the Transferee Company for every 10 (ten) fully paid-up equity shares of nominal value of Rs. 10/- each held in Transferor Company ("**Share Exchange Ratio**");
  - iii. Fairness opinion dated September 22, 2022 issued by Ernst & Young Merchant Banking Services LLP, an independent SEBI registered Category-I Merchant Banker providing fairness opinion on the Share Exchange Ratio recommended in the Valuation Report prepared by Mr. Vikrant Jain ('**Fairness Opinion**');
  - iv. Draft Auditor's Certificate dated September 22, 2022, from the Statutory Auditors of the Company i.e. Price Waterhouse & Co. Chartered Accountants LLP ('**Auditors Certificate**'), in terms of Para (A)(5) of Part I of the SEBI Circular and Proviso to sub-clause (j) of Section 232(3) of the Companies Act, to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act;

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- v. Audited financials for three preceding financial years along with the audited financials of the latest quarter of the Transferor Company;
- vi. Audited financials for three preceding financial years along with the audited financials of the latest quarter of the Transferee Company; and
- vii. Pre and post amalgamation shareholding pattern of the Transferor Company and the Transferee Company.

**2. PROPOSED SCHEME OF AMALGAMATION:**

2.1 The ID Committee noted the salient features of the Scheme which *inter alia* are as under:

- a) Amalgamation of the Transferor Company into and with Transferee Company in accordance with Section 2 (1B) and other provisions of the IT Act, Sections 230 to 232 of the Companies Act and other applicable laws.
- b) Pursuant to the sanction of the Scheme by the Competent Authority and upon the conditions for the Scheme being fulfilled, the Scheme shall become effective from the opening of business hours on April 1, 2022 or such other date as may be determined by the Board of Directors of the Transferor Company and Transferee Company or directed / allowed by the Competent Authority ("**Appointed Date**").
- c) With effect from the Appointed Date and upon the Scheme becoming effective, the entire Undertaking (*as defined in the Scheme*) of the Transferor Company shall stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Company to become Undertaking of the Company, in the manner provided for in the Scheme, in accordance with Sections 230 to 232 of the Companies Act, the IT Act and other applicable laws.
- d) The entire paid-up share capital of the Transferor Company including the shares issued by the Transferor Company to the Company shall stand cancelled in its entirety without being required to comply with the provisions of Section 66 of the Companies Act, 2013.
- e) Issue and allotment of New Shares (*as defined in the Scheme*) to the Eligible Members (*as defined in the Scheme*) (except the Transferee Company) as of the Record Date (*as defined in the Scheme*) in accordance with Part II of the Scheme. No shares shall be issued or allotted by the Company in respect of the shares held by the Company itself in the Transferor Company and all such shares shall stand cancelled and extinguished without any further act, application or deed.

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- f) Transfer of the authorized share capital of the Transferor Company to the Company and consequential increase in the authorized share capital of the Company as provided in Part III of the Scheme.
- g) New Shares to be issued by the Transferee Company to the equity shareholders of the Transferor Company pursuant to the Scheme, would be listed on the Stock Exchanges.
- h) The Transferor Company shall stand dissolved without being wound up.

2.2 The effectiveness of the Scheme is conditional upon fulfilment of the actions specified in the Scheme, which *inter alia* include:

- (a) receipt of consents, no-objection letters, approvals from the Stock Exchanges in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI Circulars in respect of the Scheme (prior to filing the Scheme with the Competent Authority), which shall be in form and substance acceptable to the companies, each acting reasonably and in good faith;
- (b) the Scheme being agreed to (in the manner prescribed herein) by the respective requisite majorities of the various classes of shareholders of the Companies as required under the Companies Act;
- (c) the Scheme being approved by the public shareholders through e-voting in terms of Part – I (A)(10)(a) of SEBI Master circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 and the Scheme shall be acted upon only if votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it;
- (d) such other approvals and sanctions from any other Appropriate Authority (as defined in the Scheme) or contracting party as may be required by any Applicable Law (as defined in the Scheme) or any contract in respect of the Scheme being carried out;
- (e) there having been no interim or final ruling, decree or direction by any Appropriate Authority, which has not been stayed by an appellate authority, which has the effect of prohibiting or making unlawful, the consummation of the proposed Scheme by any of the Companies; and
- (f) the Scheme being sanctioned by the Competent Authority under Section 230 to 232 of the Companies Act, on terms as originally approved by or with such modifications as are acceptable to the Companies; and

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Upon the fulfilment of the aforementioned conditions, the Scheme shall become effective on the date or last of the dates on which the certified copies of the order of the Competent Authority sanctioning the Scheme are filed by the Transferor Company and the Transferee Company with their respective Registrar of Companies (whichever is later) ("**Effective Date**").

### 3. **NEED FOR THE SCHEME**

The Transferee Company is one of the leading global steel companies, with over 100 (hundred) years of experience in the steel sector and is a pioneer of steel manufacturing in India. The Transferor Company, which is a subsidiary of the Transferee Company, is engaged in the business of manufacture and sale of pig iron and ductile iron pipes and its manufacturing plant is located at Kharagpur, West Bengal. The Transferee Company holds 60.03% of the share capital of the Transferor Company. The amalgamation will consolidate the business of Transferor Company and Transferee Company which will result in focused growth, operational efficiencies and business synergies. In addition, resulting corporate holding structure will bring agility to business ecosystem of the Companies.

### 4. **RATIONALE AND OBJECTIVE OF THE SCHEME:**

- 4.1 The Companies believe that the resources of the merged entity can be pooled to unlock the opportunity for creating shareholders' value.
- 4.2 The Companies will be able to share best practices, cross-functional learnings, and utilize each other's facilities in a more efficient manner.
- 4.3 Marketing and distribution network of both entities can be collaborated.

### 5. **SYNERGIES OF BUSINESS OF THE ENTITIES INVOLVED IN THE SCHEME:**

The proposed scheme would result in the following synergies:

- (a) **Operational Integration and better facility utilisation:** The amalgamation will provide an opportunity for reduction of operational costs through transfer of intermediary products between companies, better order loads, synergies from sales and production planning across the business.
- (b) **Operational efficiencies:** Centralized sourcing would result in procurement synergies and reduction in stores / spare through common inventory management. The proposed amalgamation would also result in sharing of best practices, cross functional learnings, better utilisation of common facilities and greater efficiencies in debt and cash management.

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- (c) **Simplified structure and management efficiency:** In line with Group level 5S strategy – simplification, synergy, scale, sustainability, and speed – proposed amalgamation will simplify group holding structure, improve agility to enable quicker decision making, aggregate eliminate administrative duplications, consequently reducing administrative costs of maintaining separate entities;
- (d) **Faster execution of projects in pipeline:** The growth projects of the Transferor Company will be fast tracked by leveraging the Company's technical expertise and financial resources
- (e) **Rationalization of Logistics Cost:** Clubbing of shipments and rationalizing warehouse/stockyard would significantly reduce logistics and distribution costs for both the companies.
- (f) **Improving Customer Satisfaction and Services:** The proposed amalgamation would make it easier to address needs of customers by providing them uniform product and service experience, on time supplies, and improved service levels thereby improving customer satisfaction. With common credit management, the customers are expected to be benefited from the channel financing from the combined entity.
- (g) **Sharing of best practices in Sustainability, Safety, Health and Environment:** Adoption of improved safety, environment and sustainability practices owing to a centralized committee at combined level to provide focused approach towards safety, environment and sustainability practices resulting in overall improvement. Further, overall technology maturity can be enhanced by the Companies through unfettered access to each other's information technology applications and systems.

**6. SCHEME NOT DETRIMENTAL TO THE SHAREHOLDERS:**

- 6.1 Based on the (a) presentations made by the Registered Valuer and the independent SEBI registered Category – I Merchant Banker and the discussion(s) that ensued thereafter; (b) review of the documents placed at the meeting, (c) Committee's deliberations and consideration of various factors including but not limited to the synergies mentioned in paragraph 5, need for the Scheme, rationale and objective, salient features and expected benefits of the Scheme, the Committee concluded that the proposed Scheme is fair and in the best interest of the shareholders, as the proposed amalgamation is expected to result in economies of scale and consolidation of opportunities, thereby enhancing the value of the merged entity and overall shareholder value.
- 6.2 Further, the Independent Directors of the Company noted that, upon the Scheme coming into effect, the Transferee Company shall without any further application, act, instrument or deed, issue and allot 79 (seventy-nine) fully paid-up equity shares of nominal value of Re. 1/- each of the Transferee Company to be allotted to the shareholders of the

**TATA STEEL LIMITED**





Transferor Company (except the Transferee Company) for every 10 (ten) fully paid-up equity shares of nominal value of Rs. 10/- each held by the shareholders (except the Transferee Company) in the Transferor Company, whose name(s) appear(s) in the register of members, including register and index of beneficial owners maintained by a depository(ies) under Section 11 of the Depositories Act, 1996 as on the Record Date (as defined in the Scheme). Thus, the Independent Directors placed emphasis (amongst others), on the fact that the shareholders of the Transferor Company will become the shareholders of the Transferee Company, which is part of both BSE SENSEX and NIFTY- 50 indices, the two most significant stock indices of the country.

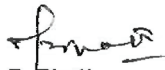
- 6.3 Given, that the Scheme envisages issue of New Shares by the Transferee Company to the shareholders of the Transferor Company, the Independent Directors also considered the impact of issuance of New Shares on the shareholders of the Transferee Company. After due deliberations, the Independent Directors unanimously concluded that the issuance of New Shares in terms of the Scheme will have no significant impact on the shareholders of the Transferee Company.

**7. RECOMMENDATION OF THE ID COMMITTEE:**

In light of the aforesaid, the ID Committee was of the view that the proposal of amalgamation and the Scheme are not detrimental to the shareholders of the Company and decided to recommend the proposal of amalgamation and the draft Scheme to the Board of Directors.

In order for the Transferee Company to comply with the requirements of extant regulations applicable to the listed companies undertaking any scheme of amalgamation under the Companies Act, this report of the ID Committee may please be taken on record by the Board while considering the Scheme for approval and further authorisations.

**For and on behalf of the ID Committee of Tata Steel Limited**

  
**O. P. Bhatt**  
**(DIN: 00548091)**  
**Chairman of the ID Committee**



Date: September 22, 2022  
Place: Mumbai

**TATA STEEL LIMITED**





**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TATA METALIKS LIMITED AT ITS MEETING HELD ON THURSDAY, SEPTEMBER 22, 2022 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION OF TATA METALIKS LIMITED INTO AND WITH TATA STEEL LIMITED, ON EACH CLASS OF SHAREHOLDERS (PROMOTER AND NON-PROMOTERS), CREDITORS, KEY MANAGERIAL PERSONNEL, AND EMPLOYEES OF TATA METALIKS LIMITED AND LAYING OUT IN PARTICULAR THE SHARE EXCHANGE RATIO, SPECIFYING ANY SPECIAL VALUATION DIFFICULTIES**

**1. Background**

1. Based on the recommendations of the Committee of Independent Directors and the Audit Committee, the Board of Directors ('Board') of Tata Metaliks Limited ('Transferor Company' or 'Company') at its meeting held on September 22, 2022, approved the Scheme of Amalgamation, involving the Company and its holding company, Tata Steel Limited ("Transferee Company"), and their respective shareholders (hereinafter referred to as "Scheme"), wherein the Transferor Company shall amalgamate into and with the Transferee Company in terms of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 ("Companies Act") read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) or other amendments thereof for the time being in force), Section 2(1B), read with other applicable provisions of the Income-tax Act, 1961 (as amended) ("IT Act") and other applicable laws including SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and the SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 as amended from time to time ("SEBI Circulars").
2. In terms of Section 232(2)(c) of the Companies Act, a report from the Board of the Company, explaining the effect of the Scheme on each class of shareholders (promoters and non-promoter shareholders), creditors, key managerial personnel ("KMP"), and employees of the Company, setting out, among other things, the Share Exchange Ratio (*as defined in the Scheme*), specifying any special valuation difficulties, is required to be adopted by the Board. Such report is then required to be appended with the notice of the meeting of shareholders and creditors, if such meeting is ordered by the National Company Law Tribunal.
3. Accordingly, this report of the Board is prepared to comply with the requirements of Section 232(2)(c) of the Companies Act.
4. While deliberating on the Scheme, the Board, inter-alia, considered and took on record the following documents:
  - a. A draft of the proposed Scheme;

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- b. Valuation Report dated September 22, 2022 issued by Ms. Rashmi Shah, Registered Valuer (IBBI Reg no. IBBI/RV/06/2018/10240), as "Valuer 1" and Deloitte Touche Tohmatsu India LLP ("Deloitte") as "Valuer 2" (collectively called "Valuers"), ("Valuation Report"), who in their reports have recommended the share exchange ratio of 79 (seventy nine) fully paid-up equity shares of nominal value of ₹1/- each of the Transferee Company for every 10 (ten) fully paid-up equity shares of nominal value of ₹10/- each held in the Transferor Company ("Share Exchange Ratio");
  - c. Fairness opinion dated September 22, 2022, issued by RBSA Capital Advisors LLP (Reg No. INM000011724), an independent SEBI registered Category-I Merchant Banker providing fairness opinion on the Share Exchange Ratio recommended in the Valuation Reports prepared by the Valuers ("Fairness Opinion");
  - d. Draft Auditor's Certificate dated September 22, 2022, issued by the Statutory Auditors of the Company i.e. Price Waterhouse & Co. Chartered Accountants LLP ("Auditors Certificate"), in terms of Para (A)(5) of Part I of the SEBI Circulars and proviso to sub-clause (j) of Section 232(3) of the Companies Act to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government under Section 133 of the Companies Act;
  - e. Report of the Committee of Independent Directors of the Company dated September 22, 2022, recommending the Scheme, taking into consideration *inter alia*, that the Scheme is not detrimental to the shareholders of the Company; and
  - f. Report of the Audit Committee of the Company dated September 22, 2022, recommending the Scheme taking into consideration *inter alia*, the valuation report, and commenting on the need for the Scheme, rationale of the Scheme, cost benefit analysis of the Scheme, impact of the Scheme on the shareholders of the Company and synergies of business of entities involved.
5. The Scheme, amongst others, contemplates the following arrangements:
- a) Amalgamation of the Transferor Company into and with the Transferee Company in accordance with Section 2 (1B) and other provisions of the IT Act, Sections 230 to 232 of the Companies Act and other applicable laws.
  - b) Pursuant to the sanction of the Scheme by the Competent Authority (as defined in the Scheme) and upon the fulfilment of conditions for the Scheme, the Scheme shall become effective from the opening of business on April 1, 2022 or such other date as may be determined by the Board of Directors of the concerned Transferor Company and the Transferee Company

## TATA METALIKS LIMITED

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CIN L27310WB1990PLC050000





- (collectively, "Companies") or directed / allowed by the Competent Authority ("Appointed Date").
- c) With effect from the Appointed Date and upon the Scheme becoming effective, the entire Undertaking (*as defined in the Scheme*) of the Transferor Company shall stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Transferee Company to become the Undertaking of the Transferee Company, in the manner provided for in the Scheme, in accordance with Sections 230 to 232 of the Companies Act, the IT Act and other applicable laws.
  - d) The entire paid-up share capital of the Transferor Company including the shares held by the Transferee Company in the Transferor Company shall stand cancelled in its entirety, without being required to comply with the provisions of Section 66 of the Companies Act.
  - e) Issue and allotment of New Shares (*as defined in the Scheme*) to the Eligible Members (*as defined in the Scheme*) of the Transferor Company (except the Transferee Company) as of the Record Date (*as defined in the Scheme*) in accordance with Part II of the Scheme. No shares shall be issued or allotted by the Transferee Company in respect of the shares held by the Transferee Company itself in the Transferor Company and all such shares shall stand cancelled and extinguished without any further act, application or deed.
  - f) Transfer of the authorized share capital of the Transferor Company to the Transferee Company and consequential increase in the authorized share capital of the Transferee Company as provided in Part III of the Scheme.
  - g) New Shares to be issued by the Transferee Company to the equity shareholders of the Transferor Company pursuant to the Scheme, would be listed on the BSE Limited and National Stock Exchange of India Limited ("Stock Exchanges").
  - h) The Transferor Company shall stand dissolved without being wound up.
6. The effectiveness of the Scheme is conditional upon fulfilment of the actions specified in the Scheme, which *inter alia* include:
- (a) receipt of consents, no-objection letters, approvals from the Stock Exchanges on which the equity shares of the Transferee Company are listed and traded in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI Circulars in respect of the Scheme (prior to filing the Scheme with the Competent Authority), which shall be in form and substance acceptable to the Companies, each acting reasonably and in good faith;

## **TATA METALIKS LIMITED**

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- (b) the Scheme being agreed to (in the manner prescribed herein) by the respective requisite majorities of the various classes of shareholders of the Companies as required under the Companies Act;
- (c) the Scheme being approved by the public shareholders through e-voting in terms of Part – I (A)(10)(a) of SEBI Master circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 and the Scheme shall be acted upon only if votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it;
- (d) there having been no interim or final ruling, decree or direction by any Appropriate Authority (as defined in the Scheme), which has not been stayed by an appellate authority, which has the effect of prohibiting or making unlawful, the consummation of the proposed Scheme by any of the Companies; and
- (e) the Scheme being sanctioned by the Competent Authority under Sections 230 to 232 of the Companies Act, on terms as originally approved by or with such modifications as are acceptable to the Companies.

Upon the fulfilment of the aforementioned conditions, the Scheme shall become effective on the date or last of the dates on which the certified copies of the order of the Competent Authority sanctioning the Scheme are filed by the Transferor Company and the Transferee Company with their respective Registrar of Companies (whichever is later) ("Effective Date").

**2. Effect of the Scheme on each class of shareholders and Key Managerial Personnel and promoter shareholders and non-promoter shareholders of Transferor Company:**

1. The Valuation Report recommends the following Share Exchange Ratio:  
79 fully paid up equity shares of nominal value of ₹1/- each of the Transferee Company for every 10 (ten) fully paid-up equity shares of nominal value of ₹10/- each held in the Transferor Company as on the Record Date (as defined in the Scheme);  
No special valuation difficulties were reported by the Valuers.
2. Effect on the equity shareholders (promoter shareholders and non-promoter shareholders):
  - a) The equity shares issued by the Company to the Transferee Company shall stand cancelled in their entirety, which shall be effected as part of the Scheme and not in accordance with Section 66 of the Companies Act.

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- b) As far as equity shareholders of the Company are concerned, the amalgamation of the Company with the Transferee Company as per the Scheme will result in all such shareholders of the Company (except the Transferee Company itself), as on the Record Date (as defined in the Scheme), receiving equity share(s) of the Transferee Company in the manner as stipulated in Part II of the Scheme and there will be no change in economic interest of any of the current shareholders of the Company pre and post Scheme coming into effect.
- c) Further, upon the Scheme coming into effect, the Transferee Company shall without any further application, act, instrument or deed, issue and allot 79 (seventy-nine) fully paid-up equity shares of nominal value of ₹1/- each of the Transferee Company to be allotted to the shareholders of the Transferor Company (except the Transferee Company) for every 10 (ten) fully paid-up equity shares of nominal value of ₹10/- each held by the shareholders (except the Transferee Company) in the Transferor Company, whose name(s) appear(s) in the register of members, including register and index of beneficial owners maintained by a depository(ies) under Section 11 of the Depositories Act, 1996 as on the Record Date (as defined in the Scheme). Thus, the shareholders of the Transferor Company will become the shareholders of the Transferee Company, which is part of both BSE SENSEX and NIFTY- 50 indices, the two most significant stock indices of the country.

3. Effect on the KMPs:

Pursuant to the Scheme, the Transferor Company shall be dissolved without winding up and therefore current KMPs of the Transferor Company shall cease to hold their positions and cease to be the KMPs of the Company.

The effect of the Scheme on the interests of the KMPs and their relatives holding shares in the Company (if any), is not different from the effect of the Scheme on other shareholders of the Company.

4. Effect on the creditors:

Under the Scheme no arrangement or compromise is being proposed with the creditors (secured or unsecured) of the Company. The liability of the creditors of the Company, under the Scheme, is neither being reduced nor being extinguished.

5. Effect on staff or employees:

Under the Scheme, no rights of the staff and employees (who are on payroll of the Company) of the Company are being affected. The services of the staff and employees of the Company shall continue on the same terms and conditions prior to the proposed Scheme.

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Further, upon the Scheme becoming effective, the employees of the Transferor Company (“**Employees**”) will be deemed to have become employees of the Transferee Company pursuant to the Scheme with effect from the Effective Date.

All such Employees shall be deemed to have become employees of the Transferee Company, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company, shall not be less favorable than those applicable to them with reference to their employment in the Transferor Company as on the Effective Date.

**3. Conclusion:**

While deliberating on the Scheme, the Board has considered its impact on each of the shareholders (promoters and non-promoter shareholders), KMPs, creditors and employees. In the opinion of the Board, the Scheme is in the best interest of the shareholders (promoters and non-promoter shareholders), KMPs, creditors and employees of the Company and there will be no prejudice caused to them in any manner by the Scheme.

The Board has adopted this Report after noting and considering the documents and information set forth in this Report. In order for the Transferor Company to comply with the requirements of extant regulations applicable to companies undertaking any scheme of amalgamation, this report of the Board may please be taken on record while considering the Scheme.

**By order of the Board of Directors of Tata Metaliks Limited**



**Koushik Chatterjee  
Chairman**

Date: September 22, 2022

Place: Mumbai



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**REPORT ADOPTED BY THE AUDIT COMMITTEE OF TATA METALIKS LIMITED AT ITS MEETING HELD ON SEPTEMBER 22, 2022, IN RELATION TO THE PROPOSED SCHEME OF AMALGAMATION OF TATA METALIKS LIMITED INTO AND WITH TATA STEEL LIMITED AND THEIR RESPECTIVE SHAREHOLDERS**

**Members Present:**

Mr Krishnava Dutt	:	Chairman
Dr. Pingali Venugopal	:	Member
Mr. Amit Ghosh	:	Member
Ms. Samita Shah	:	Member

**In attendance:**

Mr. Avishek Ghosh	:	Company Secretary and Compliance Officer
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**Management:**

Mr. Subhra Sengupta	:	Chief Financial Officer
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**Representatives of Tata Steel Limited:**

Mr. Parvatheesam Kanchinadham	:	Company Secretary and Chief Legal Officer (Corporate & Compliance)
Mr. Dibyendu Dutta	:	Chief Portfolio Transformation & FFI
Ms. Neha Haralalka	:	Chief Program Manager - Portfolio Transformation

**Statutory Auditors:**

Mr. Pinaki Choudhary	:	Partner, Price Waterhouse & Co Chartered Accountants LLP
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**Valuers:**

Ms. Rashmi Shah	:	Registered Valuer
Ms. Jyoti Bhatia	:	Deloitte Touche Tohmatsu India LLP, Valuer
Mr. Amol Rane	:	Deloitte Touche Tohmatsu India LLP, Valuer
Ms. Nandita Pai	:	Deloitte Touche Tohmatsu India LLP, Valuer

**Merchant Bankers:**

Mr. Ravishu Shah	:	RBSA Capital Advisors LLP
Mr. Samir Shah	:	RBSA Capital Advisors LLP

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## 1. **BACKGROUND:**

- 1.1 The Audit Committee, at its meeting held on September 22, 2022, was requested to consider, and if thought fit, recommend to the Board of Directors (“**Board**”) of Tata Metaliks Limited (“**Transferor Company**” or “**Company**”), a draft of the proposed scheme of amalgamation involving the Company, and its holding company, Tata Steel Limited (“**Transferee Company**”) and their respective shareholders, (hereinafter referred to as ‘**Scheme**’), wherein the Transferor Company shall amalgamate into and with the Transferee Company in terms of Sections 230 to 232 and other applicable provisions, if any of the Companies Act, 2013 (‘**Companies Act**’) read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) or other amendments thereof for the time being in force), Section 2(1B), read with other applicable provisions of the Income-tax Act, 1961 (as amended) (“**IT Act**”) and other applicable laws including including the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 as amended from time to time (‘**SEBI Circulars**’).
- 1.2 The Scheme is subject to the receipt of approval from the Board of Directors and (a) requisite majority of the shareholders of the respective Transferor Company and Transferee Company (collectively ‘**Companies**’); (b) Competent Authority (as defined in the Scheme), (c) SEBI; (d) The National Stock Exchange of India Limited and the BSE Limited (hereinafter collectively referred to as “**Stock Exchanges**”); and (e) such other approvals, permissions and sanctions of regulatory and other statutory or governmental authorities / quasi-judicial authorities, as may be necessary as per applicable laws.
- 1.3 As per the SEBI Circulars, the Audit Committee is required to issue a report recommending the Scheme, taking into consideration *inter alia*, the valuation report, and commenting on the need for the Scheme, rationale of the Scheme, cost benefit analysis of the Scheme, impact of the Scheme on the shareholders of the Company and synergies of business of entities involved.
- 1.4 This report of the Audit Committee is made to comply with the requirements of the SEBI Circulars.
- 1.5 The following documents were placed before the Audit Committee and while deliberating on the Scheme, the Audit Committee had, *inter alia*, considered and took on record these documents:
- a) A draft of the proposed Scheme;
  - b) Valuation Report dated September 22, 2022, issued by Ms. Rashmi Shah, Registered Valuer (IBBI Reg no. IBBI/RV/06/2018/10240), as “Valuer 1” and Deloitte Touche

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Tohmatsu India LLP (**'Deloitte'**) as "Valuer 2" (collectively called "**Valuers**") (**'Valuation Reports'**), who in their reports have recommended the share exchange ratio of 79 (seventy nine) fully paid-up equity shares of nominal value of Re.1/-, each of the Transferee Company for every 10 fully paid-up equity shares of nominal value of Rs. 10/- held in the Transferor Company (**'Share Exchange Ratio'**);

- c) Fairness opinion dated September 22, 2022, issued by RBSA Capital Advisors LLP (Reg No. INM000011724), an independent SEBI registered Category-I Merchant Banker providing fairness opinion on the Share Exchange Ratio recommended in the Valuation Reports prepared by the Valuers (**'Fairness Opinion'**); and
- d) Draft Auditor's Certificate dated September 22, 2022, from the Statutory Auditors of the Company i.e. Price Waterhouse & Co. Chartered Accountants LLP (**'Auditors Certificate'**), in terms of Para (A)(5) of Part I of the of the SEBI Circular and proviso to sub-clause (j) of Section 232(3) of the Companies Act, to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act.

## **2. PROPOSED SCHEME OF AMALGAMATION:**

- 2.1 The Audit Committee noted the salient features of the Scheme which *inter alia* are as under:
  - a) Amalgamation of the Transferor Company into and with Transferee Company in accordance with Section 2 (1B) and other provisions of the IT Act, Sections 230 to 232 of the Companies Act and other applicable laws.
  - b) Pursuant to the sanction of the Scheme by the Competent Authority and upon the conditions for the Scheme, the Scheme shall become effective from the opening of business hours on April 1, 2022 or such other date as may be determined by the Board of Directors of the Transferee Company and Transferor Company or directed / allowed by the Competent Authority ("**Appointed Date**").
  - c) With effect from the Appointed Date and upon the Scheme becoming effective, the entire Undertaking (*as defined in the Scheme*) of the Transferor Company shall stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Transferee Company to become Undertaking of the Transferee Company, in the manner provided for in the Scheme, in accordance with Sections 230 to 232 of the Companies Act, the IT Act and other applicable laws.

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- d) The entire paid-up share capital of the Transferor Company including the shares issued by the Transferor Company to the Transferee Company shall stand cancelled in its entirety, without being required to comply with the provisions of Section 66 of the Companies Act.
- e) Issue and allotment of New Shares (*as defined in the Scheme*) to the Eligible Members (*as defined in the Scheme*) of the Transferor Company (except the Transferee Company) as of the Record Date (*as defined in the Scheme*) in accordance with Part II of this Scheme. No shares shall be issued or allotted by the Transferee Company in respect of the shares held by the Transferee Company itself in the Transferor Company and all such shares shall stand cancelled and extinguished without any further application or deed.
- f) Transfer of the authorized share capital of the Transferor Company to the Transferee Company and consequential increase in the authorized share capital of the Transferee Company as provided in Part III of the Scheme.
- g) New Shares to be issued by the Transferee Company to the equity shareholders of the Transferor Company pursuant to the Scheme, would be listed on Stock Exchanges.
- h) The Transferor Company shall stand dissolved without being wound up.

2.2 The effectiveness of the Scheme is conditional upon fulfilment of the actions specified in the Scheme, which *inter alia* include:

- (a) receipt of consents, no-objection letters, approvals from the Stock Exchanges in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI Circulars in respect of the Scheme (prior to filing the Scheme with the Competent Authority), which shall be in form and substance acceptable to the companies, each acting reasonably and in good faith;
- (b) the Scheme being agreed to (in the manner prescribed herein) by the respective requisite majorities of the various classes of shareholders of the Companies as required under the Companies Act;
- (c) the Scheme being approved by the public shareholders through e-voting in terms of Part – I (A)(10)(a) of SEBI Master circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 and the Scheme shall be acted upon only if vote cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it;

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- (d) there having been no interim or final ruling, decree or direction by any Appropriate Authority, which has not been stayed by an appellate authority, which has the effect of prohibiting or making unlawful, the consummation of the proposed Scheme by any of the Companies;
- (e) the Scheme being sanctioned by the Competent Authority under Section 230 to 232 of the Companies Act, on terms as originally approved by or with such modifications as are acceptable to the Companies; and

Upon the fulfilment of the aforementioned conditions, the Scheme shall become effective on the date or last of the dates on which the certified copies of the order of the Competent Authority sanctioning the Scheme are filed by the Transferor Company and the Transferee Company with their respective Registrar of Companies (whichever is later) ("**Effective Date**").

### **3. NEED FOR THE SCHEME:**

The Transferee Company is one of the leading global steel companies, with over 100 (hundred) years of experience in the steel sector and is a pioneer of steel manufacturing in India. The Transferor Company, which is a subsidiary company of the Transferee Company, is engaged, inter alia, in the business of manufacture and sale of pig iron and ductile iron pipes and its allied accessories in its manufacturing plant located at Kharagpur, West Bengal. The amalgamation will consolidate the Transferor Company into and with the Transferee Company which will result in focused growth, operational efficiencies and business synergies. In addition, resulting corporate holding structure will bring agility to the business ecosystem of merged entity.

### **4. RATIONALE AND OBJECTIVE OF THE SCHEME:**

- 4.1 The Companies believe that the resources of the merged entity can be pooled to unlock the opportunity for creating shareholder value.
- 4.2 The Companies will be able to share best practices, cross-functional learnings, and utilize each other's facilities in a more efficient manner.
- 4.3 Marketing and distribution network of the Companies can be collaborated.

### **5. SYNERGIES OF BUSINESS OF THE ENTITIES INVOLVED IN THE SCHEME:**

The proposed scheme would result in the following synergies:

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- (a) **Operational integration and better facility utilisation:** The proposed Scheme will provide an opportunity for reduction of operational costs through transfer of intermediary products between Companies, better order loads, synergies from sales and production planning across the business.
- (b) **Operational efficiencies:** Centralized sourcing would result in procurement synergies and reduction in stores / spare through common inventory management. The proposed Scheme would also result in sharing of best practices, cross functional learnings, better utilisation of common facilities and greater efficiencies in debt and cash management.
- (c) **Simplified structure and management efficiency:** In line with group level 5S strategy – simplification, synergy, scale, sustainability, and speed – proposed Scheme will simplify group holding structure, improve agility to enable quicker decision making, aggregate eliminate administrative duplications, consequently reducing administrative costs of maintaining separate entities;
- (d) **Faster execution of projects in pipeline:** The growth projects of the Transferor will be fast tracked by leveraging Transferee Company's technical expertise and financial resources;
- (e) **Rationalization of logistics cost:** Clubbing of shipments and rationalizing warehouse/stockyard would significantly reduce logistics and distribution costs for the merged entity.
- (f) **Improving customer satisfaction and services:** The proposed Scheme would make it easier to address the needs of customers by providing them uniform product and service experience, on time supplies, and improved service levels thereby improving customer satisfaction. With common credit management, the customers are expected to be benefitted from the channel financing from the combined entity.
- (g) **Sharing of best practices in sustainability, safety, health and environment:** Adoption of improved safety, environment and sustainability practices owing to a centralized committee at combined level to provide focused approach towards safety, environment and sustainability practices resulting in overall improvement. Further, overall technology maturity can be enhanced by the Companies through unfettered access to each other's information technology applications and systems.

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**6. IMPACT OF SCHEME ON SHAREHOLDERS:**

- 6.1 Based on the (a) presentations made by the Registered Valuer and the SEBI registered independent Category – I Merchant Banker and the discussion(s) that ensued thereafter; (b) review of the documents placed at the meeting, (c) Committee's deliberations and consideration of various factors including but not limited to the synergies mentioned in paragraph 5, need for the Scheme, rationale and objective, salient features and expected benefits of the Scheme, the Committee concluded that the proposed Scheme is fair and in the best interest of the shareholders, as the proposed amalgamation is expected to result in economies of scale and consolidation of opportunities, thereby enhancing the value of the merged entity and overall shareholder value.
- 6.2 Further, the Audit Committee noted that, upon the Scheme coming into effect, the Company shall without any further application, act, instrument or deed, issue and allot 79 (seventy-nine) fully paid-up equity shares of nominal value of Re. 1/- each of the Transferee Company to be allotted to the shareholders of the Transferor Company (except the Transferee Company) for every 10 (ten) fully paid-up equity shares of nominal value of Rs. 10/- each held by the shareholders (except the Transferee Company) in the Transferor Company, whose name(s) appear(s) in the register of members, including register and index of beneficial owners maintained by a depository(ies) under Section 11 of the Depositories Act, 1996 as on the Record Date (as defined in the Scheme).

**7. COST BENEFIT ANALYSIS OF THE SCHEME:**

The implementation of the Scheme will involve incurring costs including, administrative / statutory levy(ies), fees payable to financial / legal advisors, etc. However, the benefits as stated in paragraph 5 – Synergies of Business of the Entities involved in the Scheme, are expected to outweigh costs towards implementation of the Scheme.

**8. VALUATION REPORT AND FAIRNESS OPINION:**

- 8.1 The Audit Committee reviewed the Valuation Report, discussed the methods of valuation and the recommended Share Exchange Ratio with the independent Registered Valuer and the SEBI registered Category-I Merchant Banker who were present at the meeting.
- 8.2 Based on the discussions, with the Registered Valuer and the SEBI registered Category – I Merchant Bankers, review of documents including the Fairness Opinion placed at the meeting, the Audit Committee is of the view that the Share Exchange Ratio is fair to the shareholders of the Company.

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**9. RECOMMENDATION OF THE AUDIT COMMITTEE:**

The Audit Committee, after taking into consideration the Valuation Report and the Fairness Opinion and based on its discussions with the Registered Valuer and the independent SEBI Registered Category -I Merchant Banker, and after reviewing the documents placed at the meeting, recommended the draft Scheme in its present form for favourable consideration by the Board of Directors of Company, the Stock Exchanges and SEBI.

In order for the Company to comply with the requirements of extant regulations applicable to the listed companies undertaking any scheme of amalgamation, this report of the Audit Committee may please be taken on record by the Board while considering the Scheme for approval and further authorisations.

**For and on behalf of the Audit Committee of Tata Metaliks Limited**

**Krishnava Dutt**  
**(DIN: 02792753)**  
**Chairman of the Audit Committee**  
Date: September 22, 2022



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**REPORT OF THE COMMITTEE OF INDEPENDENT DIRECTORS OF TATA METALIKS LIMITED HELD ON SEPTEMBER 22, 2022, RECOMMENDING THE SCHEME OF AMALGAMATION OF TATA METALIKS LIMITED INTO AND WITH TATA STEEL LIMITED AND THEIR RESPECTIVE SHAREHOLDERS**

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**Members Present:**

Dr. Pingali Venugopal	:	Independent Director
Mr. Krishnava Dutt	:	Independent Director
Dr. Rupali Basu	:	Independent Director
Mr. Amit Ghosh	:	Independent Director

**In attendance:**

Mr. Avishek Ghosh	:	Company Secretary and Compliance Officer
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**Management:**

Mr. Subhra Sengupta	:	Chief Financial Officer
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**Representatives of Tata Steel Limited:**

Mr. Parvatheesam Kanchinadham	:	Company Secretary and Chief Legal Officer (Corporate & Compliance)
Mr. Dibyendu Dutta	:	Chief Portfolio Transformation & FFI
Ms. Neha Haralalka	:	Chief Program Manager - Portfolio Transformation

**Valuers:**

Ms. Rashmi Shah	:	Registered Valuer
Ms. Jyoti Bhatia	:	Deloitte Touche Tohmatsu India LLP, Valuer
Mr. Amol Rane	:	Deloitte Touche Tohmatsu India LLP, Valuer
Ms. Nandita Pai	:	Deloitte Touche Tohmatsu India LLP, Valuer

**Merchant Bankers:**

Mr. Ravishu Shah	:	RBSA Capital Advisors LLP
Mr. Samir Shah	:	RBSA Capital Advisors LLP

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1. **BACKGROUND:**

- 1.1 A meeting of the Committee of Independent Directors (“**ID Committee**”) of Tata Metaliks Limited (“**Transferor Company**” or “**Company**”) was held on September 22, 2022, to consider and, if thought fit, recommend the proposed scheme of amalgamation, involving the Transferor Company, and its holding company, Tata Steel Limited (“**Transferee Company**”), and their respective shareholders, (hereinafter referred to as ‘**Scheme**’) wherein the Transferor Company shall amalgamate into and with the Transferee Company in terms of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 (“**Companies Act**”) read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) or other amendments thereof for the time being in force), Section 2(1B), read with other applicable provisions of the Income-tax Act, 1961 (as amended) (“**IT Act**”), and other applicable laws including the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017; as amended from time to time (“**SEBI Circulars**”).
- 1.2 The Scheme is subject to the receipt of approval from the Board of Directors and (a) requisite majority of the shareholders of the respective Transferor Company and Transferee Company (collectively “**Companies**”); (b) Competent Authority (as defined in the Scheme), (c) SEBI; (d) The National Stock Exchange of India Limited and BSE Limited (hereinafter collectively referred to as “**Stock Exchanges**”); and (e) such other approvals, permissions and sanctions of regulatory and other statutory or governmental authorities / quasi-judicial authorities, as may be necessary as per applicable laws.
- 1.3 As per the SEBI Circulars, the ID Committee, is required to issue a report recommending the Scheme, taking into consideration, *inter alia*, that the Scheme is not detrimental to the shareholders of the Company.
- 1.4 This report of the ID Committee is made in order to comply with the requirements of the SEBI Circulars.
- 1.5 The following documents were placed before the ID Committee and while deliberating on the Scheme, the ID Committee, *inter alia*, considered and took on record these documents:
- i. A draft of the proposed Scheme;
  - ii. Valuation Report dated September 22, 2022, issued by Ms. Rashmi Shah, Registered Valuer (IBBI Reg no. IBBI/RV/06/2018/10240), as “Valuer 1” and

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Deloitte Touche Tohmatsu India LLP (**'Deloitte'**) as "Valuer 2" (collectively called "**Valuers**") (**Valuation Reports**), who in their reports have recommended the share exchange ratio of 79 (seventy nine) fully paid-up equity shares of nominal value of Re.1/-, each of the Transferee Company for every 10 fully paid-up equity shares of nominal value of Rs. 10/- held in the Transferor Company ("**Share Exchange Ratio**");

- iii. Fairness opinion dated September 22, 2022, issued by RBSA Capital Advisors LLP (Reg No. INM000011724), an independent SEBI registered Category-I Merchant Banker providing fairness opinion on the Share Exchange Ratio recommended in the Valuation Reports prepared by the Valuers (**'Fairness Opinion'**);
- iv. Draft Auditor's Certificate dated September 22, 2022, from the Statutory Auditors of the Company i.e. Price Waterhouse & Co. Chartered Accountants LLP (**'Auditors Certificate'**), in terms of Para (A)(5) of Part I of the of the SEBI Circular and proviso to sub-clause (j) of Section 232(3) of the Companies Act, to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government under Section 133 of the Companies Act;
- v. Audited financials for three preceding financial years along with the audited financials of the latest quarter of the Transferor Company;
- vi. Audited financials for three preceding financial years along with the audited financials of the latest quarter of the Transferee Company; and
- vii. Pre and post amalgamation shareholding pattern of the Transferor Company and the Transferee Company.

## **2. PROPOSED SCHEME OF AMALGAMATION:**

- 2.1 The ID Committee noted the salient features of the Scheme which *inter alia* are as under:
  - a) Amalgamation of the Transferor Company into and with Transferee Company in accordance with Section 2(1B) and other provisions of the IT Act, Sections 230 to 232 of the Companies Act and other applicable laws.
  - b) Pursuant to the sanction of the Scheme by the Competent Authority and upon the conditions for the Scheme being fulfilled, the Scheme shall become effective from the opening of business hours on April 1, 2022 or such other date as may be

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determined by the Board of Directors of the Transferor Company and Transferee Company or directed / allowed by the Competent Authority ("**Appointed Date**").

- c) With effect from the Appointed Date and upon the Scheme becoming effective, the entire Undertaking (*as defined in the Scheme*) of the Transferor Company shall stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Transferee Company to become Undertaking of the Transferee Company, in the manner provided for in the Scheme, in accordance with Sections 230 to 232 of the Companies Act, the IT Act and other applicable laws.
  - d) The entire paid-up share capital of the Transferor Company including the shares held by the Transferee Company in the Transferor Company shall stand cancelled in its entirety, without being required to comply with the provisions of Section 66 of the Companies Act.
  - e) Issue and allotment of New Shares (*as defined in the Scheme*) to the Eligible Members (*as defined in the Scheme*) (except the Transferee Company) as of the Record Date (*as defined in the Scheme*) in accordance with Part II of the Scheme. No shares shall be issued or allotted by the Transferee Company in respect of the shares held by the Transferee Company itself in the Transferor Company and all such shares shall stand cancelled and extinguished without any further act, application or deed.
  - f) Transfer of the authorized share capital of the Transferor Company to the Transferee Company and consequential increase in the authorized share capital of the Transferee Company as provided in Part III of the Scheme.
  - g) New Shares to be issued by the Transferee Company to the equity shareholders of the Transferor Company pursuant to the Scheme, would be listed on the Stock Exchanges.
  - h) The Transferor Company shall stand dissolved without being wound up.
- 2.2 The effectiveness of the Scheme is conditional upon fulfilment of the actions specified in the Scheme, which *inter alia* include:
- (a) receipt of consents, no-objection letters, approvals from the Stock Exchanges in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI Circulars in respect of the Scheme (prior to filing the Scheme with the Competent Authority), which shall be in form and substance acceptable to the Companies, each acting reasonably and in good faith;

### **TATA METALIKS LIMITED**

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CIN L27310WB1990PLC050000





- (b) the Scheme being agreed to (in the manner prescribed herein) by the respective requisite majorities of the various classes of shareholders of the Companies as required under the Companies Act;
- (c) the Scheme being approved by the public shareholders through e-voting in terms of Part – I (A)(10)(a) of SEBI Master circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 and the Scheme shall be acted upon only if votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it;
- (d) there having been no interim or final ruling, decree or direction by any Appropriate Authority, which has not been stayed by an appellate authority, which has the effect of prohibiting or making unlawful, the consummation of the proposed Scheme by any of the Companies; and
- (e) the Scheme being sanctioned by the Competent Authority under Section 230 to 232 of the Companies Act, on terms as originally approved by or with such modifications as are acceptable to the Companies.

Upon the fulfilment of the aforementioned conditions, the Scheme shall become effective on the date or last of the dates on which the certified copies of the order of the Competent Authority sanctioning the Scheme are filed by the Transferor Company and the Transferee Company with their respective Registrar of Companies (whichever is later) ("**Effective Date**").

**3. NEED FOR THE SCHEME:**

The Transferee Company is one of the leading global steel companies, with over 100 (hundred) years of experience in the steel sector and is a pioneer of steel manufacturing in India. The Transferor Company, which is a subsidiary company of the Transferee Company, is engaged, inter alia, in the business of manufacture and sale of pig iron and ductile iron pipes and its allied accessories in its manufacturing plant located at Kharagpur, West Bengal. The amalgamation will consolidate the Transferor Company into and with the Transferee Company which will result in focused growth, operational efficiencies and business synergies. In addition, resulting corporate holding structure will bring agility to the business ecosystem of merged entity.

**4. RATIONALE AND OBJECTIVE OF THE SCHEME:**

- 4.1 The Companies believe that the resources of the merged entity can be pooled to unlock the opportunity for creating shareholder value.

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- 4.2 The Companies will be able to share best practices, cross-functional learnings, and utilize each other's facilities in a more efficient manner.
- 4.3 Marketing and distribution network of the Companies can be collaborated.
5. **SYNERGIES OF BUSINESS OF THE ENTITIES INVOLVED IN THE SCHEME:**

The proposed scheme would result in the following synergies:

- (a) **Operational integration and better facility utilisation:** The proposed Scheme will provide an opportunity for reduction of operational costs through transfer of intermediary products between Companies, better order loads, synergies from sales and production planning across the business.
- (b) **Operational efficiencies:** Centralized sourcing would result in procurement synergies and reduction in stores / spare through common inventory management. The proposed Scheme would also result in sharing of best practices, cross functional learnings, better utilisation of common facilities and greater efficiencies in debt and cash management.
- (c) **Simplified structure and management efficiency:** In line with group level 5S strategy – simplification, synergy, scale, sustainability, and speed – proposed Scheme will simplify group holding structure, improve agility to enable quicker decision making, eliminate administrative duplications, consequently reducing administrative costs of maintaining separate entities;
- (d) **Faster execution of projects in pipeline:** The growth projects of the Transferor Company will be fast tracked by leveraging Transferee Company's technical expertise and financial resources;
- (e) **Rationalization of logistics cost:** Clubbing of shipments and rationalizing warehouse/stockyard would significantly reduce logistics and distribution costs for the merged entity.
- (f) **Improving customer satisfaction and services:** The proposed Scheme would make it easier to address the needs of customers by providing them uniform product and service experience, on time supplies, and improved service levels thereby improving customer satisfaction. With common credit management, the customers are expected to be benefitted from the channel financing from the combined entity.
- (g) **Sharing of best practices in sustainability, safety, health and environment:** Adoption of improved safety, environment and sustainability practices owing to a

### **TATA METALIKS LIMITED**

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centralized committee at combined level to provide focused approach towards safety, environment and sustainability practices resulting in overall improvement. Further, overall technology maturity can be enhanced by the Companies through unfettered access to each other's information technology applications and systems.

**6. SCHEME NOT DETRIMENTAL TO THE SHAREHOLDERS:**

- 6.1 Based on the (a) presentations made by the Registered Valuer and the independent SEBI registered Category – I Merchant Banker and the discussion(s) that ensued thereafter; (b) review of the documents placed at the meeting, (c) Committee's deliberations and consideration of various factors including but not limited to the synergies mentioned in paragraph 5, need for the Scheme, rationale and objective, salient features and expected benefits of the Scheme, the Committee concluded that the proposed Scheme is fair and in the best interest of the shareholders, as the proposed amalgamation is expected to result in economies of scale and consolidation of opportunities, thereby enhancing the value of the merged entity and overall shareholder value.
- 6.2 Further, the Independent Directors of the Company noted that, upon the Scheme coming into effect, the Company shall without any further application, act, instrument or deed, issue and allot 79 (seventy-nine) fully paid-up equity shares of nominal value of Re. 1/- each of the Company to the shareholders of the Company (except the Transferee Company) for every 10 (ten) fully paid-up equity shares of nominal value of Rs. 10/- each held by the shareholders (except the Transferee Company) in Company, whose name(s) appear(s) in the register of members, including register and index of beneficial owners maintained by a depository(ies) under Section 11 of the Depositories Act, 1996 as on the Record Date (as defined in the Scheme). Thus, the Independent Directors placed emphasis (amongst others), on the fact that the shareholders of the Company will become the shareholders of the Transferee Company, which is part of both BSE SENSEX and NIFTY- 50 indices, the two most significant stock indices of the country.

**7. RECOMMENDATION OF THE ID COMMITTEE:**

In light of the aforesaid, the ID Committee was of the view that the proposal of amalgamation and the Scheme are not detrimental to the shareholders of the Company and decided to recommend the proposal of amalgamation and the draft Scheme to the Board of Directors.

In order for the Transferee Company to comply with the requirements of extant regulations applicable to the listed companies undertaking any scheme of

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amalgamation, this report of the ID Committee may please be taken on record by the Board while considering the Scheme for approval and further authorisations.

**For and on behalf of the ID Committee of Tata Metaliks Limited**

A handwritten signature in black ink, appearing to read 'Dr. Venugopal'.

**Dr. Pingali Venugopal**  
**(DIN: 05166520)**  
**Chairman of the ID Committee**  
Date: September 22, 2022



**TATA METALIKS LIMITED**

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## CA VIKRANT JAIN

*B.Com, ACA, Registered Valuer*  
 Registration No. IBBI/RV/05/2018/10204

September 22, 2022

### Strictly Private & Confidential

To,  
**Board of Directors,**  
 Tata Steel Limited  
 Bombay House  
 24 Homi Mody Street  
 Fort, Mumbai – 400 001

Dear Sir / Madam,

**Sub: Recommendation of Share Exchange Ratio for the proposed amalgamation of Tata Metaliks Limited into Tata Steel Limited**

I refer to the engagement letter dt. September 13, 2022 whereby, Tata Steel Limited (“TSL” or Client), has engaged me for recommendation of the Share Exchange Ratio for the proposed amalgamation of Tata Metaliks Limited (“TML”) into TSL. TSL and TML are together referred to as (“Companies”). Vikrant Jain has been hereafter referred to as ‘Registered Valuer’ or ‘I’ or ‘me’.

The Share exchange ratio for this report (“Report”) refers to number of equity shares of face value of INR 1/- each of TSL which would be issued to the equity shareholders of TML in lieu of number of equity shares of INR 10/- each of TML held by them, pursuant to the Proposed Amalgamation.

#### **SCOPE AND PURPOSE OF THIS REPORT**

I understand that the management of the Companies (“Management”) is contemplating amalgamation of TML into TSL (“Transaction”) pursuant to a Scheme of Amalgamation (“Scheme”) to be implemented under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

As a consideration for the amalgamation, equity shareholders of TML (other than TSL) would be issued equity shares of TSL. Share Exchange Ratio for this Report refers to the number of equity shares of face value of INR 1/- each of TSL, which would be issued to the shareholders of TML of face value of INR 10/- each.

For the aforesaid purpose, the Client has engaged the Registered Valuer to submit a report recommending the share Exchange Ratio. The scope of my services is to conduct valuation of the equity shares of the Companies and recommending the Share Exchange Ratio in accordance with internationally accepted valuation standards.

#### **SOURCE OF INFORMATION**

My valuation analysis is undertaken on the basis of the following information relating to the business of the Company, furnished to me by the management of the Companies and information available in public domain.

I have been provided with the following documents / information by the Client:

- a) Draft Scheme of Amalgamation u/s 230 to 232 and other applicable provisions of the Companies Act, 2013;
- b) Audited financial statements of the Companies for the past 3 financial years;
- c) Financial results for the quarter ended 30<sup>th</sup> June 2021 and 30<sup>th</sup> June 2022 for TSL & TML;
- d) Discussions with the Management on various issues relevant to the valuation exercise, such as outlook of the industry, future prospects, expected growth rate and other relevant information regarding future envisaged profitability of the business, etc;
- e) Other relevant details of the Companies such as their history, their promoters, past and present activities, and other relevant information and data including information in the public domain;
- f) Such other information and explanations as we required and which have been provided by the management of the Companies.

### **DATE OF VALUATION**

The valuation is done as of 22<sup>nd</sup> September 2022, using the financial statements as on 30<sup>th</sup> June 2022.

### **BACKGROUND**

#### Tata Steel Limited:

Tata Steel Limited (“TSL”) is one of the largest steel manufacturing companies headquartered at Mumbai and TSL is engaged in the business of manufacturing steel offering a broad range of steel products including a portfolio of high value-added downstream products such as hot rolled, cold rolled and coated steel, rebars, wire rods, tubes and wires. TSL also has a well-established distribution network. It is a listed company incorporated on August 26, 1907, having its registered office at Bombay House, 24, Homi Mody Street, Fort, Mumbai – 400 001 and CIN is L27100MH1907PLC000260. The issued and subscribed equity share capital as on August 1, 2022 is INR 1,222.12 Cr, consisting of 12,22,12,20,420 equity shares of face value of INR 1/- each fully paid up and INR 0.06 Cr consisting of 22,32,880 equity shares of INR 0.2504/- each partly paid up. The Shareholding Pattern is as follows:

Sr. No.	Class of Shareholders	No. of shared held	% of total Shareholding
1	Promoter & Promoter Group	4,14,35,86,570	33.90%
2	Public	8,07,98,66,730	66.10%
	<b>TOTAL</b>	<b>12,22,34,53,300</b>	<b>100.00%</b>

#### Tata Metaliks Limited:

Tata Metaliks Limited (“TML”) is a subsidiary of TSL and is engaged in the business of steel producing Pig Iron and Ductile Iron Pipes in India. It has manufacturing plants at Kharagpur, West Bengal. TML is an public limited company incorporated on October 10, 1990, having its registered office at Tata Centre, 10th Floor, 43, J. L. Nehru Road, Kolkata – 700 071, West Bengal, and CIN is L27310WB1990PLC050000. The issued and subscribed equity share capital as on 30<sup>th</sup> June 2022 is INR 31.58 Cr, consisting of 3,15,77,500 equity shares of face value of INR 10/- each. The Shareholding Pattern is as follows:



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Registration No. IBBI/RV/05/2018/10204

Sr. No.	Class of Shareholders	No. of shared held	% of total Shareholding
1	Promoter & Promoter Group	1,89,57,090	60.03%
2	Public	1,26,20,410	39.97%
	<b>TOTAL</b>	<b>3,15,77,500</b>	<b>100.00%</b>

### **EXCLUSIONS AND LIMITATIONS**

My Report is subject to the scope limitations detailed in engagement letter dt. September 13, 2022. As such, the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.

No investigation of the Companies' claims to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

My work does not constitute certification of the historical financial statements including the working results of the Companies referred to in this report. Accordingly, I am unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report. Valuation analysis and results are specific to the purpose of valuation and the valuation date mentioned in report as per the agreed terms of engagement. It may not be valid or used for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

A valuation of this nature involves consideration of various factors including those impacted by prevailing stock market trends in general and industry trends in particulars. This report is issued on the understanding that the Client has drawn my attention to all the material information, which it is aware of concerning the financial position of the Company and any other matter, which have an impact on my opinion, on the value of shares of the Companies for the purpose of the proposed amalgamation, including any significant changes that have taken place or are likely to take place in the financial position of the Companies, subsequent to the report date. I have no responsibility to update this report for events and circumstances occurring after the date of the report.

In the course of valuation, I was provided with both written and verbal information. I have evaluated the information provided to me by the Client through broad inquiry, analysis and review but have not carried a due diligence or audit of the information provided for the purpose of this engagement. I assume no responsibility for any errors in the above information furnished by the Client and consequential impact on the present exercise.

My report is not, nor should it be construed as my opinion or certifying the compliance of the proposed amalgamation with the provisions of any law including companies, taxation and capital market laws or as regards any legal implications or issues arising from such proposed transaction.

This report is prepared only in connection with the proposed amalgamation exclusively for the use of the Companies and for submission to any regulatory / statutory authority as may be required under the law.

Registered Valuer, nor its managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the

valuation is carried out. All such parties expressly disclaim any and all liability for, or based on or relating to any such information contained in the valuation.

The information contained herein and my report is confidential. Any person / party intending to provide finance / invest in the shares / businesses of any of the Companies, shall do so, after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the proposed amalgamation as aforesaid, can be done only with my prior permission in writing.

### **APPROACH TO VALUATION ENGAGEMENT**

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Discussion with the Management to understand the business and fundamental factors that affect its earning-generating capability including strength, weaknesses, opportunity and threats analysis and historical financial performance
- Analysis of information shared by the Management
- Analysis of information related to the Companies and its peers as available in public domain
- Discussion with the Registered Valuer and the Fairness Opinion giver appointed by TML regarding the valuation approach being adopted by them for the proposed Transaction
- Selection of appropriate internationally accepted valuation methodology/(ies) after deliberation
- Arriving at Valuation of Shares for the Proposed Transaction

### **VALUATION MEHTODOLOGY**

The Scheme contemplates the Amalgamation of TML into TSL. Arriving at the exchange ratio would require determining relative value of the equity shares of TSL and TML. These values are to be determined independently but on a relative basis for the Companies, without considering the Proposed Transaction.

There are several commonly used and accepted methods for determining the valuation of TSL, which have been considered in the present case, to the extent and applicable, including:

1. Market Approach:
  - a. Market Price Method
  - b. Comparable Companies Multiples
2. Income Approach: Discounted Cash Flow Method
3. Cost Approach: Net Asset Value Method

As discussed below for the Proposed Transaction we have considered these methods, to the extent relevant and applicable. This valuation could fluctuate with passage of time, changes in prevailing market conditions and prospects, industry performance and general business and economic conditions financials and otherwise, of the Companies, and other factors which generally influence the valuation of the companies and their assets.

I have relied on the judgement of the Management as regards contingent and other liabilities, and have made appropriate adjustments for the same based on my past experience.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although, different values may exist for different purpose, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. My choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature, regulatory guideline and our reasonable judgement, in an independent and bona fide manner based on my previous experience of assignments.

The Valuation methodologies, as may be applicable which have been used to arrive at the value attributable to the equity shareholders of TSL, are discussed hereunder:

**Market Price ("MP") Method:**

The market price of an equity share as quoted on a stock Entitlement is normally considered as the value of the equity shares of that company where such quotations are available from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares.

In the present case, equity shares of TSL and TML are listed on both BSE and NSE. The share price observed on NSE for an appropriate period prior to the valuation date (upto 12<sup>th</sup> September 2022) has been considered for determining the value of TSL and TML under the market price method as the traded turnover of shares of TSL and TML is higher on NSE as compared to the turnover of shares on BSE. The market value of TSL and TML is arrived at by considering SEBI formula.

**Comparable Companies Market Multiple ("CCM") Method:**

Under this method, value of the equity shares of a company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. I have considered this method for valuing both the companies.

**Discounted Cash Flow ("DCF") Method:**

The discounted cash flow method is a modern valuation method which relates the value of an asset to the present value of the expected future cash flows on those assets. Here the projected cash flow is discounted with the weighted average cost of capital to arrive at the value. I have not considered DCF for the present valuation exercise, as the long term financial projections have not been made available being price sensitivity information.

**Book Value / Net Assets Value ("NAV") Method:**

In case of Net Assets Method, the value is determined by dividing the net assets of the company by the number of shares. The underlying asset approach represents the value with reference to the historical cost of the assets owned by a company and attached liabilities as at the valuation date.

Since the shares are valued on a "going concern" basis, and there are no intentions to dispose off the assets of the Companies, I have considered it appropriate not to consider this method of valuation for the present valuation exercise.

**RECOMMENDATION ON FAIR EXCHANGE RATIO**

The fair basis of amalgamation of the Companies would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at, under each of the above approaches, for the purpose of recommending a ratio of exchange it is necessary to arrive at a single value for the shares of each company. It is however important to note that in doing so, I am not attempting to arrive at the absolute values of the shares of each company. My approach is to work out relative value of shares of the Companies to facilitate determination of ratio of exchange by applying appropriate weightage to the values.

**Computation of Fair Share Exchange Ratio**

Valuation Approach	TSL		TML	
	Value Per Share	Weight	Value Per Share	Weight
Asset Approach – NAV Method*	91.6	0%	483.5	0%
Income Approach – DCF Method**	N/A	0%	N/A	0%
Market Approach – MP Method	106.6	50%	789.6	50%
Market Approach – CCM Method	107.4	50%	900.0	50%
Relative Value per Share	107.0		844.8	
<b>Fair Exchange Ratio (rounded off)</b>	<b>7.9</b>			

*\*Both the Companies are assumed to continue business on "going concern basis", and there being no intention to dispose off the assets, therefore I have not considered Asset Approach Method for the said transaction.*

*\*\*Since the Companies are listed on stock exchanges, information relating to the future financial performance of the Companies is price sensitive, accordingly long term financial projections have not been made available. Hence income approach has not been considered for the present exercise.*

**RATIO:**

79 equity shares of TSL of Rs. 1/- each fully paidup for every 10 equity shares of TML of Rs. 10/- each fully paidup.

The share exchange ratio has been arrived on the basis of a relative valuation of the shares of the Companies based on the various methodologies explained herein earlier and various qualitative factors relevant to each of the Companies and the business dynamics and growth potential of the businesses of the Companies, having regard to information base, management representations and perceptions, key underlying assumptions and limitations.

In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgement taking into account all the relevant factors. There will always be several factors, e.g. present and prospective competition, yield on comparable securities and market sentiments etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognized in various judicial decisions.



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*B.Com, ACA, Registered Valuer*  
Registration No. IBBI/RV/05/2018/10204

**FAIR EXCHANGE RATIO FOR AMALGAMATION OF TML into TSL**

In the light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove referred to earlier in this report, in my opinion, a fair ratio of exchange in the event of amalgamation of TML into TSL would be:

**79 equity shares of TSL of Re. 1/- each fully paid up for every 10 equity shares of TML of Rs. 10/- each fully paid up.**

Report Submitted

**Thanking you,  
Yours faithfully,**

VIKRANT  
HEMRAJ  
JAIN

Digitally signed by  
VIKRANT HEMRAJ  
JAIN  
Date: 2022.09.22  
11:36:25 +05'30'

**CA Vikrant Jain  
Registered Valuer  
IBBI/RV/05/2018/10204**



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ey.com

22 September 2022

The Board of Directors  
**Tata Steel Limited**  
Bombay House  
24 Horni Mody Street  
Fort, Mumbai – 400 001

**Sub: Fairness opinion on the fair exchange ratio recommended by the independent registered valuer for proposed amalgamation of Tata Metaliks Limited into Tata Steel Limited**

Dear Sir / Madam,

We refer to the engagement letter dated 13 September 2022 with Ernst & Young Merchant Banking Services LLP (hereinafter referred to as “we” or “EY” or “us”), wherein Tata Steel Limited (hereinafter referred to as “you” or “Client” or “TSL”) has requested us to provide a fairness opinion on fair exchange ratio recommended by Vikrant Jain, Registered Valuer (hereby referred to as “Independent Valuer” or “Registered Valuer”) as at 22 September 2022 (“Valuation Date”) for the proposed amalgamation of Tata Metaliks Limited (“TML”) into TSL (together TML and TSL are referred to as “Companies”).

#### **SCOPE AND PURPOSE OF THIS REPORT**

We understand that amalgamation of TML into TSL (“Proposed Transaction” or “Proposed Amalgamation”), under a Scheme of Amalgamation (“Scheme”) is being evaluated by The Board of Directors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and other provisions of the Companies Act, 2013, as may be applicable. As a consideration for this Proposed Transaction, equity shareholders of TML would be issued equity shares of TSL in lieu of their shareholding in TML.

In this connection, the Client has engaged EY to provide fairness opinion on share exchange ratio proposed by Vikrant Jain, Registered Valuer with IBBI with Registration No. IBBI/RV/05/2018/10204 for the Proposed Transaction.





This fairness opinion report ("Report") is our deliverable in respect of the above engagement.

We have been provided with the audited financial statements of TML and unaudited limited reviewed consolidated financial statements of TSL for three months ended 30 June 2022. Further, we have been informed that all material information impacting the Companies have been disclosed to us.

We have been informed that:

- a) There would not be any capital variation in the Companies till the Proposed Amalgamation becomes effective, except issuance of Employee Stock Options in normal course of the business of the Companies;

In the event that either of the Companies restructure their equity share capital by way of share split / consolidation / issue of bonus shares / or similar corporate actions after the date of the Report but before the Proposed Amalgamation becomes effective, the issue of shares pursuant to the equity share exchange ratio recommended by the Registered Valuer shall be adjusted accordingly to take into account the effect of any such corporate actions.

- b) Till the Proposed Amalgamation becomes effective, neither Companies would declare any substantial dividends having materially different yields as compared to past few years.

We have relied on the above for the purpose of providing Fairness Opinion Report for the Proposed Amalgamation.

This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

This Report has been issued only for the purpose of facilitating the Proposed Transaction and should not be used for any other purpose.





## SOURCES OF INFORMATION

In connection with this exercise, we have received the following information from the management of TSL (“Management”) / obtained from public domain:

- Share Exchange Ratio report issued by Vikrant Jain, Registered Valuer dated 22 September 2022
- Draft Scheme of Arrangement for the Proposed Transaction
- Annual reports for years ended 31 March 2018 to 31 March 2022 for TML and TSL
- Unaudited limited reviewed consolidated financial statements of TSL for 3 months ended 30 June 2022 and 30 June 2021
- Audited financial statements of TML for 3 months ended 30 June 2022 and 30 June 2021
- Number of equity shares of the Companies as on the date of the Report
- Details of contingent liabilities as at 31 March 2022 and confirmation that there is no material change in contingent liabilities from 31 March 2022 till Report date for TML and TSL;
- Background information provided through emails or during discussions.

We have also obtained further explanations and information considered reasonably necessary for our exercise, from the Management.

During the discussions with the management of Companies, we have also obtained explanations, information and representations, which we believed were reasonably necessary and relevant for our exercise. The Client have been provided with the opportunity to review the draft report (excluding the equity share exchange ratio proposed by the Registered Valuer and the fairness opinion on the recommended equity share exchange ratio by the Registered Valuer for the Proposed Amalgamation) as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Report.







## PROCEDURES ADOPTED

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received financial and qualitative information
- Obtained data available in public domain
- Discussions (physical/over call) with the management of the Companies to:
  - Understand the business and fundamental factors that affect its earning-generating capability including strengths, weaknesses, opportunity and threats analysis and historical financial performance
- Undertook Industry Analysis:
  - Researched publicly available market data including economic factors and industry trends that may impact the valuation
  - Analyzed of key trends and valuation multiples of comparable companies/comparable transactions using proprietary databases subscribed by us or our network firms
- Reviewed the equity share exchange ratio arrived by the Vikrant Jain, Registered Valuer along with supporting valuation workings and had discussions to seek clarifications.
- Undertook alternative calculations and analysis based on internationally accepted valuation methodology/(ies) as considered appropriate by us





## **SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS**

Provision of fairness opinions and consideration of the issues described herein are areas of our regular valuation practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

The user to which this fairness report opinion is addressed should read the basis upon which the Report has been prepared and be aware of the potential for later variations in value due to factors that are unforeseen at the Valuation Date. Due to possible changes in market forces (including prevailing quoted prices) and circumstances, this opinion can only be regarded as relevant as at the Valuation Date.

This Report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Our Report is restricted for the purpose indicated in the engagement letter. This restriction does not preclude the Client from providing a copy of the report to third-party advisors whose review would be consistent with the intended use. We do not take any responsibility for the unauthorized use of this Report.

While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the Companies existing business records. Accordingly, we express no audit opinion or any other form of assurance on this information.

The fairness opinion work has been performed on the Registered Valuer's report on recommendation of equity share exchange ratio for the Proposed Amalgamation and audited balance sheet of TML and unaudited limited reviewed consolidated balance sheet of TSL provided by the management of the Companies as at 30 June 2022.

We have been informed that the business activities of Companies have been carried out in the normal and ordinary course between latest available financial statement date (i.e. 30 June 2022) and the Report date and that no material changes have occurred in their respective operations and financial position between 30 June 2022 and the Report date.

In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Client or Companies, their directors, employees or agents.





The Client and its Management warranted to us that the information they supplied was complete, accurate and true and correct to the best of their knowledge. We have relied upon the representations of the Client, their Management and other third parties, if any, concerning the financial data, operational data and other information, except as specifically stated to the contrary in the report. We shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the Companies, their directors, employee or agents.

Providing fairness opinion is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. In the ultimate analysis, our opinion will have to be tempered by the exercise of judicious discretion and judgment taking into accounts all the relevant factors. There is, therefore, no indisputable single equity share exchange ratio.

The final responsibility for the determination of the equity share exchange ratio at which the Proposed Transaction shall take place will be with the Board of Directors of the Companies who should take into account other factors such as their own assessment of the Proposed Transaction and input of other advisors (if any).

We have assumed that the amalgamation will be consummated on the terms set forth in the Scheme and that the final version of the Scheme will not change in any material respect from the draft version we have reviewed for the purpose of this opinion.

EY is not aware of any contingency, commitment or material issue which could materially affect the Companies' economic environment and future performance and therefore, the fair value of the Companies.

The Report assumes that the Companies comply fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/reflected in the balance sheet provided to us.

The Report does not address the relative merits of the Proposed Transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.





Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the proposed Scheme, without our prior written consent. In addition, this Report does not in any manner address the prices at which equity shares of the Companies will trade following announcement of the Proposed Transaction and we express no opinion or recommendation as to how the shareholders of either company should vote at any shareholders' meeting(s) to be held in connection with the Proposed Transaction.

The fairness opinion is governed by concept of materiality.

It has been assumed that the required and relevant policies and practices have been adopted by the Companies and would be continued in the future.

The fee for the Report is not contingent upon the results reported.

We owe responsibility to only to the Board of Directors of the Client that has appointed us under the terms of the engagement letters. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person

We have also relied on data from external sources to conclude the fairness opinion. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.







## BACKGROUND

### Tata Steel Limited

TSL manufactures and distributes steel products in India and internationally. The equity shares of TSL are listed on National Stock Exchange of India Limited (“NSE”) and BSE Limited (“BSE”). For the financial year ended 31 March 2022, TSL reported consolidated revenues from operations of INR 2,439.6 billion and consolidated profit after tax of INR 417.5 billion.

The issued and paid-up share capital of TSL as on date of the report is INR 12,221.8 million divided into 12,221,220,420 equity shares of face value of INR 1 each (fully paid up) and 2,232,880 equity shares of face value of INR 1 each (INR 0.25 each partly paid up)

### Tata Metaliks Limited

Tata Metaliks was incorporated in 1990 and is headquartered in Kolkata, India. It operates as a subsidiary of Tata Steel Limited. TSL owns 60.03% stake in TML.

TML manufactures and sells pig iron and ductile iron pipes in India and internationally. TML operates through Pig Iron and Ductile Iron (DI) Pipes segments. It offers pig iron under the Tata eFee brand for various kinds of castings in industries, such as automobile, agriculture, power, railways, aluminum shelters, and sanitary castings. It provides DI pipes under the Tata Ductura brand for use in various applications, such as transmission and distribution of potable water, transportation of sewage and wastewater, irrigation, and industrial usage in power plants. In addition, it provides by-products, including granulated blast furnace slag for cement plants; potted pig iron, which is used by foundries as scrap; pig iron scrap; and low Fe and high Fe iron sweepings.

For the financial year ender 31 March 2022 TML reported revenue from operations of INR 27.5 billion and net profit of INR 2.4 billion.

The issued and paid-up share capital of TML as on date of the report is INR 315.8 million divided into 31,577,500 equity shares of face value of INR 10 each (fully paid up)





## **APPROACH - BASIS OF DETERMINATION OF THE SHARE EXCHANGE RATIO FOR THE PROPOSED TRANSACTION**

The Registered Valuer has recommended the following share exchange ratio for the Proposed Amalgamation:

- 79 equity shares of INR 1/- each fully paid up of TSL for every 10 equity shares of TML of INR 10/- each fully paid up.

## **OUR OPINION**

Based on our independent calculation and on consideration of all the relevant factors and circumstances, we believe that the equity share exchange ratio as recommended by the Registered Valuer, as stated above in our opinion is fair to the equity shareholders of TSL.

It should be noted that we have examined only the fairness of the equity share exchange ratio as recommended by the Registered Valuer for the Proposed amalgamation only for the Board of Directors/shareholders of TSL and have not examined any other matter including economic rationale of the transfer per se or accounting and tax matters involved in the Proposed Amalgamation.

Respectfully submitted,

**Ernst & Young Merchant Banking Services LLP**

**Navin Vohra**  
Partner



**Rashmi Shah FCA**  
**Registered Valuer (Securities or Financial Assets)**  
IBBI Registration No.: IBBI/RV/06/2018/10240  
M: +91 98202 99754 | E: rashmi@rvs-ca.com

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Date: 22<sup>nd</sup> September 2022

To,  
**The Board of Directors,**  
**Tata Metaliks Limited**  
43, Tata Centre, 10<sup>th</sup> Floor,  
J L Nehru Road, Kolkata,  
West Bengal – 700 071

Dear Sirs,

**Sub: Recommendation of Fair Equity Share Exchange Ratio for Proposed Amalgamation of Tata Metaliks Limited with Tata Steel Limited**

We refer to the engagement letter dated 13<sup>th</sup> September 2022, whereby the Audit Committee of Tata Metaliks Limited (hereinafter referred to as ‘TML’ or ‘the Client’) has appointed Rashmi Shah FCA, Registered Valuer (Securities or Financial Assets) with IBBI Registration No. IBBI/RV/06/2018/10240 (‘RVS’) (hereinafter referred to as ‘Valuer’ or ‘We’), to recommend the fair share exchange ratio of equity shares for the proposed amalgamation of Tata Metaliks Limited (‘Transferor Company’) with Tata Steel Limited (‘TSL’ or ‘Transferee Company’).

TML and TSL are hereinafter referred to jointly as ‘the Companies’.

This Report is structured under the following broad heads:

- Background
- Scope and Purpose of this Report
- Information Sources
- Valuation Standards followed and Procedure adopted for Valuation
- Scope Limitations and Disclaimers
- Valuation Approaches and Methodologies
- Share Issuance Ratio and Conclusion
- Annexure – Share Exchange Ratio Workings



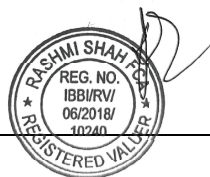
## **BACKGROUND**

### **Tata Metaliks Limited**

- TML (CIN: L27310WB1990PLC050000) is a listed public limited company incorporated on 10<sup>th</sup> October 1990 and having registered office at Tata Centre, 10<sup>th</sup> Floor, 43, J. L. Nehru Road, Kolkata, West Bengal – 700 071.
- Tata Metaliks Limited is engaged, inter alia, in the business of manufacture and sale of pig iron and ductile iron pipes and its allied accessories in its manufacturing plant located at Kharagpur, West Bengal.
- Equity shares of TML are listed on National Stock Exchange of India ("NSE") and Bombay Stock Exchange ("BSE").
- As at 30 June 2022, the paid-up equity share capital of TML was ~ INR 316 million consisting of 31,577,500 equity shares of face value of INR 10/- each fully paid up, which we have considered for the purpose of the valuation analysis.

<b>Particulars</b>	<b>No. of Shares</b>	<b>% Of Share holding</b>
Promoter & Promoter Group (Tata Steel Limited)	18,957,090	60.03%
Public	12,620,410	39.97%
<b>Total</b>	<b>31,577,500</b>	<b>100.00%</b>

*Source: BSE Filing (30<sup>th</sup> June 2022)*

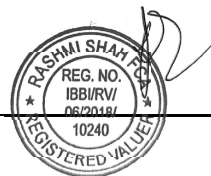




**Tata Steel Limited**

- TSL (CIN: L27100MH1907PLC000260) is a listed public limited company incorporated on 26<sup>th</sup> August 1907 and having registered office at Bombay House, 24-Homi Mody Street, Fort, Mumbai, Maharashtra – 400 001.
- Tata Steel Limited is one of the leading global steel companies, with over 100 (hundred) years of experience in the steel sector and is a pioneer of steel manufacturing in India. TSL is also amongst the lowest cost integrated steel manufacturers in India, with 100% (hundred percent) captive iron ore sources. With its wide portfolio of downstream, value-added and branded products, TSL caters to customers across all segments through its well-established distribution network. It has operations in India, Europe and South East Asia. Tata Steel Group is one of the prominent geographically diversified steel producers. In addition, it has access to deep end of the markets and customer through its vast sales and distribution network.
- Raw material operations of TSL are located in India, Mozambique, and Canada. Manufacturing facilities are located in India, Thailand, Netherlands, and United Kingdom with cumulative crude steel capacity being 34 (thirty-four) million tons per annum. TSL is structured into several strategic business units aligned to product categories including: flat products, long products, tubes, wires, bearings, ferro-alloys, etc. TSL has been aiming to increase resilience of the business to steel business cycles by developing knowledge and intellectual property in new materials and has been foraying into areas such as composites, graphene, and advanced ceramics.
- Equity shares of TSL are listed on National Stock Exchange of India ("NSE") and Bombay Stock Exchange ("BSE").
- Management of TML ('the Management') has provided us with the details of equity shares (post sub-division) as below, which we have considered for the purpose of the valuation analysis.

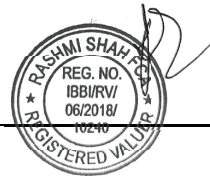
<b>Issued Capital</b>	<b>Number of Shares</b>	<b>Face Value</b>	<b>Amount (INR)</b>
Fully paid-up	12,232,183,670	INR 1	12,232,183,670
Partly paid-up	2,232,880	INR 1	2,232,880
<b>Total Issued Capital</b>	<b>12,234,416,550</b>		<b>12,234,416,550</b>
<b>Subscribed and Paid-up capital</b>			
Fully paid-up	12,221,220,420	INR 1	12,221,220,420
Partly paid-up	2,232,880	INR 0.2504	559,113.152
<b>Total Subscribed and Paid-up capital</b>	<b>12,223,453,300</b>		<b>12,221,779,533</b>



***Recommendation of Fair Equity Share Exchange Ratio for Proposed Amalgamation of Tata Metaliks Limited with Tata Steel Limited***

<b>Particulars</b>	<b>No. of Shares</b>	<b>% Of Share holding</b>
Promoter & Promoter Group	4,146,195,359	33.92%
Public	8,077,257,941	66.08%
<b>Total</b>	<b>12,223,453,300</b>	<b>100.00%</b>
<i>Source: Management</i>		

***Privileged & Confidential***



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## **SCOPE AND PURPOSE OF THIS REPORT**

We understand that the amalgamation of TML with TSL is being contemplated through a Scheme of Amalgamation under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and rules framed thereunder (hereinafter referred to as “the Proposed Scheme”), whereby it is proposed to amalgamate Tata Metaliks Limited into Tata Steel Limited, on a going concern basis (‘Transaction’).

The Transferee Company is one of the leading global steel companies, with over 100 (hundred) years of experience in the steel sector and is a pioneer of steel manufacturing in India. It is also amongst the lowest cost integrated steel manufacturers in India, with 100% (hundred percent) captive iron ore sources. The Transferor Company is engaged, inter alia, in the business of manufacture and sale of pig iron and ductile iron pipes and its allied accessories in its manufacturing plant located at Kharagpur, West Bengal. The amalgamation will ensure focused management in the combined entity thereby resulting in efficiency of management and maximizing value for the shareholders. Such restructuring will lead to simplification of group structure by eliminating multiple companies in similar business. Further, the amalgamation will translate to the philosophy of ‘One Tata Steel’ in front of customers which will lead to better customer service delivery.

In addition, resulting corporate holding structure will lead to agility in the business ecosystem of the Companies. As a result, operating costs will be reduced due to operational efficiencies, rationalisation, standardization, and simplification of business processes. Further, proposed Scheme will also reduce number of entities working in similar business lines.

The Transaction is proposed to be carried out with effect from the appointed date as specified in the Proposed Scheme.

For this purpose, RVS has been appointed to recommend the fair equity share exchange ratio for the said amalgamation (‘Exchange Ratio’). The bases of value is ‘Relative Value’ and the valuation is based on ‘Going Concern’ premise.

The scope of our services is to conduct a relative (and not absolute) valuation of the equity shares of TML and TSL and recommending an exchange ratio for the proposed amalgamation in accordance with the International Valuation Standards / ICAI Valuation Standards 2018 (‘ICAI VS’) issued by the Institute of Chartered Accountants of India (‘ICAI’).

This report is our deliverable for the above engagement.

This report is subject to the scope, assumptions, limitations, disclaimers and exclusions, detailed hereinafter. As such, the report is to be read in totality, and not in parts.



## **INFORMATION SOURCES**

We have relied on the following sources of information and documents received from the Management as well as obtained from publicly available data sources:

- Draft Scheme of Amalgamation
- Audited financial statements of TML and TSL upto 31<sup>st</sup> March 2022;
- Financial statements of TML and TSL for the quarter ended June 30, 2022;
- Details of certain items to be treated as asset / liability for the said transaction;
- Other publicly available data;
- Latest shareholding details of TML and TSL;
- Discussions with the Management to understand their perception of the historical and expected future performance, macro-economic parameters and key value drivers of the Companies;
- Market comparables, to the extent information on comparable companies is available in public domain;
- We have also relied on published and secondary sources of data whether or not made available by the Companies. We have not independently verified the accuracy or timeliness of the same.
- Other information and documents for the purpose of this engagement.

During the discussions with the Management, we have also obtained explanations and additional information considered reasonably necessary for our exercise. The Companies have been provided with the opportunity to review the report (excluding the recommended Ratios) as part of our standard practice to ensure that factual inaccuracies / omissions are avoided in our final report.





## **VALUATION STANDARDS FOLLOWED AND PROCEDURES ADOPTED FOR VALUATION**

- We have performed the valuation analysis, to the extent possible, in accordance with Indian Valuation Standards, 2018 issued by the Institute of Chartered Accountants of India ('IVS'). IVS 301 on Business Valuation deals with valuation of a business or business ownership interest (i.e., it includes valuation of equity shares).
- In connection with this exercise, we have adopted the following procedures to carry out the valuation analysis:
  - Requested and received relevant data (financial and qualitative) from the Management.
  - Used data available in public domain related to the Companies and its peers.
  - Discussions with the Management on understanding of the businesses of the Companies concerning the business and fundamental factors that affect their earning capacity including historical performance, future plans and prospects, etc.
  - Obtained and analysed market prices of equity shares of the Companies.
  - Determination of valuation multiples of comparable companies using information in public domain.
  - Selection of valuation approach and valuation methodology/ (ies), in accordance with IVS, as considered appropriate and relevant by us.
  - Arriving at the relative values of the equity shares of the Companies to determine the fair equity share exchange ratio for the Proposed Transaction.



## **SCOPE LIMITATIONS AND DISCLAIMERS**

- We have no present or prospective contemplated financial interest in the Companies and we have no personal interest with respect to the Promoters and Board of Directors of the Companies. We have no bias/prejudice with respect to any matter that is the subject of the valuation report. The fee for the valuation engagement is not contingent upon the results reported and no way influenced the results of our valuation analysis.
- We have adopted Relative Value as the valuation base and Going Concern value as the premise of value. While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with the generally accepted auditing standards. We have placed reliance on information provided by the Management and their respective authorized representatives. Our reliance is based on the completeness and accuracy of the facts provided; which if not entirely complete or accurate, should be communicated to us immediately, as the inaccuracy or incompleteness could have a material impact on our findings. We further assume that the Managements of the Companies have brought to our attention all material transactions, events or any other factor having an impact on the share exchange ratio.
- Our report is subject to the terms of engagement mentioned in our engagement letter dated 13<sup>th</sup> September 2022. Valuation analysis and results are specific to the purpose of valuation mentioned in this report as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date.
- We owe responsibility to only the Management of the Company that has retained us and nobody else. We do not accept any liability to any third party in relation to the issue of this valuation report. Our valuation report cannot be used for any other purpose. This report has been prepared for the Management solely for the purpose of the proposed amalgamation envisaged in the Scheme. This report should not be used for any other purpose. We understand that the Company may submit the Report to or share the Report with its Fairness Opinion Provider and regulatory authorities/ stock exchanges, in connection with the proposed Transaction.
- Our analysis is based on the market conditions and the regulatory environment that currently exists. However, changes to the same in the future could impact the company and the industry it operates in, which may impact our valuation analysis.
- Neither we nor any of our affiliates are responsible for updating this report because of events or transactions occurring subsequent to the date of this report.



- We have considered and relied on the information provided to us by the Management including financial information, significant transactions and events occurring subsequent to the balance sheet date. We understand that the information provided to us and the representations made to us (whether verbal or written) are reliable and adequate. We have derived our conclusions and recommendation from the information so provided and we are thus reliant on the given information to be complete and accurate in every significant aspect. We are made to believe that the Management has informed us about all material transactions, events or any other relevant factors which are likely to have an impact on our valuation recommendation.
- In the ultimate analysis, valuation will have to capture the exercise of judicious discretion by the Valuer and judgment taking into account all the relevant factors. There will always be several factors which are not evident from the face of the financial statements, but which will strongly influence the worth of a share. Examples of such factors include quality and integrity of the management, capital adequacy, asset quality, earnings, liquidity, size, present and prospective competition, yield on comparable securities and market sentiment, etc. This concept is also recognized in judicial decisions.
- This Report does not look into the business / commercial reasons behind the transaction. We have no present or planned future interest in either of the companies and the fee for this certificate is not contingent upon the values reported therein. Our valuation analysis should not be construed as an investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any transaction with the companies.
- Any discrepancy in any table between the total and sum of the amounts listed are due to rounding-off.
- The Management has informed us that Deloitte Touché Tohmatsu India LLP and Registered Valuer - Vikrant Jain (IBBI/RV/05/2018/10204) (jointly referred to as valuers) have been appointed by TCIL and TSL respectively, to issue a valuation report on the Fair Equity Share Exchange Ratio, for their regulatory compliance and evaluation purposes for the proposed Amalgamation. Further, at the request of the Management, we have had discussions with the Registered Valuer mentioned in respect of our valuation analysis.
- The valuation report is subject to the laws of India.



## **VALUATION APPROACHES AND METHODOLOGIES**

- Arriving at the fair equity share exchange ratios for the proposed amalgamation of TML into TSL, would require determining the relative equity valuation of TML and TSL, based on methodologies explained herein and various qualitative factors relevant to TML and TSL.
- The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner.
- It should be understood that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we have made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the Companies, and other factors which generally influence the valuation of companies and their assets.
- As per the Scheme, the equity shareholders of TML (other than TSL) will be issued equity shares of TSL as consideration for the proposed amalgamation. In accordance with IVS, to arrive at the fair share exchange ratio, it is required to determine the fair value of equity shares of TML and fair value of equity shares of TSL. These values are to be determined on a per share basis and are to be determined independently without considering the proposed transaction. The values are then to be assessed on a relative basis to determine the share exchange ratio.
- For the purpose of valuation, it is necessary to select an appropriate basis of valuation amongst the various valuation techniques. It is universally recognized that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. The application of any particular method of valuation depends upon various factors including the size of company, nature of its business and purpose of valuation. Further, the concept of valuation is all about the price at which a transaction takes place i.e., the price at which seller is willing to sell and buyer is willing to buy. Accordingly, a fair and reasonable approach for valuing the shares of the company is to use a combination of these methods.





- The three main approaches of valuation are the market approach, income approach and asset approach. There are several commonly used and accepted methods including those set out in the ICAI valuation standards, within the asset approach, income approach and market approach, for determining the relative values to arrive at the Share Exchange Ratio for the proposed Transaction.
- IVS 301 specifies that generally the following three approaches for valuation of business / business ownership interest are used:
  - Cost Approach
  - Market Approach
  - Income Approach
- These approaches and methodologies have been considered in the present valuation exercise, to the extent relevant and applicable, to arrive at the fair equity Share Exchange Ratio for the purpose of the Amalgamation:

**Cost Approach – Net Asset Value (NAV) method**

- The value under cost approach is determined based on the underlying value of the assets which could be on book value basis, replacement cost basis or on the basis of realizable value. Under NAV method, total value of the business is based on the Net Assets Value either on book value or realizable value or replacement cost basis. NAV methodology is most applicable for the business where the value lies in the underlying assets and not the ongoing operations of the business. NAV method does not capture the future earning capacity of the business.
- We have not considered NAV method for the said valuation purpose as both TML and TSL are operating businesses and we understand that historical book value does not reflect intrinsic value of their businesses. The valuation is undertaken with going concern assumption and we do not contemplate an actual sale realization of the individual assets. We have therefore not considered NAV method for the said valuation.

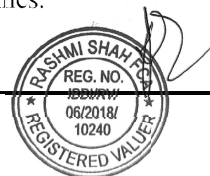


**Income Approach – Discounted Cash Flows (DCF) method**

- Under the Income Approach, business is valued by converting maintainable or future amount of cash flows to a single current amount either through discounting or capitalization. DCF Method seeks to arrive at the value of the business based on its future cash flows generating capability and the risks associated with the said cash flows. FCFE or free cash flows to the firm (“FCFE”) represents the cash available for distribution to both the owners and the creditors of the business. Risk-adjusted discount rate or Weighted Average Cost of Capital (“WACC”) is applied to free cash flows in the explicit period and that in perpetuity. Adjustments pertaining to debt, surplus/non-operating assets including investments, cash & bank balance and contingent assets/liabilities and other liabilities, as relevant, are required to be made in order to arrive at the value for equity shareholders. The total value for the equity shareholders so arrived is then to be divided by the number of equity shares to arrive at the value per equity share of the company.
- In the present case, since the Companies are listed on stock exchanges, information relating to the future financial performance of the Companies is price sensitive. Additionally having regard to the business in which the companies operate, projecting financials of the companies on a reliable basis, to afford a relative comparison, is difficult and involves considerable subjectivity, and hence such projections have not been made available for the present exercise. In the absence of business plan and projections, we have not considered the Income Approach.

**Market Approach – Market Price method**

- Under the Market Price method, the market price of an equity share as quoted on a recognized Stock Exchange is normally considered as the value of the equity shares of that company, where such quotations are arising from the shares being regularly and frequently traded. Generally, market value is reflective of the investors’ perception about the actual worth of the company. However, in certain situations, the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market. Further in case of amalgamation, where the value of shares of one company is required to be evaluated against the value of shares of another company, the volume of shares traded and available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.
- Since, TML and TSL are listed companies and market price of equity shares of TML and TSL are traded on NSE and BSE over a reasonable period, we have considered this method to determine the value of shares of the Companies. We understand that the shares of the Companies are being frequently traded. We have thus considered volume weighted average price for an appropriate period for determining the value of equity shares of the Companies.



**Market Approach – Comparable Companies' Multiple (CCM) method**

- Under CCM Method, the value of shares of the subject company is determined on the basis of multiples derived from valuations of comparable companies. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. Considering availability of listed comparable companies and availability of profitability levels, we have considered the CCM method of valuation to determine the value of shares of TML and TSL.
- We have considered Enterprise Value to Earnings before interest, tax, depreciation and amortization (EV/EBITDA) multiple to determine the value of equity shares of TML and TSL under CCM method.



## **SHARE ISSUANCE RATIO AND CONCLUSION**

- The basis of the amalgamation of TML with TSL would have to be determined after taking into consideration all the factors and methods mentioned in this Report. Though different values have been arrived at under each of the above methods, for the purposes of recommending the fair exchange ratio of equity shares it is necessary to arrive at a final value for each of the Companies' shares. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values of the Companies, but at their relative values to facilitate the determination of the Fair Equity Share Exchange Ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each approaches / methods.
- The Fair Equity Share Exchange Ratio has been arrived at on the basis of a relative equity valuation of the Companies based on the various approaches / methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of the Companies, having regard to information base, key underlying assumptions and limitations. We have independently applied methods discussed above, as considered appropriate, and arrived at their assessment of the value per equity share of TML and TSL.
- In light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove referred to earlier in this Report for proposed amalgamation and upon the proposed Scheme becoming effective, in our opinion, we recommend Fair Equity Share Exchange Ratio for the amalgamation of TML with TSL as below:
- “79 (Seventy-nine) equity shares of Tata Steel Limited of face value of INR 1/- each fully paid up for every 10 (Ten) equity shares of Tata Metaliks Limited of face value of INR 10/- each fully paid up”

Yours faithfully,



**Rashmi Shah FCA**

*Registered Valuer with IBBI Registration No.: IBBI/RV/06/2018/10240*

For R V Shah & Associates (Chartered Accountants)

ICAI Membership No.: 123478

FRN: 133958W

Place: Mumbai

Date: 22<sup>nd</sup> September 2022

ICAI UDIN: 22123478ATYIJK4816



**ANNEXURE – SHARE EXCHANGE RATIO WORKINGS**

<b>Fair Equity Share Exchange Ratio</b>				
Valuation approach	Tata Metaliks Limited		Tata Steel Limited	
	Value per share (INR)	Weight (%)	Value per share (INR)	Weight (%)
Asset approach - NAV method	484	0%	89	0%
Market approach - Market Price method	754	50%	100	50%
Market approach - CCM method	919	50%	112	50%
<b>Relative value per share</b>	<b>836</b>		<b>106</b>	
<b>Recommended Fair Equity Share Exchange Ratio (rounded off)</b>	<b>7.9</b>			
	<b>i.e., 79 equity shares of TSL for every 10 equity shares of TML</b>			

Based on the above computation, we recommend a Fair Equity Share Exchange Ratio as below:

***“79 (Seventy-nine) equity shares of Tata Steel Limited of face value of INR 1/- each fully paid up for every 10 (Ten) equity shares of Tata Metaliks Limited of face value of INR 10/- each fully paid up”***

The Fair Equity Share Exchange Ratio has been arrived at on the basis of valuation (on a per share basis) of TML and TSL considering the various approaches and methodologies as explained herein earlier and various qualitative factors relevant to each business along with key underlying assumptions and limitations.

In the ultimate analysis, it is essential to arrive at a single value while considering the different applicable methodologies of valuation. We have applied appropriate weights to the values determined under the Asset, Income and Market Approaches for valuation of the Companies.



STRICTLY PRIVATE AND CONFIDENTIAL

Dated: 22 September 2022

Ref: DTTILLP/G-200/173

To,

The Board of Directors,  
**Tata Metaliks Limited**  
43, Tata Centre, 10th Floor,  
J L Nehru Road,  
Kolkata – 700071,  
West Bengal, India.

**Re: Recommendation of the fair equity share exchange ratio for the purpose of the proposed amalgamation of Tata Metaliks Limited into Tata Steel Limited.**

Dear Madam/ Sir,

We refer to the engagement letter whereby Audit Committee of Tata Metaliks Limited (hereinafter referred to as "TML" or the "Company") has appointed Deloitte Touche Tohmatsu India LLP (hereinafter referred to as "DTTILLP" or the "Valuer" or "we" or "us") to recommend the Fair Equity Share Exchange Ratio (defined hereinafter) for the Proposed Amalgamation (defined hereinafter).

TML and Tata Steel Limited (hereinafter referred to as "TSL") are together referred to as the "Companies" in this report (the "Report").

#### SCOPE AND PURPOSE OF THIS REPORT

TML manufactures and sells pig iron and ductile iron pipes in India and internationally. It offers pig iron for various kinds of castings in industries, such as automobile, agriculture and tractor, engineering and industrial, power generation, ductile iron (DI) pipes and fittings, sanitary and decorative, railways and other castings and aluminum smelters. It provides DI pipes for use in various applications, such as transportation of potable water, sewage, waste water, irrigation and industrial usage in power plants. TML was founded in 1990 and is headquartered in Kolkata, India. TML had reported revenue from operations and profit/ (loss) after tax of INR 27,455 million and INR 2,374 million respectively, for the year ended 31 March 2022. TML had a net worth of INR 15,253 million on 31 March 2022. TML is a subsidiary of TSL who currently holds ~ 60.03% equity stake in TML.



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TSL manufactures and distributes steel products in India and internationally. TSL offers hot-rolled and cold-rolled coated steel coils and sheets, precision tubes, tire bead wires, spring wires, and bearings, as well as auto ancillaries; and galvanized iron wires, agriculture and garden tools, and conveyance tubes, etc. TSL was founded in 1907 and is headquartered in Mumbai, India. TSL had reported consolidated revenue from operations and profit/ (loss) after tax of INR 2,439,591 million and INR 417,493 million respectively, for the year ended 31 March 2022. TSL had a consolidated net worth of INR 1,144,430 million on 31 March 2022.

The equity shares of TML and TSL are listed on National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"). Further, the Global Depository Receipts of TSL are also listed on London Stock Exchange and Luxembourg Stock Exchange.

In order to consolidate their operations, the management of TML ("Management") and management of TSL are contemplating the Amalgamation of TML into TSL on a going concern basis with effect from the proposed Appointed Date as mentioned in the Scheme (defined hereinafter), pursuant to a scheme of Amalgamation under the provisions of Sections 230 to 232 of the Companies Act, 2013 (including any statutory modifications, re-enactment or amendments thereof) and other applicable securities and capital market laws (the "Scheme") (the "Proposed Amalgamation"). In consideration thereof, equity shares of TSL will be issued to the equity shareholders of TML, other than in respect of equity shares of TML held by TSL which will be cancelled once the Scheme becomes effective. The number of equity shares of TSL of face value of INR 1/- each to be issued for the equity shares of TML of face value of INR 10/- each in the event of the Proposed Amalgamation is referred to as the "Fair Equity Share Exchange Ratio".

It is in this connection that TML has requested us to render our professional services by way of recommendation of the Fair Equity Share Exchange Ratio for the Proposed Amalgamation on a going concern basis with 21 September 2022 being the "Valuation Date", for the consideration of the Board of Directors (including audit committee, as applicable) of TML.

We understand that this Report is required for the internal purpose of the Audit Committee and Board of Directors of TML and you did not require us to perform this valuation as a registered valuer under the Companies Act 2013 ("Act"), the Companies (Registered Valuers And Valuation) Rules, 2017 ("Rules") or as per any other rules, regulations, standards, bye-laws, ordinance, notifications issued pursuant to such Act or Rules or under any applicable SEBI regulations. Accordingly, our valuation analysis and this Report does not constitute nor can be construed as a valuation carried out by a registered valuer in accordance with such Act or Rules or such regulations and any such use of our valuation analysis and this Report is not permitted.

The scope of our service is to conduct a relative valuation (not an absolute valuation) of the equity shares of the Companies and recommend a Fair Equity Share Exchange Ratio for the Proposed Amalgamation.

We have considered financial information up to 30 June 2022 in our analysis and made adjustments for facts made known (past or future) to us till the date of our Report, including taking into consideration current market



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parameters, which will have a bearing on the valuation analysis. We have been informed that the business activities of the Companies have been carried out in the normal and ordinary course between 30 June 2022 and the Report date and that no material changes have occurred in their respective operations and financial position between 30 June 2022 and the Report date. Further, we have been informed that all material information impacting the Companies have been disclosed to us.

We have relied on the above while arriving at the Fair Equity Share Exchange Ratio for the Proposed Amalgamation.

We have been informed that till the Proposed Amalgamation becomes effective, neither Companies would declare any substantial dividends having materially different yields as compared to past few years.

We have been informed that, in the event that either of the Companies restructure their equity share capital by way of share split / consolidation / issue of bonus shares before the Proposed Amalgamation becomes effective, the issue of shares pursuant to the fair equity share exchange ratio recommended in this Report shall be adjusted accordingly to take into account the effect of any such corporate actions.

This Report is our deliverable in respect of our recommendation of the Fair Equity Share Exchange Ratio for the Proposed Amalgamation.

The Management has informed us that Rashmi Shäh [IBBI/RV/06/2018/10240] and Vikrant Jain [IBBI/RV/05/2018/10204] (together referred as the "Registered Valuers") have been appointed by TML and TSL respectively to issue a valuation report on the Fair Equity Share Exchange Ratio, for their regulatory compliance and evaluation purposes for the purpose of the Proposed Amalgamation. Further, at the request of the Management, we have had discussions with the Registered Valuers mentioned above in respect of our valuation analysis.

The Management has informed us that RBSA Capital Advisors LLP (referred as the "Fairness Opinion Provider") has been appointed by TML to provide fairness opinion on the Fair Equity Share Exchange Ratio for the purpose of the Proposed Amalgamation. Further, at the request of Management, we have had discussions with the Fairness Opinion Provider in respect of our valuation analysis.

DTTILLP and the Registered Valuers have been appointed severally and not jointly and have worked separately in their analysis and have received information and clarifications from their respective clients. DTTILLP and the Registered Valuers have separately arrived at different values per share of the Companies. However, to arrive at the consensus on the Fair Equity Share Exchange Ratio for the Proposed Amalgamation, appropriate minor adjustments / rounding off has been done in the values arrived at by DTTILLP and the Registered Valuers.

This Report and the information contained herein is absolutely confidential. The Report will be used by TML only for the purpose, as indicated in this Report, for which we have been appointed. The results of our valuation



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analysis and our Report cannot be used or relied by TML for any other purpose or by any other party for any purpose whatsoever. We are not responsible to any other person/ party for any decision of such person/ party based on this Report. Any person/ party intending to provide finance/ invest in the shares/ businesses of the Companies/ their holding companies/ subsidiaries/ joint ventures/ associates/ investee/ group companies, if any, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person/ party (other than TML) chooses to place reliance upon any matters included in the report, they shall do so at their own risk and without recourse to us. It is hereby notified that usage, reproduction, distribution, circulation, copying or otherwise quoting of this Report or any part thereof, except for the purpose as set out earlier in this Report, without our prior written consent, is not permitted.

DTTILLP owe responsibility to TML, under the terms of the engagement, and no other person; and that, to the fullest extent permitted by law, DTTILLP accept no responsibility or liability to any other party, in connection with this Report.

The Report including, (for the avoidance of doubt) the information contained in it is absolutely confidential and intended only for the sole use and information of TML. Without limiting the foregoing, we understand that TML may be required to submit the Report to or share the Report with TML's Fairness Opinion Provider and regulatory authorities/ stock exchanges, in connection with the Proposed Amalgamation (together, "Permitted Recipients"). We hereby give consent to the disclosure of the Report to any of them, subject to TML ensuring that any such disclosure shall be subject to the condition and understanding that:

- it will be the TML's responsibility to review the Report and identify any confidential information that it does not wish to disclose;
- we owe responsibility to only TML that has engaged us and nobody else, and to the fullest extent permitted by law;
- we do not owe any duty of care to anyone else other than TML and accordingly that no one other than the TML is entitled to rely on any part of the Report;
- we accept no responsibility or liability towards any third party (including, the Permitted Recipients) to whom the Report may be shared with or disclosed or who may have access to the Report pursuant to the disclosure of the Report to the Permitted Recipients. Accordingly, no one other than TML shall have any recourse to us with respect to the Report;
- we shall not under any circumstances have any direct or indirect liability or responsibility to any party engaged by TML or to whom TML may disclose or directly or indirectly permit the disclosure of any part of the Report and that by allowing such disclosure we do not assume any duty of care or liability, whether in contract, tort, breach of statutory duty or otherwise, towards any of the third parties.



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It is clarified that reference to this valuation Report in any document and/ or filing with aforementioned regulatory authorities/ stock exchanges/ Fairness Opinion Provider, in connection with the Proposed Amalgamation, shall not be deemed to be an acceptance by us of any responsibility or liability to any person/ party other than the Board of Directors of TML.

This Report is subject to the scope, assumptions, qualifications, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

## SOURCES OF INFORMATION

Valuation analysis was undertaken on the basis of the following relating to the Companies, furnished to us by TML and information available in public domain:

- Annual Reports for the financial year ended 31 March 2022 and earlier periods for the Companies
- Audited condensed financial statements for the quarter ended 30 June 2022 for TML
- Limited reviewed consolidated financial results and unaudited provisional balance sheet for the quarter ended 30 June 2022 for TSL
- Discussions with the Management and representatives of TML in connection with the operations of the respective Companies, past and present activities, share capital of the Companies, etc.
- Information relating to the subsidiaries and associates of the Companies and such other information, data, analysis and enquiries, as we considered necessary

We have also obtained the explanations, information and representations, which we believed were reasonably necessary and relevant for our exercise from the Management and representatives of TML. TML has been provided with the opportunity to review the draft report (excluding the recommended Fair Equity Share Exchange Ratio) for this engagement to make sure that factual inaccuracies are avoided in our final report.

## PROCEDURES ADOPTED AND VALUATION METHODS FOLLOWED

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received financial and qualitative information
- Used data available in public domain related to the Companies and its peers
- Discussions (over call) with the Management and its representatives to:
  - Understand the business and fundamental factors that affect its earning-generating capability including strengths, weaknesses, opportunity and threats analysis and historical financial performance.
- Undertook Industry Analysis:
  - Research publicly available market data including economic factors and industry trends that may impact the valuation



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- o Analysis of key trends and valuation multiples of comparable companies/comparable transactions using: Proprietary databases subscribed by us or our network firms
- Selection of internationally accepted valuation methodology/(ies) as considered appropriate by us.
- Arriving at the relative valuation of the equity shares of the Companies in order to determine the Fair Equity Share Exchange Ratio for the Proposed Amalgamation

## SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

This Report is subject to the limitations detailed in our engagement letter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting/ tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

This Report, its content, and the results herein are specific to (i) the purpose of valuation and the Valuation Date mentioned in the Report and agreed as per the terms of our engagement; ii) the Report Date; iii) Audited condensed financial statements of TML and limited reviewed consolidated financial results and unaudited provisional balance sheet of TSL for the three months ended 30 June 2022 and (iv) other information obtained by us from time to time. We have been informed that the business activities of the Companies have been carried out in the normal and ordinary course between 30 June 2022 and the Report date and that no material changes have occurred in their respective operations and financial position between 30 June 2022 and the Report date.

Valuation analysis and results are specific to the purpose of valuation and as per the agreed terms of the engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

A valuation of this nature involves consideration of various factors including those impacted by prevailing stock market trends in general and industry trends in particular as in effect on and the information made available to us as of the date hereof. This Report is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on valuation analysis for the Proposed Amalgamation. Events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.

The recommendation rendered in this Report only represents our recommendation based upon information received from TML and other sources and the said recommendation shall be considered to be in the nature of non-binding advice (our recommendation will however not be used for advising anybody to take buy or sell



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decision, for which specific opinion needs to be taken from expert advisors). You acknowledge and agree that you have the final responsibility for the determination of the Fair Equity Share Exchange Ratio at which the Proposed Amalgamation shall take place and factors other than our valuation Report will need to be taken into account in determining the Fair Equity Share Exchange Ratio; these will include your own assessment of the Proposed Amalgamation and may include the input of other professional advisors.

In the course of the valuation, we were provided with both written and verbal information, including market, financial and operating data. In accordance with the terms of our engagement, we have carried out relevant analysis and evaluations through discussions, calculations and such other means, as may be applicable and available, we have assumed and relied upon, without independently verifying, (i) the accuracy of the information that was publicly available, sourced from subscribed databases and formed a substantial basis for this Report and (ii) the accuracy of information made available to us by TML. While information obtained from the public domain or external sources have not been verified for authenticity, accuracy or completeness, we have obtained information, as far as possible, from sources generally considered to be reliable. We assume no responsibility for such information. Our valuation does not constitute as an audit or review in accordance with the auditing standards applicable in India, accounting/ financial/ commercial/ legal/ tax/ environmental due diligence or forensic/ investigation services and does not include verification or validation work. In accordance with the terms of our engagement letter and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed, certified, carried out a due diligence, or otherwise investigated the historical financial information, if any, provided to us regarding the Companies/ their holding/ subsidiary/ associates/ joint ventures/ investee companies, if any. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the historical financials/ financial statements. The assignment did not involve us to conduct the financial or technical feasibility study. We have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the Companies. Also, with respect to explanations and information sought from the Companies, we have been given to understand by TML that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusion is based on the assumptions and information given by/on behalf of TML. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results. Accordingly, we assume no responsibility for any errors in the information furnished by TML and their impact on the Report.

This Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this valuation Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited/ unaudited balance sheets of the Companies/ their holding/ subsidiary/ associates/ joint ventures/ investee companies, if any. Our conclusion of value assumes that



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the assets and liabilities of the Companies reflected in their respective latest audited balance sheets remain intact as of this Report date. No investigation of the Companies' claim to title of assets has been made for the purpose of this Report and the Companies' claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

Our Report is not, nor should it be construed as our opinion or certification of the compliance of the Proposed Amalgamation with the provisions of any law/ standards including companies, foreign exchange regulatory, securities market, accounting and taxation (including transfer pricing) laws/ standards or as regards any legal, accounting or taxation implications or issues arising from such Proposed Amalgamation.

We have not carried out any physical verification of the assets and liabilities of the Companies and take no responsibility for the identification of such assets and liabilities.

Our Report is not, nor should it be construed as our recommendation of the Proposed Amalgamation or anything consequential thereto/ resulting therefrom. This Report does not address the relative merits of the Proposed Amalgamation as compared with any other alternatives or whether or not such alternatives could be achieved or are available. Any decision by the Companies/ their shareholders/ creditors regarding whether or not to proceed with the Proposed Amalgamation shall rest solely with them. We express no opinion or recommendation as to how the shareholders/ creditors of the Companies should vote at any shareholders'/ creditors' meeting(s) to be held in connection with the Proposed Amalgamation. This Report does not in any manner address, opine on or recommend the prices at which the securities of the Companies could or should transact at following the announcement/ consummation of the Proposed Amalgamation. Our Report and the opinion/ valuation analysis contained herein is not nor should it be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities or as providing management services or carrying out management functions. It is understood that this analysis does not represent a fairness opinion.

The fee for our valuation analysis and the Report is not contingent upon the results reported.

In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents.

Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the Proposed Amalgamation, without our prior written consent.

This valuation Report is subject to the laws of India.

Any discrepancies in any table/ annexure between the total and the sums of the amounts listed are due to rounding-off.



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## SHARE CAPITAL DETAILS OF THE COMPANIES

### Tata Metaliks Limited

As at the Valuation Date, the paid up equity share capital of TML was ~ INR 316 million consisting of 31,577,500 equity shares of face value of INR 10/- each fully paid up, which we have considered for the purpose of the valuation analysis.

Category	No of Shares	% shareholding
TSL	18,957,090	60.03
Public	12,620,410	39.97
<b>Total</b>	<b>31,577,500</b>	<b>100.00</b>

### Tata Steel Limited

As at the Valuation Date, the paid up equity share capital of TSL was ~ INR 12,224 million consisting of 12,223,453,300 equity shares of face value of INR 1/- each of which 12,221,220,420 equity shares of INR 1/ each are fully paid up and 2,232,880 equity shares of INR 1/- each are partly paid up. We have considered 12,223,453,300 equity shares for the purpose of the valuation analysis.

Category	No of Shares	% shareholding
Promoter Group	4,143,586,570	33.90
Public	8,079,866,730	66.10
<b>Total</b>	<b>12,223,453,300</b>	<b>100.00</b>

## APPROACH – BASIS OF AMALGAMATION

The Scheme contemplates the Proposed Amalgamation under Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and rules issued thereunder to the extent applicable.

Arriving at the Fair Equity Share Exchange Ratio for the purposes of an amalgamation such as the Proposed Amalgamation, would require determining the relative values of each company involved and of their equity shares. These values are to be determined independently but on a relative basis, and without considering the effect of the amalgamation.

The three main valuation approaches are the asset approach, income approach and market approach. There are several commonly used and accepted methods within the market approach, income approach and asset approach, for determining the relative fair value of equity shares of a company, which can be considered in the present valuation exercise, to the extent relevant and applicable, to arrive at the Fair Equity Share Exchange Ratio for the purpose of the Proposed Amalgamation, such as:



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1. Asset Approach - Net Asset Value (NAV) Method
2. Income Approach
  - Discounted Cash Flow (DCF) Method
  - Earnings Capitalisation Value (ECV) Method
3. Market Approach
  - Market Price Method
  - Comparable Companies Multiples (CCM) Method

It should be understood that the valuation of any company or its assets is inherently subjective and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the companies/ businesses, and other factors which generally influence the valuation of companies and their assets.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of method of valuation has been arrived at using usual and conventional methods adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

## Asset Approach - Net Asset Value Method

Under the asset approach, the net asset value method is considered, which is based on the underlying net assets and liabilities of the company, taking into account operating assets and liabilities on a book value basis and appropriate adjustments for, inter alia, value of surplus/ non-operating assets.

**Income Approach:** Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalised) amount. The value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.

- **Discounted Cash Flow (DCF) Method:** Under this method, either:
  - o the projected free cash flows from business operations available to all providers of capital are discounted at the weighted average cost of capital to such capital providers, on a market participant basis, and the sum of such discounted free cash flows is the value of the business from which value of debt and other capital is deducted, and other relevant adjustments made to arrive at the value of the equity – Free Cash



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Flows to Firm (FCFF) technique; This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk; or

- o the projected free cash flows from business operations available to equity shareholders (after deducting cash flows attributable to the debt and other capital providers) are discounted at the cost of equity, on a market participant basis, and the sum of such discounted free cash flows, after making other relevant adjustments, is the value of the equity - Free Cash Flows to Equity (FCFE) technique. This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to the equity capital providers. The opportunity cost to the equity capital provider equals the rate of return such equity capital provider expects to earn on other investments of equivalent risk.
- **Earnings Capitalisation Value (ECV) Method:** This method involves determination of the maintainable earnings level of the company from its operations, based on past and/ or projected working results. These earnings are then capitalized at a rate, which in the opinion of the valuer combines an adequate expectation of reward from the enterprise risk, to arrive at the value of the company.

**Market Approach:** Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

- **Market Price Method:** Under this method, the value of shares of a company is determined by taking the average of the market capitalisation of the equity shares of such company as quoted on a recognised stock exchange over reasonable periods of time where such quotations are arising from the shares being regularly and freely traded in an active market, subject to the element of speculative support that may be inbuilt in the market price. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share, especially where the market values are fluctuating in a volatile capital market. Further, in the case of an amalgamation, where there is a question of evaluating the shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard. This method would also cover any other transactions in the shares of the company including primary/ preferential issues/ open offer in the shares of the company available in the public domain.
- **Comparable Companies Multiples (CCM) Method:** Under this method, one attempts to measure the value of the shares/ business of company by applying the derived market multiple based on market quotations of comparable public/ listed companies, in an active market, possessing attributes similar to the business of such company - to the relevant financial parameter of the company/ business (based on past and/ or projected working results) after making adjustments to the derived multiples on account of dissimilarities with the comparable companies and the strengths, weaknesses and other factors peculiar to the company



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being valued. These valuations are based on the principle that such market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

Out of the above methods, we have used approaches/ methods as considered appropriate by us. The valuation approaches/ methods used, and the values arrived at using such approaches/ methods by us have been tabled in the next section of this Report.

## BASIS OF FAIR EQUITY SHARE EXCHANGE RATIO

The fair basis of the Proposed Amalgamation would have to be determined after taking into consideration all the factors, approaches and methods considered appropriate by us. Though different values have been arrived at under each of the above approaches/ methods, for the purposes of recommending the Fair Equity Share Exchange Ratio it is necessary to arrive at a single value for the shares of the companies involved in an amalgamation such as the Proposed Amalgamation. It is however important to note that in doing so, we are not attempting to arrive at the absolute values of the shares of the Companies but at their relative values to facilitate the determination of a Fair Equity Share Exchange Ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each approach/ method.

In the ultimate analysis, valuation will have to be arrived at by the exercise of judicious discretion by the valuer and judgments taking into account all the relevant factors. There will always be several factors, e.g. quality of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. The determination of exchange ratio is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. This concept is also recognized in judicial decisions. There is, therefore, no indisputable single exchange ratio. While we have provided our recommendation of the Fair Equity Share Exchange Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the Fair Equity Share Exchange Ratio of the equity shares of TML and TSL. The final responsibility for the determination of the Fair Equity Share Exchange Ratio at which the Proposed Amalgamation shall take place will be with the Audit Committee and Board of Directors of TML and TSL who should take into account other factors such as their own assessment of the Proposed Amalgamation and input of other advisors.

The Fair Equity Share Exchange Ratio has been arrived at on the basis of a relative equity valuation of TML and TSL based on the various approaches/ methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of these companies, having regard to information base, key underlying assumptions and limitations.



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In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Fair Equity Share Exchange Ratio for the Proposed Amalgamation whose computation is as under:

Valuation Approach	Tata Metaliks Limited		Tata Steel Limited	
	Value per Share (INR)	Weight	Value per Share (INR)	Weight
Asset Approach - Net Asset Value Method	484	0%	89	0%
Income Approach	NA	NA	NA	NA
Market Approach – Market Price Method (i)	754	50%	100	50%
Market Approach – Comparable Companies Multiples Method (ii)	919	50%	112	50%
Relative Value per Share (INR) (Weighted Average of (i) and (ii))	836		106	
Fair Equity Share Exchange Ratio for Proposed Amalgamation of TML into TSL (rounded off)	79:10			

**Notes:**

For the present valuation analysis, the amalgamation of the Companies is proceeded with on the assumption that the Companies would merge as going concerns and an actual realization of the operating assets is not contemplated. In such a going concern scenario, the relative earning power, as reflected under the Income and Market approaches, is of greater importance to the basis of amalgamation, with the values arrived at on the net asset basis being of limited relevance. Hence, while we have calculated and presented for informational purposes, the values of the shares of the Companies under the Asset Approach based on the book values of the net assets appearing in the balance sheets of the Companies as at 30 June 2022, we have considered it appropriate not to give any weightage to the same in arriving at the Fair Equity Share Exchange Ratio.

In the present case, since the Companies are listed on stock exchanges, information relating to the future financial performance of the Companies is price sensitive. Additionally having regard to the businesses in which the Companies operate, projecting financials of the Companies on a reliable basis, to afford a relative comparison, is difficult and involves considerable subjectivity and hence such projections have not been made available for the present exercise. In the absence of business plan and projections, we have not considered the Income Approach.



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- In the present case, the equity shares of both the Companies, TML and TSL, are listed on BSE and NSE and are frequently traded. Hence, we have applied the Market Price Method under the Market Approach to arrive at the relative fair value of the shares for the purpose of arriving at the Fair Equity Share Exchange Ratio.

Considering the availability of comparable / benchmark listed companies engaged in the businesses carried out by the Companies, we have also applied the Comparable Companies Multiples method under the Market Approach to arrive at the relative fair value of the shares of the Companies for the purpose of arriving at the Fair Equity Share Exchange Ratio.

For the present valuation analysis, we have considered it appropriate to apply the Market Price Method and the Comparable Companies Multiples Method, to arrive at the relative fair value of the equity shares of the Companies for determining the Fair Equity Share Exchange Ratio for the purpose of the Proposed Amalgamation.

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Fair Equity Share Exchange Ratio for the Proposed Amalgamation:

79 equity shares of Tata Steel Limited of INR 1/- each fully paid up for every 10 equity shares of Tata Metaliks Limited of INR 10/- each fully paid up.

Our valuation Report and Fair Equity Share Exchange Ratio is based on the equity share capital structure of TML and TSL as mentioned earlier in this Report. Any variation in the equity share capital of TML and TSL may have material impact on the Fair Equity Share Exchange Ratio.

Respectfully submitted,

For Deloitte Touche Tohmatsu India LLP,



Nandita Pai

Partner

Date – 22 September 2022



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Report Ref No: RCA2223AMDREPO9006

September 22, 2022

**The Board of Directors****Tata Metaliks Limited**Tata Centre, 10<sup>th</sup> Floor,  
43 Jawaharlal Nehru Road,  
Kolkata – 700 071

Dear Sirs,

**Subject: Fairness Opinion on Share Exchange Ratio for the proposed amalgamation of Tata Metaliks Limited into Tata Steel Limited**

We refer to our engagement letter dated September 13, 2022 wherein the Audit Committee (“AC”) of Tata Metaliks Limited appointed RBSA Capital Advisors LLP (“RBSA” or “We” or “Us”) to provide Fairness Opinion on the Share Exchange Ratio recommended by Ms. Rashmi Shah, Registered Valuer registered with Insolvency and Bankruptcy Board of India (“IBBI”) (IBBI Reg No: IBBI/RV/06/2018/10240) (the “Valuer”) and Deloitte Touche Tohmatsu India LLP as additional valuer (the “Additional Valuer”) for the proposed amalgamation of Tata Metaliks Limited (“TML”) into Tata Steel Limited (“TSL”). TML and TSL are together referred to as the “Specified Companies”. Valuer and Additional Valuer are together referred to as the “Valuers”

**Background:**

We understand that the proposal for amalgamation of TML into TSL is being evaluated on a ‘going concern’ basis, pursuant to a scheme of amalgamation under section 230 – 232 and other applicable provisions of the Companies Act, 2013 (the “Proposed Transaction”). As a consideration for the Proposed Transaction, equity shareholders of TML (other than TSL) shall be issued equity shares of TSL.

We further understand that the appointed date for the proposed amalgamation will be April 01, 2022.

In order to comply with the requirements of the Companies Act and other applicable statutes, the AC of TML has appointed Valuers to recommend the share exchange ratio for the Proposed Transaction (“Share Exchange Ratio”).



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RBSA Capital Advisors LLP has been appointed by the AC of TML to provide a fairness opinion on the Share Exchange Ratio, as recommended by the Valuers. Our scope of work includes commenting only on the fairness of the Share Exchange Ratio recommended by the Valuers from financial point of view and not on the fairness or economic rationale of the Proposed Transaction per se. This opinion does not address any other aspects or implications related to the Proposed Transaction or any other transactions and also does not address the relative merits of the amalgamation as compared to alternative transactions or strategies that might be available.

### Company Profile:

#### **Tata Metaliks Limited**

TML is a public limited company incorporated in 1990 under the provisions of the Companies Act, 1956. Its registered office is located at Tata Centre, 10<sup>th</sup> Floor, 43, J. L. Nehru Road, Kolkata - 700071, West Bengal. TML is primarily engaged in the business of manufacture and sale of pig iron and ductile iron pipes with its manufacturing facility located at Kharagpur, West Bengal.

The issued, subscribed, and paid-up equity share capital of TML as on June 30, 2022 was INR 315.78 million consisting of 31,577,500 equity shares of INR 10 each fully paid up. TSL holds ~60.03% equity in TML as of June 30, 2022. The equity shares of TML are listed on the BSE Limited ("BSE") and The National Stock Exchange of India ("NSE").

The Board of Directors of TML and Tata Steel Long Products Limited ("TSLP") in their meeting of November 13, 2020, approved the Scheme of Amalgamation for the merger of TML into TSLP (the "Erstwhile Scheme"), which is awaiting regulatory approvals. We understand from the management of TML, that the Erstwhile Scheme shall be withdrawn at the time of filing the Scheme for the Proposed Transaction.

#### **Tata Steel Limited**

TSL is a public limited company incorporated in 1907 under the Companies Act, 1956 and has its registered office at Bombay House, 24, Homi Mody Street, Fort, Mumbai - 400001. TSL is a leading global steel company with presence in the entire value chain of steel manufacturing from mining and processing iron ore and coal to producing and distributing finished products.

Effective July 28, 2022, the equity shares of TSL were sub-divided from face value INR 10 to face value INR 1 each. Consequently, post sub-division, the issued equity share capital of TSL comprises 12,223,453,300 equity shares of face value INR 1 each. Of this, 22,32,880 equity shares are partly paid up. The equity shares of TSL are listed on BSE and NSE. The global depository receipts of TSL are listed on the Luxembourg Stock Exchange and the London Stock Exchange.



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### Sources of Information:

For arriving at the fairness opinion set forth below, we have considered the following information:

- Audited financial statements of the Specified Companies for the year ending March 31, 2018 to March 31, 2022;
- Financial statements of the Specified Companies for the 3 months period ended June 30, 2022;
- Draft Reports of the Valuer and Additional Valuer for recommendation of the Share Exchange Ratio;
- Draft Scheme of Amalgamation for the Proposed Transaction (the "Scheme");
- Discussions with the senior management of the Specified Companies regarding past and current business, operations, financial condition, and prospects of the Specified Companies;
- Discussions with the Valuers;
- In addition to the above, we have also obtained such other explanations, which we considered relevant for the purpose of our analysis.

### Procedures Performed:

For arriving at the fairness opinion, we have performed the following procedures:

- Analysis of the audited financial statements of the Specified Companies for the year ending March 31, 2018 to March 31, 2022
- Analysis of financial statements of the Specified Companies for the 3 months period ended June 30, 2022;
- Considered Draft Reports of the Valuers for recommendation of the Share Exchange Ratio;
- Considered Draft Scheme;
- Considered Equity share capital of the Specified Companies as at the Report date;
- Discussions with senior management of the Specified Companies regarding past and current business, operations, financial condition and prospects of the Specified Companies;
- Discussions with the Valuers regarding the valuation approach and methodology adopted, key parameters and seeking relevant clarifications;
- Analysis of the information relating to the Specified Companies and peer companies available in the public domain and proprietary databases subscribed by us;
- Performed such other analyses and considered such other information and factors that we deemed appropriate.





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### Scope, Limitations, Disclaimers, Assumptions, Qualifications and Exclusions:

- This Fairness Opinion, its contents and the results herein are specific to (i) the purpose of fairness opinion agreed as per the terms of our engagement; (ii) date of this Report ("Fairness Opinion Date"); (iii) the Valuers' Reports for recommendation of Share Exchange Ratio, and (iv) are based on the financial statements of Specified Companies as of June 30, 2022. We have been informed that the business activities of the Specified Companies have been carried out in the normal and ordinary course between June 30, 2022 and the Fairness Opinion date and no material changes have occurred in their respective operations and financial position.
- While our work has involved an analysis of financial and other information provided by the Specified Companies, our engagement does not include an audit in accordance with generally accepted auditing standards of the Specified Companies' existing business records. Accordingly, we express no audit opinion or any other form of assurance on this information.
- RBSA has relied upon the representations that the information provided is accurate and complete in all material respects. With respect to explanations and information sought from the Specified Companies, we have been given to understand by the respective managements that they have not omitted any relevant and material factors about the Specified Companies and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusion is based on the information given by the Specified Companies. If there were any omissions, inaccuracies or misrepresentations of the information provided by the Specified Companies' management, it may have a material effect on our findings.
- This Fairness Opinion is based on business, economic, market and other conditions as they existed as of the date of this Fairness Opinion. Subsequent events or circumstances that could affect the conclusions set forth in our Fairness Opinion include, without limitation, adverse changes in industry performance or market conditions and changes to the business, financial condition, and results of operations of the Specified Companies. The user to which this fairness opinion report is addressed should read the basis upon which the Report has been done and be aware of the potential for later variations in value due to factors that are unforeseen at of the Report Date. Due to possible changes in market forces and circumstances, this opinion can only be regarded as relevant as at the Report Date. RBSA is under no obligation to update, revise or reaffirm the Fairness Opinion.



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- We have assumed that the Proposed Transaction will be approved by regulatory authorities and will be consummated in accordance with the terms set forth in the Scheme. We have also relied on data from external sources to conclude the fairness opinion. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.
- Providing fairness opinion is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. In the ultimate analysis, our opinion will have to be tempered by the exercise of judicious discretion and judgment taking into accounts all the relevant factors. There is, therefore, no indisputable single Share Exchange Ratio. While we have provided our opinion on the fairness of the Share Exchange Ratio recommended by the Valuers based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion. The final responsibility for the determination of the Share Exchange Ratio at which the Proposed Transaction shall be with the Board of Directors of the Specified Companies who should take into account other factors such as their own assessment of the Proposed Transaction and input of other advisors.
- The Fairness Opinion assumes that the Specified Companies comply fully with relevant laws and regulations applicable in all its areas of operations, and that the Specified Companies will be managed in a competent and responsible manner. Further, this Fairness Opinion has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not disclosed in the audited balance sheet of the Specified Companies.
- We will not be liable for any losses, claims, damages, or liabilities arising out of the actions taken, omissions of or advice given by any other person to the Specified Companies. In no event shall we be liable for any loss, damages, cost, or expenses arising in any way from fraudulent acts, misrepresentations, or willful default on part of the Specified Companies, their directors, employees, or agents. In no circumstances, shall the liability of RBSA, its partners, directors or employees relating to the services provided in connection with the engagement set out in this Report exceed the amount paid to RBSA in respect of the fees charged by it for these services.





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- It is understood that this Fairness Opinion is for the benefit and use of the Board of Directors of TML in connection with and for purposes of its evaluation of the Proposed Transaction and is not rendered to or for the benefit of, and shall not confer rights or remedies upon, any person other than the Board of Directors of TML. RBSA accepts no responsibility or liability to any third party, in connection with this Report. This opinion may not be disclosed, referred to, or communicated (in whole or in parts) to any third party, nor shall any public reference be made, for any purpose whatsoever except as required to be disclosed by TML to the relevant stock exchanges pursuant to Master Circular no. SEBI/HO/CFD/DILI/CIRIP/202110000000665, dated November 23, 2021, as amended, issued by the Securities and Exchange Board of India ("SEBI Circular") and may be disclosed on the website of TML and the stock exchanges to the extent required in terms of the SEBI Circular, a part of the explanatory statement to be circulated to the shareholders and or creditors of TML and as required to be disclosed to relevant judicial, regulatory or government authorities, as required under applicable laws. It is clarified that reference to this Report in any document and/ or filing pursuant to the Regulations, in connection with the Proposed Transaction, shall not be deemed to be an acceptance by RBSA of any responsibility or liability to any person / party other than TML.
- This Fairness Opinion is subject to laws of India and is governed by concept of materiality.
- The Fairness Opinion should not be construed to be an investment advice in any manner whatsoever. Furthermore, no opinion, counsel or interpretation is intended in matters that require legal, accounting, tax, or other appropriate professional advice. It is assumed that such opinions, counsel, or interpretations have been or will be obtained from the appropriate professional sources.
- The fee for our services is not contingent upon the results of the Proposed Transaction.
- Our Fairness Opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with Proposed Transaction or any matter related thereto.



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### Valuers' Recommendation

In arriving at the relative value of equity shares of the Specified Companies, the Valuers have considered and applied equal weights to the following methods:

- Market Approach – Market Price Method and
- Market Approach – Comparable Companies Multiple Method

The Valuer has recommended the following Share Exchange Ratio for the Proposed Transaction as per their valuation report:

79 (Seventy-Nine) equity shares of Tata Steel Limited (of face value INR 1/- each fully paid up) for every 10 (Ten) equity shares of Tata Metaliks Limited (of face value INR 10/- each fully paid up).

The Additional Valuer has recommended the following Share Exchange Ratio for the Proposed Transaction as per their valuation report:

79 (Seventy-Nine) equity shares of Tata Steel Limited (of face value INR 1/- each fully paid up) for every 10 (Ten) equity shares of Tata Metaliks Limited (of face value INR 10/- each fully paid up).

### Our Comment on the Share Exchange Ratio

In the circumstance, having regards to the relevant factors and on the basis of information and explanations provided to us, in our opinion, the Share Exchange Ratio as recommended by the Valuer and the Additional Valuer, which forms the basis for the Proposed Transaction, is fair, to the shareholders of TML, from a financial point of view.

Yours Truly,

**RBSA Capital Advisors LLP**  
SEBI Registered Category I Merchant Banker  
Registration Code: INM000011724

Ravishu Vinod Shah  
Partner

Date: September 22, 2022



## Pre and Post Amalgamation Shareholding Pattern of both Transferor and Transferee Company as on 31.03.2023

Sr	Description	Transferor Company –Tata Metaliks Limited				Transferee Company –Tata Steel Limited			
		Pre-arrangement		Post-arrangement		Pre-arrangement		Post-arrangement	
		No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>								
<b>1</b>	<b>Indian</b>								
(a)	Individuals/ Hindu Undivided Family	-	-	-	-	-	-	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	1,89,57,090	60.03	-	-	4,14,35,94,780	33.90	4,14,35,94,780	33.63
(d)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-
(e)	Any Others	-	-	-	-	-	-	-	-
	<b>Sub Total(A)(1)</b>	<b>1,89,57,090</b>	<b>60.03</b>	<b>-</b>	<b>-</b>	<b>4,14,35,94,780</b>	<b>33.90</b>	<b>4,14,35,94,780</b>	<b>33.63</b>
<b>2</b>	<b>Foreign</b>								
(a)	Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-
(d)	Any Others	-	-	-	-	-	-	-	-
	<b>Sub Total(A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>	<b>1,89,57,090</b>	<b>60.03</b>	<b>-</b>	<b>-</b>	<b>4,14,35,94,780</b>	<b>33.90</b>	<b>4,14,35,94,780</b>	<b>33.63</b>
<b>(B)</b>	<b>Public shareholding</b>								
<b>1</b>	<b>Institutions</b>								
(a)	Mutual Funds/ UTI	21,29,922	6.75	-	-	1,11,59,09,571	9.13	1,13,27,35,955	9.19
(b)	Financial Institutions / Banks	800	0.00	-	-	1,26,40,429	0.11	1,26,46,749	0.10
(c)	Central Government/ State Government(s)	2,50,000	0.79	-	-	11,01,877	0.01	30,76,877	0.02
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-
(e)	Insurance Companies	19,300	0.06	-	-	1,22,13,43,084	9.99	1,22,14,95,554	9.91
(f)	Foreign Institutional Investors	-	-	-	-	1,24,650	0.00	1,24,650	0.00
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-
(h)	Any Other								
	Foreign Portfolio Investors I	-	-	-	-	2,38,60,24,567	19.52	2,38,60,24,567	19.37
	Foreign Portfolio Investors II	13,23,162	4.19	-	-	13,44,56,722	1.10	14,49,09,702	1.18
	Sovereign Wealth Funds	-	-	-	-	1,78,71,830	0.15	1,78,71,830	0.15
	NBFCs registered with RBI	-	-	-	-	4,20,027	0.00	4,20,027	0.00
	Provident Funds/ Pension Funds	-	-	-	-	15,85,13,977	1.30	15,85,13,977	1.29
	Alternate Investment Funds	-	-	-	-	1,92,83,074	0.16	1,92,83,074	0.16
	<b>Sub-Total (B)(1)</b>	<b>37,23,184</b>	<b>11.79</b>	<b>-</b>	<b>-</b>	<b>5,06,76,89,808</b>	<b>41.47</b>	<b>5,09,71,02,962</b>	<b>41.37</b>
<b>2</b>	<b>Non-institutions</b>								
(a)	Associate companies / Subsidiaries	-	-	-	-	-	-	-	-
(b)	Directors and their relatives (excluding Independent Directors and nominee Directors)	-	-	-	-	26,72,790	0.02	26,72,790	0.02

Sr	Description	Transferor Company –Tata Metaliks Limited				Transferee Company –Tata Steel Limited			
		Pre-arrangement		Post-arrangement		Pre-arrangement		Post-arrangement	
		No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
(c)	Key Managerial Personnel	-	-	-	-	1,000	0.00	1,000	0.00
(d)	Relatives of promoters (other than 'immediate relatives of promoters disclosed under 'Promoter and Promoter Group' category)	-	-	-	-	-	-	-	-
(e)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or "author of the trust"	-	-	-	-	-	-	-	-
(f)	Investor Education and Protection Fund (IEPF)	-	-	-	-	5,22,06,854	0.43	5,22,06,854	0.42
(g)	i. Resident Individual shareholders holding nominal share capital up to ₹2 lakh	75,21,690	23.82	-	-	2,20,84,14,155	18.07	2,26,78,35,506	18.41
(h)	ii. Resident Individual shareholders holding nominal share capital in excess of ₹2 lakh.	2,20,163	0.70	-	-	27,05,30,730	2.21	27,22,70,018	2.21
(i)	Non-Resident Indians (NRIs)	2,52,883	0.80	-	-	8,29,74,932	0.68	8,49,72,708	0.69
(j)	Foreign Nationals	-	-	-	-	1,62,275	0.00	1,62,275	0.00
(k)	Foreign Companies	-	-	-	-	45,89,420	0.04	45,89,420	0.04
(l)	Body Corporate	9,01,538	2.86	-	-	16,92,18,930	1.38	17,63,41,080	1.43
(m)	Any other								
	Trusts	100	0.00	-	-	5,56,86,060	0.46	5,56,86,850	0.45
	Body Corp-Ltd Liability Partnership	-	-	-	-	51,52,058	0.04	51,52,058	0.04
	Escrow Account	-	-	-	-	18,820	0.00	18,820	0.00
	Hindu Undivided Family	-	-	-	-	6,86,57,494	0.56	6,86,57,494	0.56
	Overseas Body Corporates	-	-	-	-	15,170	0.00	15,170	0.00
	Trust (Employees)	-	-	-	-	2,55,000	0.00	2,55,000	0.00
	Clearing Member	852	0.00	-	-	9,40,474	0.01	9,47,205	0.01
	Other Directors/ Relatives	-	-	-	-	8,02,500	0.01	8,02,500	0.01
	<b>Sub-Total (B)(2)</b>	<b>88,97,226</b>	<b>28.18</b>	<b>-</b>	<b>-</b>	<b>2,92,22,98,662</b>	<b>23.91</b>	<b>2,99,25,86,747</b>	<b>24.29</b>
(B)	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>1,26,20,410</b>	<b>39.97</b>	<b>-</b>	<b>-</b>	<b>7,98,99,88,470</b>	<b>65.38</b>	<b>8,08,96,89,709</b>	<b>65.66</b>
	<b>TOTAL (A)+(B)</b>	<b>3,15,77,500</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>12,13,35,83,250</b>	<b>99.28</b>	<b>12,23,32,84,489</b>	<b>99.29</b>
(C)	<b>Shares held by Custodians and against which DRs have been issued</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>8,79,53,750</b>	<b>0.72</b>	<b>8,79,53,750</b>	<b>0.71</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>3,15,77,500</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>12,22,15,37,000</b>	<b>100.00</b>	<b>12,32,12,38,239</b>	<b>100.00</b>



DCS/AMAL/TL/IP/2708/2022-23

March 31, 2023

The Company Secretary,  
**TATA STEEL LTD.**  
 Bombay House, 24 Homi Mody Street,  
 Fort, Mumbai, Maharashtra, 400001

The Company Secretary,  
**Tata Metaliks Limited**  
 43, Tata Centre, 10th Floor, J L  
 Nehru Road, Kolkata, West Bengal, 700071

Dear Sir/Madam,

**Sub: Observation Letter regarding the Scheme of Amalgamation amongst Tata Steel Limited and Tata Metaliks Limited and their respective shareholders**

We are in receipt of the Scheme of Amalgamation amongst Tata Steel Limited and Tata Metaliks Limited and their respective shareholders filed by Tata Steel Limited and Tata Metaliks Limited respectively as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated March 31, 2023, has inter alia given the following comment(s) on the Scheme of Amalgamation:

- a) "Company shall ensure that it discloses all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and Shareholders, while seeking approval of the scheme."
- b) "Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the scheme with the Stock Exchange, from the date of receipt of this letter, is displayed on the websites of the Listed Company and the Stock Exchanges."
- c) "Company shall ensure compliance with the SEBI Circulars issued from time to time."
- d) "The entities involved in the scheme shall duly comply with various provisions of the Circular."
- e) "Company is advised that the information pertaining to all the Unlisted Companies involved in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- f) "Company is advised that the Transferee Company shall disclose the pro forma balance sheet of TSL pursuant to merger with TML, names of comparable companies considered under CCM method in valuation report along with the rationale for considering those companies and disclose the need, rationale, cost-benefit analysis of the scheme along with the impact on the shareholders of TSL and TML as a part of the explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the Company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act, 2013."
- g) "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
- h) "Company is advised that the details of the proposed Scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders."
- i) "Company is advised that the proposed Equity Shares to be issued in terms of the 'Scheme' shall mandatorily be in demat form only."

- j) "Company shall ensure that the 'Scheme' shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."
- k) "Company to ensure that no changes to the draft Scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."
- l) "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company obliged to bring the observations to the notice of Hon'ble NCLT."
- m) "Company is advised to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."
- n) "It is to be noted that the petitions are filed by the Company before Hon'ble NCLT after processing and communication of comments/observations on draft Scheme by SEBI/Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- i. To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- ii. To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- iii. To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be is required to be served upon the Exchange seeking representations or objections if any.

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

  
Prasad Bhide  
Senior Manager

  
Tanmayi Lele  
Assistant Manager

**National Stock Exchange Of India Limited**

Ref: NSE/LIST/32894

March 31, 2023

The Company Secretary  
Tata Steel Limited  
Tata Centre, 10th floor  
43, J.L. Nehru Road  
Kolkata-700 071

**Kind Attn.: Mr. Parvatheesam Kanchinadham**

Dear Sir,

**Sub: Observation Letter for draft scheme of amalgamation amongst Tata Steel Limited (“Transferee Company” or “TSL”) and Tata Metaliks Limited (“Transferor Company” or “TML”) and their respective shareholders.**

We are in receipt draft scheme of amalgamation amongst Tata Steel Limited (“Transferee Company” or “Tata”) and Tata Metaliks Limited (“Transferor Company” or “TML”) and their respective shareholders under section 230 to 232 of the Companies Act, 2013 read with rules made thereunder.

Based on our letter reference no. NSE/LIST/32894 dated December 26, 2022, submitted to SEBI and pursuant to SEBI Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021(Circular) and Regulation 94(2) of SEBI (LODR) Regulations 2015, SEBI vide its letter dated March 31, 2023, has inter alia given the following comment(s) on the draft scheme of arrangement:

- a. *Company shall ensure that it discloses all the details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- b. *Company shall ensure that the additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchange, from the date of receipt of this letter, is displayed on the websites of the listed Company and the Stock Exchanges.*
- c. *The entities involved in the scheme shall duly comply with various provisions of the Circular.*
- d. *Company shall ensure that the information pertaining to all the Unlisted Companies involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*

This Document is Digitally Signed



Signer: DIPTI VIPIL CHINGKHEDE  
Date: Fri, Mar 31, 2023 19:29:20 IST  
Location: NSE



- e. *The Transferee Company shall disclose the proforma balance sheet of TSL pursuant to merger with TML, names of comparable companies considered under CCM method in valuation report along with rationale for considering those companies and disclose the need, rationale and cost-benefit analysis of the Scheme along with impact on the shareholders of TSL and TML as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the Company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act, 2013.*
- f. *Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- g. *Company shall ensure that the details of the proposed Scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.*
- h. *Company shall ensure that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only.*
- i. *Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the Scheme document.*
- j. *Company shall ensure that no changes to the draft scheme except those mandated by the regulators/authorities/ tribunals shall be made without specific written consent of SEBI.*
- k. *Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
- l. *Company to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed Scheme.*
- m. *It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.*

**It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.**

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from March 31, 2023, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

**The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37(1) of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.**

Yours faithfully,  
For National Stock Exchange of India Limited

Dipti Chinchkhede  
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:  
<https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

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Signer: DIPTI VIPIL CHINCHKHEDE  
Date: Fri, Mar 31, 2023 19:29:20 IST  
Location: NSE



**Details of ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Transferee Company, its promoters, and directors**

- I. Details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against the Transferee Company.

**1. Details of ongoing adjudications and recovery proceedings against the Transferee Company**

**1. Income Tax**

- i. The Transferee 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 Transferee Company as deduction and the computation of, or eligibility of the Transferee Company's use of certain tax incentives or allowances.
- ii. 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.
- iii. As at March 31, 2023, there are matters and/or disputes pending in appeal amounting to ₹3,552.39 crore (March 31, 2022: ₹3,544.68 crore).
- iv. The details of significant demands are as below:
  - a) Interest expenditure on loans taken by the Transferee Company for acquisition of a subsidiary has been disallowed in assessments with tax demand raised for ₹1,641.64 crore (inclusive of interest) (March 31, 2022: ₹1,641.64 crore).
  - b) Interest expenditure on "Hybrid Perpetual Securities" has been disallowed in assessments with tax demand raised for ₹484.78 crore (inclusive of interest) (March 31, 2022: ₹484.78 crore)
- v. In respect of above demands, the Transferee Company has deposited an amount of ₹1,255.63 crore (March 31, 2022: ₹1,255.63 crore) as a precondition for obtaining stay. The Transferee Company expects to sustain its position on ultimate resolution of the said appeals.

**2. Customs, excise duty, service tax and GST**

- i. As at March 31, 2023, there were pending litigations for various matters relating to customs, excise duty, service tax and GST involving demands of ₹379.61 crore (March 31, 2022: ₹310.63 crore).

**TATA STEEL LIMITED**

Registered Office Bombay House 24 Homi Mody Street Fort Mumbai 400 001 India  
 Tel 91 22 6665 8282 Fax 91 22 6665 7724 Website www.tatasteel.com  
 Corporate Identity Number L27100MH1907PLC000260



### **3. Sales Tax/VAT**

- i. The total sales tax demands that are being contested by the Transferee Company amounted to ₹716.71 crore (March 31, 2022: ₹776.08 crore).
- ii. The details of significant demands are as below:
  - a) The Transferee 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 2011-12, 2012-13, 2014-15, 2016-17 and 2017-18 as on March 31, 2023 is amounting to ₹200.00 crore (March 31, 2022: ₹142.00 crore)

### **4. Other taxes, dues and claims**

- i. Other amounts for which the Transferee Company may contingently be liable aggregate to ₹18,184.13 crore (March 31, 2022: ₹15,790.08 crore).
- ii. The details of significant demands are as below:
  - a) 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 Transferee Company had filed a writ petition in the Odisha High Court challenging the validity of the Act. The High Court held in December 2005 that the State does not have authority to levy tax on minerals. The State of Odisha filed an appeal in the Supreme Court against the order of the High Court and the case is pending in Supreme Court. The potential liability, as at March 31, 2023 is ₹13,084.69 crore (March 31, 2022: ₹11,023.93 crore).
  - b) The Transferee 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 Transferee 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 Transferee 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 case held the circulars based on which demands were raised to be valid. The Transferee 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 Transferee 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 Transferee 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 Transferee Company considering that the case of the Transferee 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 case.

Likely demand of royalty on fines at sized ore rates as on March 31, 2023 is ₹2,696.58 crore (March 31, 2022: ₹2,859.97 crore).

- c) 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 Transferee 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 minerals extracted in excess of environment clearance or without forest clearance from the forest land be paid.

In pursuance to the Judgement of Hon'ble Supreme Court, demand/show cause notices amounting to ₹3,873.35 crore have been issued during 2017-18 by the Deputy Director of Mines, Odisha and the District Mining Office, Jharkhand.

In respect of the above demands:

- as directed by the Hon'ble Supreme Court, the Transferee 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 Transferee 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 Transferee Company 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, 2022: ₹132.91 crore) is considered contingent. After reconsideration, the State has raised a revised fresh demand of Rs 107 Cr in September 2022. The Transferee Company has challenged the fresh demand in Mines Tribunal, Delhi.
  - the Transferee 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 chromite ore Sukinda mine 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 Transferee Company has challenged the demand and obtained a stay on the matter from the Revisionary Authority, Mines Tribunal, New Delhi.
  - For its Coal mines in Jharkhand, the Transferee Company based on its internal assessment has provided an amount of ₹1,412.89 crore against demand notices amounting to ₹2,140.30 crore received from the District Mining Office, Jharkhand for producing more than environment clearance and the balance amount of ₹727.41 crore (March 31, 2022: ₹727.41 crore) is considered contingent. The Transferee Company has however been granted a stay by the Revisional Authority, Ministry of Coal, Government of India against such demand notices
- d) An agreement was executed between the Government of Odisha (GoO) and the Transferee 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 Transferee 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 Transferee 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 Transferee Company filed writ petitions before Hon'ble High Court of Odisha. The Transferee 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 Transferee Company has submitted its detailed representation to Principal Secretary, Water Resource Department, GoO on June 21, 2019, which is under consideration. The litigation has since been disposed off favourably in June 2022. Following the directions of Hon'ble HC, the State has issued a One-Time Settlement Scheme. The Transferee Company has opted for the scheme and final resolution is in progress.

The potential exposure as on March 31, 2023 is Nil (March 31, 2022: ₹262.13 crore) is considered as contingent.

#### **5. Other significant litigations**

- i. 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 Transferee 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 Transferee Company is not liable to be proceeded with. Meanwhile, the Transferee Company received demand notices for the various mines at Odisha totalling to ₹5,579.00 crore (March 31, 2022: ₹5,579.00 crore). The Transferee 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 Transferee 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 Transferee 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.

- ii. Noamundi Iron Ore Mine of the Transferee Company was due for its third renewal with effect from January 1, 2012. The application for renewal was submitted by the Transferee 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 Transferee 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 Transferee Company before the Jharkhand High Court.

The mining operations were suspended from August 1, 2014. Upon issuance of an express order, Transferee 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:

- a) 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.
- b) 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.
- c) value of iron ore produced from July 18, 2014 to August 31, 2014 i.e. ₹152.00 crore to be paid immediately

District Mining Officer Chaibasa on March 16, 2015 issued a demand notice for payment of ₹421.83 crore, in three monthly instalments. The Transferee 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 Transferee Company has paid ₹50.00 crore under protest on July 27, 2015, because the State had stopped issuance of transit permits.

The Transferee 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 Transferee 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 Transferee Company's assessment of the Goa mines judgement read with the Ordinance issued in the year 2015, the Transferee Company believes that it is remote that the demand of the State would sustain.

- iii. 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 Transferee 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 Transferee Company has filed its claim for compensation in respect of New Patrapada Coal Block, 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 Collieries 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 Transferee Company). Later, the SCCL also has voluntarily surrendered the coal block. The case pertaining to several issues related to surrender of coal block and recovery of compensation is pending in Delhi HC in Writ Petition No. 6293 of 2016, which is pending.

## **2. Details of Prosecutions Initiated and Other enforcement actions against the Transferee Company**

- i. The Transferee Company has been facing criminal prosecutions under statutes stipulating criminal consequences arising therefrom, including the Mines & Mineral (Development Regulation) Act, 1957, Contract Labour (Regulation & Abolition) Act, 1970, Environment (Protection) Act, 1986, Water (Prevention and Control of Pollution) Act, 1974, Forest (Conservation) Act, 1980, Indian Forest Act, 1927, Scheduled Caste and Scheduled Tribe (Prevention of Atrocities) Act, 1989, Indian Penal Code, 1860, State Acts on these subjects, as well as rules and regulations framed thereunder.
- ii. As at March 31, 2023, there are 15 cases pending against the Transferee Company (including cases involving allegations of violation against the erstwhile Bhushan Steel Ltd. & its subsidiary companies).
- iii. The details of significant cases against the Transferee Company are as below:



- a) Cases involving allegations of violation of Environment (Protection) Act, 1986 and/or excess mining for an extended period which carries a maximum prescribed punishment of imprisonment which may extend to 7 years other than fine, in respect of:
  - i. Sukinda Chromite Mine
  - ii. Noamundi Mines
  - iii. Manmora Manganese Mine
  - iv. Khondbond Manganese Mine
  - v. Bamebari Manganese Mine
  - vi. Joda West Iron & Manganese Mine
  - vii. Katamati Iron Mine
  - viii. Joda East Iron Mine
- b) Case involving allegation of violation of Mines & Minerals (Development & Regulation) Act, 1957 and rules framed thereunder prescribing a maximum punishment which may extend to 2 years and/or fine extending upto Rs.5 lakhs where the MD & CEO is also an accused.

**II. Details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against the promoters of the Transferee Company.**

1. Representative suit titled Mr. Pramod Premchand Shah & Others versus Mr. Ratan N. Tata & Others was filed by a small group of shareholders in the Bombay High Court (“Court”) against Tata Sons, its directors, and certain listed Tata companies (including Tata Steel Limited) in which Tata Sons has investments. This suit claims, inter alia, damages in the sum of INR 41,832 crore for alleged loss caused to all the non-promoter shareholders of those listed Tata companies owing to a fall in the share price of those companies allegedly due to the removal of Mr Cyrus P. Mistry as the executive Chairman of Tata Sons. Tata Sons had sought revocation of the leave granted by the Court permitting the Plaintiffs to institute the suit as a representative suit. By an order dated July 10, 2017 the Court revoked the earlier leave granted to the Plaintiffs, as a result the suit is no longer a representative suit. The Plaintiffs sought a stay of the order, which request was denied by the Court by its order dated July 11, 2017. The Plaintiffs have preferred an appeal from the aforesaid orders. The hearing of the appeal is awaited. Tata Sons believes this case is frivolous and without merit. Tata Sons is defending itself appropriately in accordance with the law. Based on legal advice, no financial liability for Tata Sons is foreseen at this stage. Any future liability in the case would depend on the final adjudication of the cases which is uncertain and, in any event, is unlikely to crystallise in a near-term.

**III. Details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against the directors of the Transferee Company.**



**A. Cases pending against CEO & MD**

- i. Criminal prosecutions (8 in number) have been instituted against the CEO&MD, in the capacity of Occupier, on the basis of allegations of violation of the provisions of the Factories Act, 1948 read with the State Rules. The cases arise out of accidents that have taken place in the factory alleged to be as a result of lapses on the part of the Transferee Company. The details of significant cases, punishment for which includes imprisonment or fine or both, are as below:
  - a. 2 Cases arising out of fatal accidents of two employees in Jamshedpur steel works
  - b. Case arising out of a fatal accident of a contract worker in Kalinganagar
  - c. Case arising out of a fatal accident of an employee in Meramandali
- ii. A Case involving allegation of violation of Mines & Minerals (Development & Regulation) Act, 1957 and rules framed thereunder, prescribing a maximum punishment which may extend to 2 years and/or fine extending upto Rs.5 lakhs, is pending, where the Transferee Company is also an accused.
- iii. Complaints (4 in number) have been registered against CEO&MD, as a representative of the Transferee Company, by the Senior Labour Inspector alleging non-compliance of labour laws including the Minimum Wages Act, 1948 read with the Minimum Wages Rules (Central) Rules, 1950, Karnataka Shops and Establishment Act, 1961, Equal Remuneration Act, 1976, Payment of Wages Act, 1936, Child and Adolescent Labour (Prohibition and Regulation) Act, 1986, at the Bangalore office.

As at March 31, 2022

## PROFORMA BALANCE SHEET OF MERGED ENTITIES

	(₹ crore)	(₹ crore)	(₹ crore)	(₹ crore)
	TSL	TML	Merger impact	Resulting Entity (TSL + TML)
<b>Assets</b>				
<b>I Non-current assets</b>				
(a) Property, plant and equipment	87,946.22	842.07		88,788.29
(b) Capital work-in-progress	14,159.32	233.06		14,392.38
(c) Right-of-use assets	5,538.18	161.20		5,699.38
(d) Goodwill	-	-		-
(e) Intangible assets	806.03	1.55		807.58
(f) Intangible assets under development	382.64	-		382.64
(g) Investments in subsidiaries, associates and joint ventures	29,167.38	-		29,167.38
(h) Financial assets	-	-		-
(i) Investments	14,234.05	0.01	(430.09)	13,803.97
(ii) Loans	30,195.27	-		30,195.27
(iii) Derivative assets	133.21	-		133.21
(iv) Other financial assets	1,211.81	0.00		1,211.81
(i) Non-current tax assets (net)	3,620.76	8.51		3,629.27
(j) Deferred tax assets	-	-		-
(k) Other assets	3,301.78	21.02		3,322.80
<b>Total non-current assets</b>	<b>1,90,696.65</b>	<b>1,267.42</b>	<b>(430.09)</b>	<b>1,91,533.98</b>
<b>II Current assets</b>				
(a) Inventories	19,942.94	477.39		20,420.33
(b) Financial assets	-	-		-
(i) Investments	96.11	60.30		156.41
(ii) Trade receivables	3,280.30	211.01	(176.61)	3,314.70
(iii) Cash and cash equivalents	2,671.59	73.77		2,745.36
(iv) Other balances with banks	183.70	53.19		236.89
(v) Loans	2,368.01	150.00		2,518.01
(vi) Derivative assets	89.54	-		89.54
(vii) Other financial assets	718.30	23.25		741.55
(c) Retirement benefit assets	-	-		-
(d) Other assets	1,939.08	32.85		1,971.93
(e) Assets held for sale	-	-	(0.05)	(0.05)
<b>Total current assets</b>	<b>31,289.57</b>	<b>1,081.77</b>	<b>(176.66)</b>	<b>32,194.68</b>
<b>Total assets</b>	<b>2,21,986.22</b>	<b>2,349.18</b>	<b>(606.75)</b>	<b>2,23,728.65</b>
<b>Equity and liabilities</b>				
<b>III Equity</b>				
(a) Equity share capital	1,222.37	31.58	(21.61)	1,232.34
(b) Other equity	1,24,211.39	1,493.69	(408.48)	1,25,296.60
<b>Total equity</b>	<b>1,25,433.76</b>	<b>1,525.27</b>	<b>(430.09)</b>	<b>1,26,528.94</b>
<b>IV Non-current liabilities</b>				
(a) Financial liabilities	-	-		-
(i) Borrowings	20,290.81	-		20,290.81
(ii) Lease obligations	3,726.90	140.24		3,867.14
(iii) Derivative liabilities	10.18	-		10.18
(iv) Other financial liabilities	883.23	-		883.23
(b) Provisions	2,685.00	17.49		2,702.49
(c) Retirement benefit obligations	2,315.91	2.55		2,318.46
(d) Deferred income	0.74	-		0.74
(e) Deferred tax liabilities (net)	8,087.57	55.02		8,142.59
(f) Other liabilities	4,887.29	-		4,887.29
<b>Total non-current liabilities</b>	<b>42,887.63</b>	<b>215.30</b>	<b>-</b>	<b>43,102.93</b>
<b>V Current liabilities</b>				
(a) Financial liabilities	-	-		-
(i) Borrowings	11,984.66	-		11,984.66
(ii) Lease obligations	522.14	8.14		530.28
(iii) Trade payables	-	-		-
(a) Total outstanding dues of micro and small enterprises	678.20	-		678.20
(b) Total outstanding dues of creditors other than micro and small enterprises	20,412.94	447.37	(176.61)	20,683.70
(iv) Derivative liabilities	81.48	0.05		81.53
(v) Other financial liabilities	5,137.54	44.24		5,181.78
(b) Provisions	1,082.42	4.17		1,086.59
(c) Retirement benefit obligations	114.99	10.54		125.53
(d) Deferred income	67.84	35.91		103.75
(e) Current tax liabilities (net)	1,079.69	4.29		1,083.98
(f) Other liabilities	12,502.93	53.89	(0.05)	12,556.77
<b>Total current liabilities</b>	<b>53,664.83</b>	<b>608.61</b>	<b>(176.66)</b>	<b>54,096.78</b>
<b>Total equity and liabilities</b>	<b>2,21,986.22</b>	<b>2,349.18</b>	<b>(606.75)</b>	<b>2,23,728.65</b>





Annexure 15

November 9, 2022

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

Dear Sir, Madam,

**Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Scheme of Amalgamation of Tata Metaliks Limited ('TML' / 'Transferor Company') into and with Tata Steel Limited ('TSL' / 'Transferee Company' / 'the Company')**

We refer to our application dated October 11, 2022, regarding the above subject.

In terms of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, and SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, please find enclosed the Complaint Report for the period October 16, 2022 to November 5, 2022 in the prescribed format.

Request you to take the above on record.

Thanking you.

Yours faithfully,  
Tata Steel Limited

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



Encl: As above

*\*Securities in scrip code 890144 stand suspended from trading effective February 17, 2021.*

**TATA STEEL LIMITED**

Registered Office Bombay House 24 Homi Mody Street Fort Mumbai 400 001 India  
Tel 91 22 6665 8282 Fax 91 22 6665 7724 Website www.tatasteel.com  
Corporate Identity Number L27100MH1907PLC000260



**COMPLAINTS REPORT**  
(Period: October 16, 2022 to November 5, 2022)

Part A

SN	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchange / SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	N.A.
5.	Number of complaints pending	N.A.

Part B

SN	Name of complainant	Date of complaint	Status (Resolved/Pending)
N.A.			

Tata Steel Limited

**Parvathesam Kanchinadham**  
Company Secretary &  
Chief Legal Officer (Corporate & Compliance)



November 9, 2022

**TATA STEEL LIMITED**

Registered Office Bombay House 24 Homi Mody Street Fort Mumbai 400 001 India  
Tel 91 22 6665 8282 Fax 91 22 6665 7724 Website [www.tatasteel.com](http://www.tatasteel.com)  
Corporate Identity Number L27100MH1907PLC000260



Annexure 16

November 22, 2022

The Manager - Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1,  
G Block, Bandra-Kurla Complex, Bandra,  
Mumbai - 400 051.  
Maharashtra, India.  
**Scrip Code: TATASTEEL/TATASTLPP\***

Dear Sir, Madam,

**Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Scheme of Amalgamation of Tata Metaliks Limited ('TML' / 'Transferor Company') into and with Tata Steel Limited ('TSL' / 'Transferee Company' / 'the Company')**

We refer to our application dated October 11, 2022, regarding the above subject.

In terms of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, and SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, please find enclosed the Complaints Report for the period November 1, 2022 to November 21, 2022 in the prescribed format.

Request you to take the above on record.

Thanking you.

Yours faithfully,  
**Tata Steel Limited**

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



Encl: As above

*\*Securities in scrip code TATASTLPP stand suspended from trading effective February 17, 2021.*

**TATA STEEL LIMITED**

Registered Office Bombay House 24 Homi Mody Street Fort Mumbai 400 001 India  
Tel 91 22 6665 8282 Fax 91 22 6665 7724 Website www.tatasteel.com  
Corporate Identity Number L27100MH1907PLC000260



**COMPLAINTS REPORT**  
(Period: November 1, 2022 to November 21, 2022)

**Part A**

SN	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchange / SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	N.A.
5.	Number of complaints pending	N.A.

**Part B**

SN	Name of complainant	Date of complaint	Status (Resolved/Pending)
N.A.			

Tata Steel Limited

*Parvatheesam.*

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

November 22, 2022



**TATA STEEL LIMITED**

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