CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF TATA STEEL LIMITED AT ITS MEETING HELD ON FEBRUARY 6, 2023

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013, ("Companies Act") read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other rules made thereunder (including any statutory modification(s) or re-enactment(s) or amendment(s) thereof for the time being in force), and other applicable laws, including the circulars issued by the Securities and Exchange Board of India ("SEBI") on Schemes of Arrangement by Listed Entities including those listed entities having listed Non-convertible securities, *inter alia* including the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/ 0000000665 dated November 23, 2021,SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, and SEBI Circular No. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated July 29, 2022 as updated upto December 1, 2022, each as amended from time to time (collectively 'SEBI Circulars'), applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the relevant provisions of Memorandum of Association and Articles of Association of the Company, as amended from time to time, and other applicable laws, rules, regulations, bye-laws as the case may be, and subject to requisite approval of the members and/or the creditors, as applicable, of the Company (unless dispensed with by the Hon'ble National Company Law Tribunal having jurisdiction over the relevant companies), and necessary consents, observations, no-objections, permissions and approvals of SEBI, BSE Limited ('BSE'), The National Stock Exchange of India Limited ('NSE') and any other statutory or regulatory or governmental authorities and subject to the sanction of the relevant bench/benches of the Hon'ble National Company Law Tribunal(s) ('NCLT/Hon'ble NCLT') before whom the confirmation petition would be filed, and subject to all such conditions and modifications as may be prescribed or imposed by any of the aforesaid authorities while granting such approvals, observations, no-objections, permissions and sanctions, which may be agreed to by the Company, and as per recommendations given by the Committee of the Independent Directors and the Audit Committee of the Company respectively, the consent of the Board of Directors of the Company ('Board'), be and is hereby accorded to the draft Scheme of Amalgamation of Angul Energy Limited ('AEL' / 'Transferor Company'), a subsidiary of Tata Steel Limited, into and with Tata Steel Limited ('Transferee Company', or 'Company'), (hereinafter referred to as 'the Scheme') (a draft of which along with the valuation report and fairness opinion thereon, as required under the applicable laws was tabled at this meeting and was duly initialed by the Company Secretary for the purpose of identification), as per which, effective from opening of business hours on April 1, 2022 or such other date as the Hon'ble NCLT may direct/ allow ('Appointed Date'), the following shall take effect:

a) amalgamation of the Transferor Company into and with the Transferee Company in accordance with Sections 230 to 232 of the Companies Act and other applicable laws.

b) 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

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Scheme, in accordance with Sections 230 to 232 of the Companies Act, and other applicable laws.

c) the entire paid-up share capital of the Transferor Company including investment in the shares of the Transferor Company, appearing in the books of accounts of the Transferee Company shall stand cancelled in its entirety, which shall be effected as a part of the Scheme and not in accordance with Section 66 of the Companies Act and in the manner stipulated in Part II of the Scheme.

d) payment of cash consideration to all the shareholders of the Transferor Company (other than the Transferee Company) as per the approved valuation report, without any further act, instrument or deed, in accordance with Part II of this Scheme.

e) authorized share capital of the Transferor Company shall stand merged with the Company and consequential increase in the authorized share capital of the Company as provided in Part III of the Scheme.

f) the Transferor Company shall stand dissolved without being wound up.

RESOLVED FURTHER THAT the valuation report dated February 6, 2023, issued by CA Vikrant Jain, Registered Valuer (IBBI Reg no. IBBI/RV/05/2018/10204) for recommendation of the cash consideration payable for the equity shares held by the shareholders in the Transferor Company ('Valuation Report') and the Fairness Opinion dated February 6, 2023 issued by Ernst & Young Merchant Banking Services LLP (Reg No. INM000010700), an independent SEBI Registered Category 1 Merchant Banker, providing fairness opinion on the cash consideration recommended in the Valuation Report ('Fairness Opinion') as placed before the Board, be and are hereby accepted and taken on record.

RESOLVED FURTHER THAT for the purposes of Section 232 of the Companies Act and the SEBI Circulars, the draft auditor's certificate to be issued by the statutory auditors of the Company, i.e. Price Waterhouse & Co Chartered Accountants LLP ('Auditor's Certificate'), certifying 1) the payment/repayment capability of the resultant entity as well as 2)that the accounting treatment contained in the draft Scheme is in compliance with applicable Accounting Standards specified by the Central Government under Section 133 of the Companies Act and the rules made thereunder, as placed before the Board be and is hereby accepted and taken on record.

RESOLVED FURTHER THAT the reports of the Committee of Independent Directors and the Audit Committee of the Company, each dated February 6, 2023, recommending the draft Scheme, taking into consideration, *inter alia* the Valuation Report, the Fairness Opinion and the Auditors Certificate, as placed before the Board, be and are hereby taken on record.

RESOLVED FURTHER THAT a draft report under Section 232(2)(c) of the Companies Act and SEBI Circulars, as placed before the Board at this meeting and duly initialed by the Company Secretary for the purposes of identification, explaining the effect of the proposed Scheme on each of the equity

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shareholders (promoter and non-promoter shareholders), key managerial personnel, creditors employees, and holders of non-convertible debentures and laying out in particular, the cash consideration payable, specifying any special valuation difficulties, etc. is hereby adopted and taken on record and the Chairman of the Board be and is hereby authorized to finalize and sign the same.

RESOLVED FURTHER THAT in the opinion of the Board, the draft Scheme will be of advantage and be beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable and is not detrimental to the shareholders as well as debenture holders of the Company.

RESOLVED FURTHER THAT the cash consideration payable under the Scheme, on the basis of the Valuation Report and the Fairness Opinion, and as recommended by the Committee of Independent Directors and the Audit Committee of the Company, be and is hereby accepted and approved and in terms of the Scheme and upon the same coming into effect, the Company shall without any further application, act, instrument or deed, pay a cash consideration of Rs. 1,045/- (Rupees One thousand and Forty Five only) to the shareholders of AEL (except the Transferee Company) for every 1 (one) fully paid-up equity share of nominal value of Rs. 10/- (Rupees ten) each held by the shareholders (except the Transferee Company) of AEL, whose name appear 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).

RESOLVED FURTHER THAT the Company hereby appoints BSE Limited, having a nationwide trading terminal as the Designated Stock Exchange for the purposes of all its communications and for co-ordinating with SEBI for the purpose of seeking necessary approval to the Scheme.

RESOLVED FURTHER THAT the disclosure to be submitted to the stock exchanges in connection with the proposed Scheme, for and on behalf of the Company, under Regulation 30 of the Listing Regulations, a copy of which was tabled before the Board and duly initialed by the Company Secretary for the purpose of identification, be and is hereby approved.

RESOLVED FURTHER THAT Mr. T. V. Narendran, Chief Executive Officer & Managing Director, Mr. Koushik Chatterjee, Executive Director & Chief Financial Officer and Mr. Parvatheesam Kanchinadham, Company Secretary & Chief Legal Officer (Corporate & Compliance), be and are hereby authorized severally to make such modifications, amendments, alteration and changes in the Scheme as may be expedient, desirable or necessary for (i) filing the Scheme with the Hon'ble NCLT; or (ii) necessary for satisfying the requirements, limitations or conditions imposed by the Hon'ble NCLT, SEBI, BSE, NSE or any other regulatory authority; or (iii) may be necessary for solving all difficulties that may arise for carrying out in the Scheme, provided that prior approval of the Board shall be obtained for making any material changes in the said Scheme as approved in the meeting.

RESOLVED FURTHER THAT an application be made to the Hon'ble NCLT, under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act for seeking directions for holding or dispensation of meetings of the shareholders and creditors (if required) of the Company,

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and for the purpose of considering and approving the aforesaid draft Scheme and, Mr. T. V. Narendran, Chief Executive Officer & Managing Director, Mr. Koushik Chatterjee, Executive Director & Chief Financial Officer and Mr. Parvatheesam Kanchinadham, Company Secretary & Chief Legal Officer (Corporate & Compliance), be and are hereby severally authorized to:

a. file the said Scheme with the concerned stock exchange(s) for approval in terms of the provisions of the Listing Regulations and SEBI Circulars for obtaining observation letter or no-objection letter and provide clarifications on the Scheme (if any);

b. submit the 'Report on Complaints' containing the details of complaints/comments received by the Company on the draft Scheme from various sources (complaints/comments written directly to the Company or forwarded to it by the stock exchanges/SEBI) to the concerned stock exchanges;

c. file the company application(s) along with the affidavits (wherever required) before Hon'ble NCLT or such other competent authorities for seeking directions as to convening/ dispensation of the meetings of the shareholders and/or creditors of the Company as may be considered necessary and other directions to give effect to the Scheme;

d. convene and conduct shareholders/creditors meetings as may be directed by the Hon'ble NCLT;

e. appoint, or engage, or seek NO-Objection Certificate or ratify the appointment/engagement of any third-party intermediaries including without limitation, valuers, merchant bankers, debenture trustees, or any other advisor in connection with the transaction set out in the Scheme;

f. engage and instruct advocates and if considered necessary, also engage services of counsel(s), legal experts and other concerned authority(ies), to do all things necessary and expedient in connection with the Scheme including to declare and file all pleadings, reports, and sign and issue public advertisements and notices;

g. finalize and bring into effect the Scheme and make and give effect to any modifications, amendments, alterations, or revisions in the Scheme from time to time pursuant to any change in law or otherwise, including suspend, withdraw, transfer or revive the Scheme as may be specified by any statutory authority or;

h. may suo moto decide in their absolute discretion in consultation with the legal counsel(s) and do all such acts, deeds, matters and things whatsoever including settling any question, doubt or difficulty that may arise with regard to or in relation to the Scheme, in their absolute discretion consider necessary, expedient, fit and proper; provided that no alteration, modification or amendment which amounts to a material change to the substance of the Scheme shall be made except with the prior approval of the Board;

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i. make such alterations or modifications or amendments to the Scheme as may be expedient or necessary particularly to comply with any requirements, conditions or limitations, the Hon'ble NCLT or any other statutory authority(ies) may deem fit to direct or impose or for any other reason;

j. file petitions for confirmation and sanctioning of the Scheme by the Hon'ble NCLT or such other competent authority(ies);

k. for the above purpose file all pleadings, reports, and sign and issue advertisements and notices;

l. do all acts and things as may be considered necessary and expedient in relation thereto and for that purpose to engage any counsel(s) and sign authorization(s)/vakalatnama(s), in their favour as may be required;

m. obtain approval from and/or represent before Registrar of Companies, Ministry of Corporate Affairs, Regional Director, Income Tax authorities and such other statutory authority(ies) and other governmental body(ies), in India or abroad, including the shareholders and/or creditors as may be considered necessary;

n. produce all documents, matters or other evidence in connection with the matters aforesaid and any other proceedings incidental thereto or arising therefrom;

o. sign all the papers, documents, writings, applications, petitions, affidavits, representations, pleadings, public advertisements, notices, reports, e-forms to be filed with the Registrar of Companies, during the process etc., which are required to be signed, executed, delivered for carrying into effect the said Scheme in all respects whatsoever and/or for obtaining directions including but not limited to from the Hon'ble NCLT and for this purpose, to appear in person and/or represent the Company before the Hon'ble NCLT or any other judicial forums/authority and to deliver a certified copy of this resolution to any concerned party or authorities and for this purpose, to appear in person and/or represent the Company before the Hon'ble NCLT or any other judicial forums/authority;

p. sign and execute the request letters/ no objection/ sanction letters for obtaining the necessary no objection/ sanction letters for dispensation of the meeting(s) of the shareholders and/or creditors of the Company for approving the Scheme and thereafter submitting the same on receipt thereof to the Hon'ble NCLT or any other appropriate authority, as may be required;

q. settle any questions or doubts or any difficulties that may arise with regard to the Scheme, including passing of accounting entries and/or making such other adjustments in the books of account as are considered necessary to give effect to the Scheme and this resolution;

r. accept services of notices or other processes which may from time to time be issued in connection with the matter aforesaid and also to serve any such notices or other processes to parties or persons concerned;

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s. file requisite forms, returns, other documents with the Registrar of Companies in connection with the Scheme;

t. incur such expenses as may be necessary in relation to the above or the transaction;

u. take all procedural steps for having the Scheme sanctioned by the Hon'ble NCLT including, without limitation, filing necessary applications, petitions and signing, verifying and affirming all applications, affidavits and petitions as may be necessary; and

v. to take all the steps necessary or incidental and considered appropriate with regard to the above applications and petitions and implementation of the orders passed thereon and generally for putting through the Scheme and completing the same.

RESOLVED FURTHER THAT Mr. T. V. Narendran, Chief Executive Officer & Managing Director, Mr. Koushik Chatterjee, Executive Director & Chief Financial Officer and Mr. Parvatheesam Kanchinadham, Company Secretary & Chief Legal Officer (Corporate & Compliance), be and are hereby authorized severally to take a decision in consultation with the legal counsel(s) for transfer of the proceedings before a single NCLT and to make an application under Rule 16(d) of National Company Law Tribunal Rule, 2016 before the Principal Bench of Hon'ble NCLT, and take all such procedural steps, as may be required for giving effect to this resolution.

RESOLVED FURTHER THAT the Common Seal of the Company be affixed on such agreements, undertakings, deeds, documents, declarations, etc., as may be required, (including on any modifications or amendments or alterations thereto as may be required from time to time), in accordance with the provisions of the Articles of Association of the Company.

RESOLVED FURTHER THAT Mr. T. V. Narendran, Chief Executive Officer & Managing Director, Mr. Koushik Chatterjee, Executive Director & Chief Financial Officer and Mr. Parvatheesam Kanchinadham, Company Secretary & Chief Legal Officer (Corporate & Compliance) be and are hereby severally authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the above resolutions for and on behalf of the Company, including execution and delivery of certified copies of the resolutions passed at this meeting."

Certified True Copy
Tata Steel Limited

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

February 27, 2023
Mumbai

TRUE COPY
TATA STEEL LIMITED
(PARVATHEESAM KANCHINADHAM)
COMPANY SECRETARY &
CHIEF LEGAL OFFICER (CORPORATE & COMPLIANCE)

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TATA STEEL LIMITED AT ITS MEETING HELD ON MONDAY, FEBRUARY 6, 2023, EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION OF ANGUL ENERGY LIMITED INTO AND WITH TATA STEEL LIMITED, ON EACH CLASS OF SHAREHOLDERS (PROMOTER AND NON-PROMOTERS), KEY MANAGERIAL PERSONNEL, CREDITORS, EMPLOYEES AND HOLDERS OF NON CONVERTIBLE DEBENTURES (NCDs) OF TATA STEEL LIMITED AND 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 February 6, 2023, approved the Scheme of Amalgamation involving the Company and its subsidiary, Angul Energy 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), 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**") and SEBI Circular No. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated July 29, 2022 as updated upto December 1, 2022 ("**SEBI Operational Circular**").

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 report 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. Pursuant to Para A (2)(d) of Part I of Annex XII-A to the SEBI Operational Circular, the report of the Board is also required to comment on (i) impact of the scheme on the holders of NCDs; (ii) safeguards for the protection of holders of NCDs; (iii) exit offer to the dissenting holders of NCDs, if any.

3. Accordingly, this report of the Board is prepared to comply with the requirements of Section 232(2)(c) of the Companies Act and the SEBI Operational Circular.

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4. While deliberating on the Scheme, the Board, inter-alia, considered and took on record the following documents:

a) Draft of the proposed Scheme;

b) Valuation Report dated February 6, 2023, issued by Mr. Vikrant Jain, Registered Valuer (IBBI Reg no. IBBI/RV/05/2018/10204) ("**Valuation Report**"), who in his report has recommended a cash consideration of ₹1,045/- (Rupees One thousand Forty Five only) for every 1 (One) fully paid-up equity share of nominal value of ₹10/- (Rupees Ten) each held by the shareholders (except the Transferee Company) in the Transferor Company, pursuant to the Scheme;

c) Fairness opinion dated February 6, 2023, issued by Ernst & Young Merchant Banking Services LLP, an independent SEBI registered Category-I Merchant Banker providing fairness opinion on the recommended cash consideration in the Valuation Report prepared by Mr. Vikrant Jain ("**Fairness Opinion**");

d) Draft Auditor's Certificate 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, Para (A)(6) of Part I of Annex XII-A of SEBI Operational 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;

e) Report of the Committee of Independent Directors of the Company dated February 6, 2023, 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 February 6, 2023, 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 Sections 230 to 232 of the Companies Act and other applicable laws.

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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**").

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, 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) 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) Payment of cash consideration as per the approved Valuation Report to all the shareholders of the Transferor Company (except the Transferee Company), without any further act, instrument or deed, in accordance with Part II of the Scheme.

g) 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.

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 by the Transferee Company, from the Stock Exchanges (*as defined in the Scheme*) in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the SEBI Circulars and SEBI Operational Circular 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;

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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 of the Transferee Company 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 (promoter shareholders and non-promoter shareholders), Key Managerial Personnel, creditors andholders of NCDs of Tata Steel Limited**

a. The Valuation Report recommends a cash consideration of ₹1,045/- (Rupees One thousand and Forty Five only) for every 1 (One) fully paid-up equity share of nominal value of ₹10/- (Rupees Ten) each held by the shareholders (except the Transferee Company) in the Transferor Company as on the Record Date (*as defined in the Scheme*).

No special valuation difficulties were reported by the valuer.

b. 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

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amalgamation of the Transferor Company with the Company will not result in dilution of holding of promoter group in the Transferee Company's shares, nor would there be any change in the shareholding pattern. There will be no change in the trading stock of the shares of the Transferee Company. Pursuant to the Scheme, no new shares shall be issued by the Transferee Company, and there will be no change in economic interest of any of the current shareholders as on February 6, 2023, of the Transferee Company pre and post Scheme coming into effect.

The proposed Scheme does not entitle the promoter/promoter group and the related parties, associates and subsidiaries of the promoter/promoter group of the Company to any shares.

c. Effect on the KMPs

There shall be no effect of the Scheme on the KMPs of the Transferee 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.

d. 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.

e. Effect on staff or employees

Under the Scheme, no rights of the staff and employees (who are on payroll) 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.

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f. Effect of the Scheme on holders of NCDs

i. Impact of the scheme on the holders of NCDs

The holders of the NCDs in the Transferee Company shall continue to hold all the NCDs in the Transferee Company even post the Scheme becoming effective on the same terms and conditions at which they were issued. Thus, the rights of the holders of the NCDs are in no manner affected by the Scheme becoming effective.

ii. Safeguards for the protection of holders of NCDs

The Scheme envisages the amalgamation of the Transferor Company which is an unlisted subsidiary into the Transferee Company. Under the Scheme, no arrangement or compromise is being proposed with the holders of the NCDs of the Company. The liability of the NCD holders of the Company, under the Scheme, is neither being reduced nor being extinguished. Further, the holders of the NCDs shall continue to hold all the NCDs in the Transferee Company even post the Scheme becoming effective, on the same terms and conditions at which they were issued. The Scheme, therefore, has adequate safeguards for the protection of holders of NCDs.

iii. Exit offer to the dissenting holders of NCDs, if any

Since the holders of the NCDs in the Transferee Company shall continue to hold all the NCDs in the Transferee Company even post the Scheme becoming effective on the same terms and conditions at which they were issued, the holders of the NCDs are not affected by the Scheme. Further, the liability of the NCD holders of the Company, under the Scheme, is neither being reduced nor being extinguished. Therefore, the Scheme, does not envisage any exit offer to the dissenting holders of NCDs.

Basis the details provided in paragraphs 2(f) (i) to (iii) above, the Board confirmed that the Scheme will not be detrimental to the interests of the holders of NCDs in the Company.

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, employees and holders of the NCDs. In the opinion of the Board, the Scheme is in the best interest of the shareholders (promoters and non-promoter shareholders), KMPs, creditors, employees and holders of the NCDs of the Company and there will be no prejudice caused to them in any manner by the Scheme.

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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

N. Chandrasekaran
Chairman

Date: February 6, 2023
Place: Mumbai