

April 4, 2025

London Stock Exchange
London

Dear Sir, Madam,

Sub: Disclosure under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

This has reference to the aforementioned subject.

Background:

In May 2018, Tata Steel Limited ('Company'), through its wholly owned subsidiary - Barnnival Steel Limited, had acquired erstwhile Bhushan Steel Limited (renamed as Tata Steel BSL Limited) under the resolution process of the Insolvency and Bankruptcy Code, 2016. Consequent to this acquisition, a debt of ₹25,185.51 crore was waived off in favor of Tata Steel BSL Limited ('TSBSL').

TSBSL and Barnnival Steel Limited has amalgamated into and with Tata Steel Limited effective November 2021. The appointed date for the amalgamation was April 1, 2019.

Present Status:

On March 13, 2025 the Company had received a show cause notice seeking further documents on the abovementioned waiver amount for the purpose of reassessment of taxable income for AY 2019-20 by the Assessing Officer, Office of the Deputy Commissioner of Income Tax, Circle 2(3)(1), Mumbai ('Assessing Officer'). It is pertinent to note that the income tax return of Bhushan Steel for FY 2018-19 was accepted by the income tax department in June 2020 without any demand pertaining to the waiver of loan.

On March 24, 2025, the Company filed a writ petition with the Hon'ble High Court of Bombay, questioning the authority of the Assessing Officer in conducting the reassessment of taxable income for AY 2019-20.

Further, the Company has on March 31, 2025 received an Assessment Order ('Order') issued by the Assessing Officer, reassessing the taxable income for FY 2018-19 (AY 2019-20) and increasing the taxable amount for FY 2018-19 by the amount of debt waived. The Order further provides that the Company is allowed to file necessary documents with the tax authorities for computation of final tax liability in this regard.

Next Steps:

The Company has filed a writ petition before the Hon'ble High Court of Bombay on March 24, 2025 challenging technical infirmities in conducting the reassessment proceedings.

The Company, while filing the writ petition before the Hon'ble High Court of Bombay has considered past judicial precedents available on the subject.

In addition to its writ petition before the Hon'ble High Court of Bombay, the Company will also seek appropriate legal remedies before relevant judicial/quasi-judicial forums contesting the matter on merits and challenging the contents of the Order passed by the Assessing Officer. The Company has examined the matter and believes that it has a strong case on merits apart from the technical infirmities in the Order for which the Company is already before the Hon'ble High Court of Bombay. The Company believes that in terms of the relevant provisions of the Income Tax Act, 1961, waiver of debt cannot be treated as taxable income in the hands of TSBSL at the relevant point in time, more so when such waiver was a sequel to an acquisition under the IBC proceedings.

The Management was studying the impact of the Order and the further course of action and accordingly, this disclosure is being made as of the even date.

The details of the litigation as required under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Annexure enclosed herewith.

This disclosure is being made by the Company in compliance with Regulations 30 and 51 read with Part A, Para B of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

This is for your information and records.

Thanking you.

Encl: Annexure

Annexure

SN	Particulars	Details
		On March 13, 2025 the Company had received a show cause notice seeking further documents on the abovementioned waiver amount for the purpose of

1	Brief details of litigation viz. name(s) of the opposing party, court/ tribunal/ agency where litigation is filed, brief details of dispute/litigation.	<p>reassessment of taxable income for AY 2019-20 by the Assessing Officer, Office of the Deputy Commissioner of Income Tax, Circle 2(3)(1), Mumbai (Assessing Officer).</p> <p>On March 24, 2025, the Company filed a writ petition with the Hon'ble High Court of Bombay, questioning the authority of the Assessing Officer in conducting the reassessment of taxable income for AY 2019-20.</p> <p>Further, the Company has on March 31, 2025 received an Assessment Order (Order) issued by the Assessing Officer, reassessing the taxable income for FY 2018-19 (AY 2019-20) and increasing the taxable income for FY 2018-19 by the amount of debt waived. The Order further provides that the Company is allowed to file necessary documents with the tax authorities for computation of final tax liability in this regard.</p>
2	Expected financial implications, if any, due to compensation, penalty etc./quantum of claims, if any	<p>The Order of the Assessing Officer has increased the taxable income for AY 2019-20 by the amount of debt waived. However, the Order further provides that the Company is allowed to file necessary documents with the tax authorities for computation of final tax liability in this regard.</p> <p>The Company has filed a writ petition before the Hon'ble High Court of Bombay on March 24, 2025 challenging technical infirmities in conducting the reassessment proceedings. The Company, while filing the writ petition before the Hon'ble High Court of Bombay has considered past judicial precedents available on the subject.</p> <p>In addition to its writ petition before the Hon'ble High Court of Bombay, the Company will also seek appropriate legal remedies before relevant judicial/quasi-judicial forums contesting the matter on merits and challenging the contents of the Order passed by the Assessing Officer.</p> <p>The Company has examined the matter and believes that it has a strong case on merits apart from the technical infirmities in the Order for which the Company is already before the Hon'ble High Court of Bombay. The Company believes that in terms of the relevant provisions of the Income Tax Act, 1961, waiver of debt cannot be treated as taxable income in the hands of TSBSL at the relevant point in time, more so when such waiver was a sequel to an acquisition under the IBC proceedings.</p>

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