

## Tata Steel Limited

October 15, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	13,665.00 (Enhanced from 6,165.00)	CARE AA+; Stable	Reaffirmed
Non Convertible Debentures	2,500.00	CARE AA+; Stable	Assigned
Non Convertible Debentures	1,000.00	CARE AA+; Stable	Reaffirmed
Non Convertible Debentures	1,000.00	CARE AA+; Stable	Reaffirmed
Non Convertible Debentures	2,000.00	CARE AA+; Stable	Reaffirmed
Non Convertible Debentures	6,420.00	CARE AA+; Stable	Reaffirmed
Non Convertible Debentures	415.00	CARE AA+; Stable	Reaffirmed
Non Convertible Debentures	5,000.00	CARE AA+; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

The rating reaffirmation for TATA Steel Limited's (TSL's) long-term bank facilities and instruments, positively factors the completion of amalgamation process of nine strategic businesses and also the developments, with respect to its overseas operations. The company has completely shut down the end-of-the-life blast furnaces (BF) in United Kingdom (UK), with the last BF being closed in September 2024. Additionally, TSL has signed grant funding agreement with the UK government in September 2024 for 40% of the project cost for installation of Electric Arc Furnace (EAF) capacity at an estimated cost of £ 1.25 bn (~Rs. 13,700 crores). The rating continues to consider the company's prominent reputation as a legacy steel producer in India, with significant international presence through its operations in the UK, the Netherlands, and Thailand. The ratings also draw comfort from the strong raw material linkages and resilience demonstrated by its Indian operations, across the various stages of the commodity cycle. This apart, the ratings derive significant comfort from the strong parentage of the TATA Group (Tata Sons Private Limited holds ~32% stake in TSL) and its strategic importance by virtue of being the flagship company that manages the group's steel business.

On a consolidated basis, TSL has delivered stable volume growth, with total deliveries of 29.4 million tonnes (MT) for FY24 (FY refers to the period April 01 to March 31), while recording some moderation in blended price realisations. The input prices of iron ore were largely stable during FY24, however, prices of coking coal which is largely imported remained volatile during the same period. The consolidated PBILDT (Profit before interest, lease, depreciation and tax) has come down to Rs. 7,590/tonne in FY24 (vs Rs. 11,219/tonne in FY23), primarily due to one-off operational constraints faced in the Netherlands operations, though Tata Steel India operations recorded an improvement from Rs. 14,929/tonne in FY23 to Rs. 15,599/tonne in FY24. The domestic profitability margins of TSL have usually fared better as compared to other domestic peers due to its cost-competitiveness in iron ore which is 100 percent sourced from its captive mines.

Furthermore, during H1FY25 (provisional), TSL has delivered consolidated volumes of 14.99 MT as against 14.23 MT in H1FY24. During H1FY25 net sales realizations (NSR's), have moderated in comparison to the average NSR for FY24, the proportionate fall in the key raw material prices has partly off-set the impact of decline in NSR.

<sup>1</sup>Complete definition of ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Limited's publications.

For the European operations (which contribute to more than 35% of the topline), the company has posted a loss of Rs. (-9911)/tonne as compared to PBILDT/tonne of Rs. 5678/tonne for FY23. Though the UK operations were expected to remain weak in FY24, the Netherlands operations have posted higher than anticipated PBILDT loss and cash losses. This has been attributed to the operational constraints with regards to the relining activity of the blast furnace in Netherlands. This activity has been completed in February and the blast furnace has been fully ramped up now. Hence, the company has significantly reduced PBILDT losses for Q4FY24 itself and has turned PBILDT positive from Q1FY25 onwards.

Separately, for the UK operations, the company has closed the coke oven plants and the BF as per plan. However, the downstream operations in UK will continue to remain operational with intermediate slabs/HRC supplied from TSL India/Netherlands and balance externally. The company has recorded exceptional losses of Rs. 7,814 crores on consolidated basis of which major portion is towards restructuring, employee terminations costs, and impairments related to this plant closure in UK. Resultantly, the profit after tax (PAT) was negative at Rs. (-4,910) crores. Tata Steel signed £ 500 million (~Rs. 5500 crores) grant funding agreement with UK govt for 40% of the project cost for installation of EAF capacity with estimated cost of £ 1.25 bn (~Rs. 13,700 crores). TSL management expects planning approvals by November 2024, with view of commencing large scale site work around July 2025. The EAF is expected to be operational within 3 years.

Net debt/PBILDT weakened to 3.55x as on Mar 31, 2024 (vs 2.14x as on Mar 31, 2023). Going ahead, CARE Ratings Limited (CARE Ratings) expects that with optimum utilisation of the Netherlands plant and the rolling business in UK (with fixed conversion margin), the European operations would see positive turnaround with expectations of turning cash positive by FY26. Additionally, the ongoing capacity expansion in Kalinganagar plant from 3 MTPA to 8 MTPA has been completed with commissioning of the added capacity on September 20, 2024. The value-added steel from this plant would help with both the volume growth and margins sustenance going ahead.

The above rating strengths are, however, tempered by the company's presence in a highly cyclical steel industry, forex exposure and commodity pricing risk, and commitments towards various capital-intensive projects. Furthermore, the impact of the Supreme Court judgement upholding the power of the states for levying tax on mining operations also remains a key monitorable, until further clarity for the same emerges, especially with respect to the retrospective tax burden (if any).

### **Rating sensitivities: Factors likely to lead to rating actions**

#### **Positive factors- Factors likely to lead to positive rating action**

- Strong operating performance resulting in profit before interest, lease rentals, depreciation, and taxation (PBILDT) per tonne on a consolidated basis above ₹12,000 on a sustained basis.
- Improvement in consolidated gearing below 0.3x and total debt (TD)-to-PBILDT below 1.50x on a sustained basis.

#### **Negative factors- Factors likely to lead to negative rating action**

- Lower than estimated cash flows, accompanied with sustained debt resulting into deterioration of the net debt/PBILDT beyond 3.0x for FY25 and beyond 2.0x from FY26 onwards.
- Any large debt-funded acquisition or capex activity impacting the capital structure of the company, leading to an overall gearing above 1.5x on sustained basis.

#### **Analytical approach:** Consolidated

There are various entities, having significant operational and financial linkages. All the entities are either operating in the similar line of business or businesses related to the steel sector. There is significant reliance of these entities on the parent and there are business inter-linkages between the parent and subsidiaries. The list of entities has been mentioned below under Annexure-

6. Furthermore, CARE Ratings also factors the support of parent Tata Sons Private Limited (TSPL or Tata Sons) and has accordingly applied its parent notch up framework.

**Outlook: Stable**

The 'Stable' outlook reflects that TSL will continue to improve its position in the domestic steel segment, aided by commissioning of expansionary capex at Kalinganagar and better product mix. With strong cash flow generation capacity, CARE Ratings expects the capex to be mainly funded by the generated cash flow, with no unreasonable stress on the debt profile.

**Detailed description of the key rating drivers:****Key strengths****Experienced management team and strong promoter group:**

TSL is among the leading flagship companies of the conglomerate – the TATA Group. The TATA Group is one of the largest conglomerates in India, comprising over 100 operating companies in key business sectors such as steel, automotive, information technology (IT), engineering, energy, aviation, power, mining, consumer products, chemicals, etc. The TATA Group, through its parent holding company for all group companies – Tata Sons Private Limited, holds 31.76% of the shares of TSL as on March 31, 2024, while the overall promoter group holds 33.19% stake. The operations of TSL are handled by a well-experienced and capable management team headed by TV Narendran (Chief Executive Officer and Managing Director) and Koushik Chatterjee (Executive Director and Chief Financial Officer). By virtue of being part of a large conglomerate, the company enjoys immense financial flexibility and brand reputation in the industry.

**Support from TATA Sons Private Limited**

The ratings further derive support from the strong parentage of the TATA Group (Tata Sons Private Limited holds ~32% stake in TSL) and its strategic importance by virtue of being the flagship company that manages the group's steel business. In addition to the demonstrated support, TSL also benefits from significant managerial and business linkages, given its access to the TATA Group Ecosystem as well as operational linkages and the shared brand name. The chairperson for TSL is Mr. Narayanan Chandrasekaran, who is also the chairperson of TATA Sons.

**Presence across the value chain of steel processing**

TSL, with its subsidiaries placed across steel processing, must end control over its operations, which removes any external uncertainty, leading to better management and control of both, input and output prices. The company has a presence from mining and iron ore processing to production and distribution of finished products. The logistics arm of TSL handles the planning, sourcing, delivery, and logistics of around 100 MT materials, which include raw materials, finished goods, and by-products. All the material movement is managed through 7 ports, 25 stockyards and 36 downstream- Steel Processing Centres.

**Captive mines reducing external dependency for raw material requirements.**

Iron ore and coking coals are the major raw materials for steel processing. The domestic operations of TSL are self-sufficient for its iron ore requirement and around 80% of its coking coal is imported. One of the subsidiaries of TSL acts a procurement arm for the raw material requirements of the entire Tata Steel group, which gives TSL an advantage while negotiating with external suppliers. Instead of procuring in small quantities at different subsidiary levels, TSL has incorporated one single entity, which is solely responsible for the procurement of the entire TSL raw material requirements in bulk.

**Diversified product mix catering to a wide array of geographies and industries:** The product mix of the company includes flat products such as hot-rolled coils, cold-rolled coils, galvanised steel, and long products such as wire rods, rebars, ferro alloys, tubes, bearings, wires, etc, in the steel segment. These products find their utilisation across automotive, construction, industrial engineering, agriculture, and construction. To diversify itself further, the company is actively investing in the research and development (R&D) of new product segments, including composites, graphene, and advanced ceramics. Furthermore, the operations of TSL are spread across more than 50 countries, which will insulate it from any uncertain developments in one region. The company has its manufacturing facilities in India, UK, Netherlands, and Thailand. In India, the Company has operations in Jamshedpur and Gamharia in Jharkhand, and in Kalinganagar and Meramandali in Odisha, with an overall capacity of 21.6 MTPA as on Mar 31, 2024.

### **Consolidated operating profit softened due to Netherland operations, improvement expected in FY25**

Sales volume for the group remained stable at 29.39 MT for the year FY24, however there has been a marginal decline in the production volumes mainly because of ongoing operational work in one of the blast furnace in Netherlands (European operations). Resultantly, PBILDT/tonne has dipped to Rs. 7590 crores in FY24, mainly attributed to the fall in the Netherlands profitability. However, going ahead, the Netherlands plant being fully operational, TSL has been EBITDA positive for Netherlands from Q1FY25 onwards, having already reached breakeven in Q4FY24. The exceptional non-cash items to the tune of Rs. 7741 crores include provision of Rs. 2425 crores towards restructuring and closure costs (including redundancy and employee termination costs) and Rs. 2631 crores towards impairment of heavy-end assets in UK due to winding down.

### **Moderation in financial risk profile**

The debt levels for the company ending March 31, 2024, increased owing to the capex activity in Kalinganagar and the relining activity at the Netherlands plant during FY24. The above factors led to Net debt/PBILDT and TD/gross cash accruals (GCA) of 3.55x (PY: 2.14x) and 7.79x (PY: 3.85x) respectively. With the improvement anticipated in operational profitability with winding down of the loss-making operations, will help in improving profitability significantly from H2FY25 onwards.

### **Completed closure of the loss-making operations in UK**

The European operations of the company are spread across Port Talbot (United Kingdom-UK), and the Netherlands. While global regions like Netherlands and Thailand are operating smoothly with no support requirement from TSL. However, the UK plant has been loss-making historically, and it has continuously required support from TSL (standalone). By September 30, 2024, TSL has winded down the blast furnaces and allied infrastructure due to reaching end of useful life. However, the downstream assets will continue to remain operational churning around 2.8 MTPA of finished steel. The intermediate steel (slabs and hot-rolled coils) required for the downstream operations will be supplied from Netherlands and India plants, while the balance if required to be sourced externally. The company has also planned to invest in Electric Arc Furnace (EAF), which will involve investments of close to Rs. 13,000 crores. The company has signed grants/funding arrangements from the UK government for 40% of the project cost, for making the transition from BF to EAF to aid in decarbonisation.

### **Volume growth to be boosted by completion of Kalinganagar capex**

The management has guided a total capex outlay of ₹16,000 crore for FY25, of which around 75% to be deployed domestically. Of the budgeted ₹27,000 crore project capex (incl. upstream- mining) for the Kalinganagar plant expansion from 3 MTPA to 8 MTPA, the company has incurred completed the capex during H1FY25, with plant being commissioned in September 2024. On a long-term basis, TSL plans to achieve 40 MTPA domestic crude steel capacity by FY30. The company has sufficient land availability for expansion, especially in the Neelachal and Kalinganagar region for any future expansion.

### **Key weaknesses**

**Cyclicality of the steel industry**

The steel industry is sensitive to the shifting business cycles, including changes in the general economy, interest rates, and seasonal changes in the demand and supply conditions in the market. Apart from the demand-side fluctuations, the highly capital-intensive nature of steel projects along with the inordinate delays in the completion hinders the responsiveness of the supply side to demand movements. Furthermore, the producers of steel products are essentially price-takers in the market, which directly expose their cash flows and profitability to the volatility of the steel industry.

**Commodity risks**

Commodities are essential inputs to the manufacturing of steel. These commodities have global supply chains and their prices get significantly impacted by various factors such as geo-political landscape, supply-demand imbalance, weather patterns, policy interventions by governments in key sourcing or consuming countries (especially China), increasing financialization of commodities markets, etc. The changing prices of coal and iron are generally reflected through adjustments in the steel prices, which help in managing long-term price trends. The company also enters long-term contracts with raw material vendors for the bulk of its requirements instead of depending entirely on the spot market. In addition, the company also hedges certain commodities in the derivatives market to address short-term volatility. Risk assessment for key vendors is performed to assess the capability of the vendors in meeting the supply requirements.

**Foreign currency impact**

The company has operations across various geographies. Hence, the foreign currency risk is mitigated to the extent that the cash flows and borrowings are usually in local currency denominations. Also, the forex risk is partly mitigated owing to the linkages of the prices of steel in the international markets with the Dollar movements and its global operations having an exposure in various markets.

**Liquidity: Adequate**

Adequate liquidity characterized by sufficient cushion in accruals and liquid investments vis-à-vis the repayment obligations. The capital expenditure for FY25 is estimated to be around Rs. 16,000 crore and are envisaged to be funded through a mix of internal accruals and external funding. As on March 31, 2024, the company had cash and liquid investments of Rs. 7831 crores while had additional Rs. 22,235 crores of undrawn credit lines. TSL additionally enjoys strong financial flexibility in terms of raising low-cost debt from financial institutions and has demonstrated strong ability in refinancing the non-amortizing debt.

**Assumptions/Covenants** Not applicable

**Environment, social, and governance (ESG) risks**

	<b>Risk factors</b>
<b>Environmental</b>	<p><b>GHG (Greenhouse gases) emissions: High</b> Being a steel manufacturing plant, the power consumption and GHG emissions are generally high. For FY24, CO<sub>2</sub>e/tonne at 2.43 for India, 2.02 for UK, 1.81 for Netherlands are a bit high as compared to the global average. The company has been transitioning to Electric Arc Furnace (EAF) with plans to open multiple such small-scale plants across India with the first of it being planned in Ludhiana, Punjab. BF to EAF transition will help TSL in achieving the decarbonisation goals.</p> <p><b>Energy and water consumption: Moderate</b> Power consumption was moderate with energy intensity at 24.55 GJ/tcs, while specific freshwater consumption at 2.53 cubic metre/tcs. Capital spends on ESG has been Rs. 1568 crores.</p> <p><b>Wastage reduction and recycling: Strong</b> Though the waste generated is 20.8 million metric tonnes, the waste intensity in terms of physical output (metric tonnes/tcs) has been low at 0.7. 11% of the total material used in production is either recycled or reused material. TSL has recycled around 4.3 million tonnes of scrap which includes ~1.8 million tonnes internal scrap and ~2.5 million tonnes external scrap.</p>
<b>Social</b>	<p><b>Safety standards: Adequate</b> Lost-time injury frequency rate has been 0.69x for employees and 0.45x for workers with total 6 fatalities recorded (including workers). Company is certified for ISO 14001 (Environmental Management system) and ISO 45001:2015/OSHAS 18001 (Occupational health and safety).</p> <p><b>Attrition rate: Low</b> Attrition rate low at 3.6% for employees and 2.6% for workers for FY24.</p> <p><b>Gender diversity- Low</b> 9.5% of total employees are women. This is reasonable given that metals and mining sector have had low female participation rate in its workforce. While 2 out of 10 board of directors are women.</p>
<b>Governance</b>	<p><b>Board independency- Adequate representation.</b> 50% of the board consists of independent directors (5 out of 10).</p> <p><b>Participation of board members: Active</b> Attendance rate for all the board of directors has been 100% for FY24.</p> <p><b>Internal financial controls: Adequate</b></p>

### Applicable criteria

[Consolidation](#)  
[Definition of Default](#)  
[Factoring Linkages Parent Sub JV Group](#)  
[Liquidity Analysis of Non-financial sector entities](#)  
[Rating Outlook and Rating Watch](#)  
[Manufacturing Companies](#)  
[Financial Ratios – Non financial Sector](#)  
[Iron & Steel](#)

### About the company and industry

#### Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Commodities	Metals & Mining	Ferrous Metals	Iron & Steel

TATA Steel Limited (hereinafter denoted as 'TSL' or 'The company') is among the leading companies of the diversified conglomerate – the TATA Group. The company was founded by Jamshedji Tata, the founder of the TATA Group. The company was established as India's first integrated steel company, incorporated in 1907. Over the years, it has grown substantially through organic as well as inorganic ways. TSL has a global crude steel capacity of ~35 MTPA, of which 21.6 MTPA is domestic capacity as on Mar 31, 2024. The company has a successful track record of acquisition by Bhushan Steel Limited in FY19, the steel business of Usha Martin Limited during FY20, and Neelanchal Ispat Nigam Limited during FY23.

Consolidated Financials (₹ crore)	FY2023 (A)	FY2024 (A)	Q1FY2025 (UA)
Total operating income	243353	229171	55,031
PBILDT	32300	22306	6954
PAT	8075	-4910	919
Overall gearing (times)	0.99	1.19	-
Interest coverage (times)	5.13	2.97	3.91

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available', Note: Financials have been prepared as per CARE Standards. Na- not available yet.

**Status of non-cooperation with previous CRA:** Not applicable

**Any other information:** Not applicable

**Rating history for last three years:** Please refer Annexure-2

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated:** Annexure-4

**Lender details:** Annexure-5

#### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Debentures-Non Convertible Debentures	INE081A08215	Oct 04, 2016	8.15%	01-Oct-26	1000	CARE AA+; Stable
Debentures-Non Convertible Debentures	INE081A08223	Mar 01, 2019	9.84%	01-Mar-34	4315	CARE AA+; Stable
Non-Convertible Debentures	INE081A08231	Mar 13, 2020	7.70%	13-Mar-25	670	CARE AA+; Stable
Non-Convertible Debentures	INE081A08314	Sept 20, 2022	7.50%	20-Sep-27	500	CARE AA+; Stable
Non-Convertible Debentures	INE081A08322	Sept 20, 2022	7.76%	20-Sep-32	1500	CARE AA+; Stable
Non-Convertible Debentures	INE081A08330	Feb 25, 2023	8.03%	25-Feb-28	2150	CARE AA+; Stable
Non-Convertible Debentures	INE081A08348	Mar 27, 2024	7.79%	26-Mar-27	2700	CARE AA+; Stable
Non-Convertible Debentures	Yet to be placed	Proposed		NA	5500	CARE AA+; Stable

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	March 2035	13349.00	CARE AA+; Stable
Fund-based - LT-Term Loan		Proposed	-	NA	316.00	CARE AA+; Stable

#### Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (07-Jul-21)
2	Bonds-Perpetual Bonds	LT	-	-	-	-	-	1)Withdrawn (07-Jul-21)
3	Bonds-Perpetual Bonds	LT	-	-	-	-	-	1)Withdrawn (07-Jul-21)
4	Debentures-Non Convertible Debentures	LT	1000.00	CARE AA+; Stable	1)CARE AA+; Stable (05-Jul-24)	1)CARE AA+; Stable (07-Jul-23)	1)CARE AA+; Stable (16-Feb-23) 2)CARE AA+; Stable (13-Sep-22) 3)CARE AA+; Stable (06-Jul-22)	1)CARE AA+; Stable (07-Jul-21)
5	Fund-based - LT-Term Loan	LT	-	-	-	-	-	1)Withdrawn (07-Jul-21)
6	Debentures-Non Convertible Debentures	LT	1000.00	CARE AA+; Stable	1)CARE AA+; Stable (05-Jul-24)	1)CARE AA+; Stable (07-Jul-23)	1)CARE AA+; Stable (16-Feb-23)	1)CARE AA+; Stable (07-Jul-21)



Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
							2)CARE AA+; Stable (13-Sep-22) 3)CARE AA+; Stable (06-Jul-22)	
7	Debentures-Non Convertible Debentures	LT	2000.00	CARE AA+; Stable	1)CARE AA+; Stable (05-Jul-24)	1)CARE AA+; Stable (07-Jul-23)	1)CARE AA+; Stable (16-Feb-23) 2)CARE AA+; Stable (13-Sep-22) 3)CARE AA+; Stable (06-Jul-22)	1)CARE AA+; Stable (07-Jul-21)
8	Debentures-Non Convertible Debentures	LT	6420.00	CARE AA+; Stable	1)CARE AA+; Stable (05-Jul-24)	1)CARE AA+; Stable (07-Jul-23)	1)CARE AA+; Stable (16-Feb-23) 2)CARE AA+; Stable (13-Sep-22) 3)CARE AA+; Stable (06-Jul-22)	1)CARE AA+; Stable (07-Jul-21)
9	Debentures-Non Convertible Debentures	LT	415.00	CARE AA+; Stable	1)CARE AA+; Stable	1)CARE AA+; Stable	1)CARE AA+; Stable	-

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
					(05-Jul-24)	(07-Jul-23)	(16-Feb-23) 2)CARE AA+; Stable (13-Sep-22)	
10	Fund-based - LT-Term Loan	LT	13665.00	CARE AA+; Stable	1)CARE AA+; Stable (05-Jul-24)	1)CARE AA+; Stable (07-Jul-23)	1)CARE AA+; Stable (16-Feb-23) 2)CARE AA+; Stable (13-Sep-22)	-
11	Debentures-Non Convertible Debentures	LT	5000.00	CARE AA+; Stable	1)CARE AA+; Stable (05-Jul-24)	1)CARE AA+; Stable (07-Jul-23)	1)CARE AA+; Stable (16-Feb-23)	-
12	Debentures-Non Convertible Debentures	LT	2500.00	CARE AA+; Stable				

LT: Long term; ST: Short term; LT/ST: Long term/Short term

**Annexure-3: Detailed explanation of covenants of the rated instruments/facilities** Not applicable

**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Non Convertible Debentures	Simple
2	Fund-based - LT-Term Loan	Simple

**Annexure-5: Lender details**

To view the lender wise details of bank facilities please [click here](#)

**Annexure-6: List of all the entities consolidated**

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	<b>ABJA Investment Co. Pte. Ltd.</b>	Full consolidation	Operational, financial and management linkages among the subsidiaries
2	<b>The Indian Steel &amp; Wire Products Ltd\$</b>	Full consolidation	
3	<b>Tata Steel Utilities and Infrastructure Services Limited</b>	Full consolidation	
	Haldia Water Management Limited	Full consolidation	
	Tata Steel Business Delivery Centre Ltd	Full consolidation	
	Tata Steel Special Economic Zone Limited	Full consolidation	
	The Tata Pigments Limited	Full consolidation	
	Adityapur Toll Bridge Company Limited	Full consolidation	
4	<b>Mohar Export Services Pvt. Ltd</b>	Full consolidation	
5	<b>Rujuvalika Investments Limited</b>	Full consolidation	
6	<b>Tata Korf Engineering Services Ltd</b>	Full consolidation	
7	<b>Neelachal Ispat Nigam Limited</b>	Full consolidation	
8	<b>T Steel Holdings Pte. Ltd.</b>	Full consolidation	
	T S Global Holdings Pte Ltd.#	Full consolidation	
9	<b>Tata Steel Downstream Products Limited</b>	Full consolidation	
10	<b>Tata Steel Advanced Materials Limited</b>	Full consolidation	
	Ceramat Private Limited	Full consolidation	
	Tata Steel TABB Limited	Full consolidation	
11	<b>Tayo Rolls Limited~</b>	Full consolidation	
12	<b>Tata Steel Foundation</b>	Full consolidation	
13	<b>Jamshedpur Football and Sporting Private Limited</b>	Full consolidation	
14	<b>Bhubaneshwar Power Private Limited\$</b>	Full consolidation	
15	<b>Angul Energy Limited\$</b>	Full consolidation	
16	<b>Tata Steel Support Services Limited</b>	Full consolidation	
17	<b>Bhushan Steel (South) Ltd.</b>	Full consolidation	
18	<b>Tata Steel Technical Services Limited</b>	Full consolidation	
19	<b>Bhushan Steel (Australia) PTY Ltd.</b>	Full consolidation	
	Bowen Energy PTY Ltd.	Full consolidation	
	Bowen Coal PTY Ltd.	Full consolidation	
20	<b>Creative Port Development Private Limited</b>	Full consolidation	
	Subarnarekha Port Private Limited	Full consolidation	
21	<b>Medica TS Hospital Pvt. Ltd.</b>	Full consolidation	

Note: Bold represents the direct subsidiaries, while non-bold are indirect subsidiaries

Notations:

\* Under Liquidation, \$ Under Amalgamation, @ Under Strike off, ~Under IRP, ^Limited Liability Partnership without Share Capital  
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), do not carry any voting rights.

Sr No	# Entities under T S Global Holdings Pte Ltd.	Extent of consolidation	Rationale for consolidation
1	<b>Orchid Netherlands (No.1) B.V.</b>	Full consolidation	Operational, financial and management linkages among the subsidiaries
2	<b>The Siam Industrial Wire Company Ltd.</b>	Full consolidation	
	TSN Wires Co., Ltd.	Full consolidation	
3	<b>Tata Steel Europe Limited</b>	Full consolidation	
	Apollo Metals Limited	Full consolidation	
	00030048 Limited ( <i>Formerly British Steel Corporation Limited</i> ) *	Full consolidation	
	C V Benine^	Full consolidation	
	Catnic GmbH	Full consolidation	
	Tata Steel Mexico SA de CV	Full consolidation	
	Cogent Power Limited	Full consolidation	
	Corbeil Les Rives SCI	Full consolidation	
	Corby (Northants) & District Water Company Limited	Full consolidation	
	Corus CNBV Investments	Full consolidation	
	Corus Engineering Steels (UK) Limited	Full consolidation	
	Corus Engineering Steels Limited	Full consolidation	
	Corus Group Limited	Full consolidation	
	Corus Holdings Limited	Full consolidation	
	Corus International (Overseas Holdings) Limited	Full consolidation	
	Corus International Limited	Full consolidation	
	Corus International Romania SRL.	Full consolidation	
	Corus Ireland Limited	Full consolidation	
	Corus Property	Full consolidation	
	Corus UK Healthcare Trustee Limited	Full consolidation	
	Crucible Insurance Company Limited	Full consolidation	
	Degels GmbH	Full consolidation	
	Demka B.V.	Full consolidation	
	00026466 Limited ( <i>Formerly known as Firsteel Group Limited</i> )*	Full consolidation	
	Fischer Profil GmbH	Full consolidation	
	Gamble Simms Metals Limited	Full consolidation	
	Grijze Poort B.V.	Full consolidation	
	H E Samson Limited	Full consolidation	
	Hadfields Holdings Limited	Full consolidation	
	Halmstad Steel Service Centre AB	Full consolidation	
	Hille & Muller GmbH	Full consolidation	
	Hille & Muller USA Inc.	Full consolidation	
	Hoogovens USA Inc.	Full consolidation	
	Huizenbezit "Breesaap" B.V.	Full consolidation	
	Layde Steel S.L.	Full consolidation	
	Montana Bausysteme AG	Full consolidation	
	Naantali Steel Service Centre OY	Full consolidation	
	Norsk Stal Tynnplater AS	Full consolidation	
	Norsk Stal Tynnplater AB	Full consolidation	
	Oremco Inc.	Full consolidation	
	Rafferty-Brown Steel Co Inc Of Conn.	Full consolidation	

Sr No	# Entities under T S Global Holdings Pte Ltd.	Extent of consolidation	Rationale for consolidation
	S A B Profil B.V.	Full consolidation	
	S A B Profil GmbH	Full consolidation	
	Service Center Gelsenkirchen GmbH	Full consolidation	
	Service Centre Maastricht B.V.	Full consolidation	
	Societe Europeenne De Galvanisation (Segal) Sa	Full consolidation	
	Surahammar Bruks AB	Full consolidation	
	Tata Steel Belgium Packaging Steels N.V.	Full consolidation	
	Tata Steel Belgium Services N.V.	Full consolidation	
	Tata Steel France Holdings SAS	Full consolidation	
	Tata Steel Germany GmbH	Full consolidation	
	Tata Steel IJmuiden BV	Full consolidation	
	Tata Steel International (Americas) Holdings Inc	Full consolidation	
	Tata Steel International (Americas) Inc	Full consolidation	
	Tata Steel International (Czech Republic) S.R.O	Full consolidation	
	Tata Steel International (France) SAS	Full consolidation	
	Tata Steel International (Germany) GmbH	Full consolidation	
	Tata Steel International (South America) Representações LTDA	Full consolidation	
	Tata Steel International (Italia) SRL	Full consolidation	
	Tata Steel International (Middle East) FZE	Full consolidation	
	Tata Steel International (Nigeria) Limited	Full consolidation	
	Tata Steel International (Poland) sp Zoo	Full consolidation	
	Tata Steel International (Sweden) AB	Full consolidation	
	Tata Steel International (India) Limited	Full consolidation	
	Tata Steel International Iberica SA	Full consolidation	
	Tata Steel Istanbul Metal Sanayi ve Ticaret AS	Full consolidation	
	Tata Steel Maubeuge SAS	Full consolidation	
	Tata Steel Nederland BV	Full consolidation	
	Tata Steel Nederland Consulting & Technical Services BV	Full consolidation	
	Tata Steel Nederland Services BV	Full consolidation	
	Tata Steel Nederland Technology BV	Full consolidation	
	Tata Steel Nederland Tubes BV	Full consolidation	
	Tata Steel Netherlands Holdings B.V.	Full consolidation	
	Tata Steel Norway Byggsystemer A/S	Full consolidation	
	Tata Steel UK Consulting Limited	Full consolidation	
	Tata Steel UK Limited	Full consolidation	
	Tata Steel USA Inc.	Full consolidation	
	The Newport And South Wales Tube Company Limited	Full consolidation	
	Thomas Processing Company	Full consolidation	
	Thomas Steel Strip Corp.	Full consolidation	
	TS South Africa Sales Office Proprietary Limited	Full consolidation	
	UK Steel Enterprise Limited	Full consolidation	
	Unitol SAS	Full consolidation	
	Fischer Profil Produktions -und-Vertriebs - GmbH	Full consolidation	
4	<b>AI Rimal Mining LLC</b>	Full consolidation	

Sr No	# Entities under T S Global Holdings Pte Ltd.	Extent of consolidation	Rationale for consolidation
5	<b>TSMUK Limited</b>	Full consolidation	
	T S Canada Capital Ltd	Full consolidation	
	Tata Steel Minerals Canada Limited	Full consolidation	
6	<b>Tata Steel (Thailand) Public Company Limited</b>	Full consolidation	
	Tata Steel Manufacturing (Thailand) Public Company Limited	Full consolidation	
	The Siam Construction Steel Company Limited*	Full consolidation	
	The Siam Iron and Steel (2001) Company Limited*	Full consolidation	
7	<b>T S Global Procurement Company Pte. Ltd.</b>	Full consolidation	
	Tata Steel International (Shanghai) Ltd.	Full consolidation	

**Note on the complexity levels of the rated instruments:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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