TSIL/SE/2018-19/18

August 18, 2018

The Secretary, Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.
Maharashtra, India.

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

Dear Sir/ Madam,

Sub: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref: - Our Letter Ref. No. TSIL/SE/2018-19/15, dated July 20, 2018

Please refer to the disclosure made to the Stock Exchanges by the Company vide letter ref. no. TSIL/SE/2018-19/15, dated July 20, 2018, on the captioned subject.

Further, with respect to the Resolutions No. 6, 7, and 8, pertaining to Material Related Party Transactions, which were not passed with requisite majority at the 35th Annual General Meeting held on 18th July, 2018, we wish to state as follows:

1. **Resolution No. 6 – Material Related Party Transactions with Tata Steel Limited ("TSL") – Purchase of iron ore from TSL and Sale of power to TSL.**

   The Company has made alternative arrangements to purchase iron ore from other suppliers and as such there is no impact in the production of "Sponge Iron" due to unavailability of iron ore. However, the impact on the raw material cost, would be to the extent of differential price of iron ore purchased from others suppliers on spot basis and the varied consumption norms on account of quality. Also, currently the Company is selling the "Power" to the "Power Exchange" on spot basis, the net realization per unit is lower than the net realization per unit of power sold to Tata Steel Limited.

2. **Resolution No. 7 – Material Related Party Transactions with Tata International Singapore PTE Ltd. ("TISPL") – Purchase of Coal**

   There is no material impact on the operations as the Company has sufficient inventory of Coal to run its operations for about three months.

3. **Resolution No. 8 – Material Related Party Transactions with Tata International Limited ("TIL") – Sale of Sponge Iron through TIL to Nepal and Bangladesh and other Countries.**

   There is no material impact, as the Company is able to sell its entire product in the domestic market, at similar net realization.

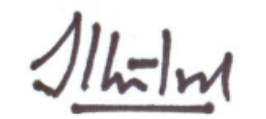
While the impact in the near term may not be significant, however the full year profitability could be affected and hence once again the shareholders' approval is sought on all the above mentioned material related party transactions (i.e. with Tata Steel Limited, Tata International Singapore PTE Ltd. and Tata International Limited), through "Postal Ballot".

A copy of the said Notice of Postal Ballot has already been submitted to the Stock Exchanges on 16th August, 2018 and is also available on the website of the Company i.e. www.tatasponge.com.

This is for your information and record.

Yours faithfully,

For **Tata Sponge Iron Limited**



Sanjay Kasture
Chief Risk & Compliance Officer
and Company Secretary