



December 20, 2018

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

Symbol: TATASPONGE

Dear Sir/ Madam,

Sub: **Clarification**

This is with reference to the e-mail received from the National Stock Exchange of India Limited dated December 14, 2018 (the “**E-mail**”), pertaining to the disclosure made by the Company on December 7, 2018 (the “**Disclosure**”), under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “**Listing Regulations**”).

At the outset, we wish to clarify that the aforesaid Disclosure does not pertain to any addition to the installed capacity at the Company’s manufacturing facility, which continues to remain 390,000 MTPA of sponge iron/DRI. In light of the foregoing, we submit that a requirement to provide the additional information with respect to “*capacity addition*” in terms of paragraph 3.1 of SEBI’s circular no. CIR/CFD/CMD/4/2015 dated September 9, 2015, as sought by way of e-mail, does not arise.

Further, as you will note, the Disclosure pertains to the fact that Ministry of Environment, Forest and Climate Change, Government of India has accorded environmental clearance to the Company. The aforesaid environmental clearance would enable the Company to undertake the production of sponge iron/DRI in excess of its current installed capacity, which the Company expects to achieve through research and development as well as process optimization. Accordingly, the receipt of the environment clearance, being in the nature of material information in terms of Regulation 30 of the Listing Regulations, has been disseminated *vide* the Disclosure.

In view of the above, we would like to clarify the following:

1. **Rationale:** Not Applicable / Please refer the above paragraph.
2. **Mode of financing:** Not Applicable.
3. **Investment required:** Not Applicable
4. **Period within which the proposed capacity is to be added:** Not Applicable.
5. **Proposed capacity utilisation:** Not Applicable
6. **Existing capacity utilisation:** 107% during the financial year 2017-18.
7. **Existing capacity:** 3,90,000 TPA.

We trust this clarifies the matter. Please let us know if you need any additional clarifications in this regard.

Thanking you,

Yours faithfully,

For Tata Sponge Iron Limited

Sanjay Kasture
Chief Risk & Compliance Officer
and Company Secretary

TATA Sponge Iron Limited

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