

Annexure 1 to Board's Report

Annual Report on CSR Activities

[Pursuant to Section 135 of the Companies Act, 2013 ('the Act') & Rules made thereunder]

1. Brief outline on CSR Policy of the Company:

Tata Chemicals Limited ('the Company') is committed to upholding the highest standards of Corporate Social Responsibility ('CSR'). The Company endorses the Tata Group's purpose of improving the quality of life of the communities it serves through long-term stakeholder value creation. The Company believes in positively impacting the environment and supporting the communities it operates in, and its objectives are aligned to United Nations Sustainable Development Goals (UN SDGs), focusing on sustainability of its programmes and empowerment of its communities.

The Company has framed a CSR Policy in compliance with the provisions of the Act, as amended, which is available on the Company's website at <https://www.tatachemicals.com/CSRPolicy2021.htm>.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. S. Padmanabhan (Chairman)	Non-Executive Non-Independent Director	3	3
2.	Dr. C. V. Natraj	Independent Director	3	3
3.	Mr. R. Mukundan	Managing Director and CEO	3	3

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.

<https://www.tatachemicals.com/CSR.htm>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

The Company conducts impact assessment of the eligible projects upon their completion in terms of the main rules, as amended.

During the year under review, the Company carried out an impact assessment of seven CSR projects that were implemented between FY 2020 – 21 and FY 2022 – 23 mainly through the implementing agency - Tata Chemicals Society for Rural Development (TCSRSD). The CSR projects of the Company during this time frame were focused on Agriculture and Livestock Management, Handicrafts and Cluster Development, Natural Resources Management and Environment Conservation, Health Care, Nutrition, Safe Drinking Water and Sanitation, Education, Skill Development and Women Empowerment. These interventions were largely carried out in the Okhamandal Block of Devbhoomi Dwarka District (Gujarat) and in some areas of Cuddalore District (Tamil Nadu) and Mambattu area of Tirupati District (Andhra Pradesh). These projects were under 4 thematic areas - Building Economic Capital, Ensuring Environmental Integrity, Enablers for Sustainable Development and Building Social Capital. The assessment was carried out by an independent agency - NuSocia (IN2X Sustainability Advisors Private Limited). A total of 3 Lakh + beneficiaries were positively impacted by these projects over 3 years from FY 2020–21 to FY 2022-23. The Impact Assessment Report of the study undertaken is uploaded on the website at: <https://www.tatachemicals.com/investors/investor-resources>.

Summary of the assessment report is as under:

I. Building Economic Capital

The initiatives under this are dedicated to fostering livelihood opportunities and improving the standard of living for rural households involved in farm and non-farm activities. The theme directly caters to SDG 1: No Poverty & SDG 2: Zero Hunger.

The project invested in capacity building of 1,292 farmers from more than 40 villages and introduced better agri practices, crop diversity, and water management practices, which resulted in an estimated additional income generation of 30-40% and improved family annual income. Additionally, the livestock interventions resulted in improved milk production (4-5%) and quality, with a reduction in cattle mortality and improvement in the breed variety, which will impact further with coming generations of offspring.

Non-farm based activities focused in the sectors of handicrafts, handloom weaving and entrepreneurship. The Okhai initiative and Cluster development had a transformative impact on women artisans in Gujarat and other parts of the country, empowering them socially and economically with artisans earning monthly incomes ranging from ₹ 5,000 to ₹ 15,000. One of the key achievements of the initiative has been the positive response from family members, who actively support women's involvement in livelihood activities. This support has increased women's autonomy in decision-making within their households.

II. Ensuring Environmental Integrity

The projects under environmental integrity aimed to address several key issues in the area, including environmental degradation following the 2006 tsunami, low coral reef cover at 12%, unintentional deaths of whale sharks, and enhancing awareness, sensitivity, and livelihoods of the local fishing community through several interventions. The interventions directly align to SDG 13: Climate Action, SDG 14: Life Below Water, SDG 15: Life on Land and SDG 7: Clean Energy.

The project facilitated the planting of 1,25,000 mangroves across 50 acres of land near Rukmini Temple Creek in Dwarka, expanded coral reef coverage by 1,701 square meters in Mithapur reef, engaged 10,000 fishermen in Veraval area for raising awareness to protect Whale Sharks and 25,000 school children in raising awareness about the importance of environment conservation. Along with this, intervention towards water conservation through Jal Dhan programs under which 444 small (farm ponds) and medium (community ponds & watershed) were constructed over 3 years. This has enabled farmers to take up multiple crops in a year, provided for the drinking water needs of humans and animals and helped in microclimatic conditions to positively impact the local environment.

III. Enablers for Sustainable Development

The Enablers for Sustainable Development highlights the interventions under themes of Health, Education, and Skill Development across multiple locations in Gujarat, Andhra Pradesh and Tamil Nadu. The interventions cater to SDG 3: Good Health & Wellbeing, SDG 4: Education, SDG 6: Clean Water & Sanitation and SDG 8: Decent Work & Economic Growth.

Within the Health initiative, a mobile medical van has been launched to address healthcare gaps in 22 villages of the Okhamandal block. This van reached an average of 50,000 people during the three years, offering crucial services like outpatient care, maternal and child health services, screenings, medical camps, and referrals to Mithapur PHC for hospital admissions.

Under Education initiative, tailored scholarships, village learning centres offering specialized tuition, and teacher training programs have provided enhanced learning opportunities. A total of 1,567 scholarships were distributed in the 3 years across the various scholarship initiatives, amounting to ₹ 49.84 lakh.

The Learning & Migration Program covered 8 districts of Gujarat, across 154 villages and schools. Subsequently, there was an expansion to 161 villages and 169 schools in 2022-23, indicating an increasing reach and engagement with communities over time. The students hail from Schedule Castes and Schedule Tribes, majorly from ST categories reflecting the efforts of the program towards historically disadvantaged groups and underscores the importance of addressing educational disparities among these communities.

In states like Gujarat, Tamil Nadu, Andhra Pradesh, Maharashtra, West Bengal, and Uttar Pradesh, diverse skill development courses were offered to meet current and future demands. These programs are delivered through its skill development centre in Mithapur, Gujarat, established in 2014, and in collaboration with institutions like Tata Strive, L&T Construction Training Institute, and Industrial Training Institutes (ITIs). The project has successfully achieved its goal of equipping youth across different regions with employable skills and facilitating their placement in various job opportunities. The Company's placement rate was ~65% during the three years.

Drinking Water & Sanitation initiatives encompassed a range of interventions aimed at improving water quality, increasing access to potable water sources and promoting sanitation practices within the community. The project successfully provided year-round safe drinking water to over 1,432 households via piped connections, supported 105 families with Roof Rainwater Harvesting systems and facilitated toilet construction for 154 families.

IV. Building Social Capital

Building Social Capital theme was focused on women empowerment interventions through Self Help Group (SHG) formations strategically designed to bolster women's confidence, develop their capabilities, instil financial literacy, promote savings and facilitate additional income generation opportunities. The theme aligns to SDG 5: Gender equality and SDG 10: Reduced inequality.

The initiatives reached over 3,010 women across 236 SHGs in 37 villages till 2023. TCSR provided 2,975 capacity-building trainings, offered social security schemes to 978 women and involved 620

women through the Hun Pan Digital initiative. Collectively, the women have saved ₹ 202.67 lakh from 2020-21 to 2022-23. Participation in the SHGs allowed women to break out of their comfort zones, acquire new skills and achieve independence. Engaging in economic activities and savings led to greater involvement of women in family decision-making processes and contributed to enhanced financial stability for their families. The assessment unequivocally affirmed the successful realization of these objectives through forming SHG groups and establishing several small enterprises, with the women wholeheartedly expressing satisfaction with the project interventions.

5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹ 860.04 crore for the preceding three financial years
- (b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ 17.20 crore
- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: N.A.
- (d) Amount required to be set-off for the financial year, if any: NIL
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 17.20 crore
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 17.35 crore
- (b) Amount spent in Administrative Overheads: ₹ 0.10 crore
- (c) Amount spent on Impact Assessment, if applicable: ₹ 0.48 crore
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 17.94 crore
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹ crore)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
17.94	NOT APPLICABLE				

- (f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹ crore)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	17.20
(ii)	Total amount spent for the Financial Year	17.94
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.74
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	N.A.
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.74

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-Section (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-Section (6) of Section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-Section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		

NOT APPLICABLE

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/acquired: Not applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered Address

NOT APPLICABLE

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram Panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per sub-section (5) of Section 135:

Not Applicable

R. Mukundan
Managing Director & CEO
DIN: 00778253

S. Padmanabhan
Chairman-CSR Committee
DIN: 00306299

Mumbai, April 29, 2024

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